2011-2014 STRATEGY

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Speakers:

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Paolo Scaroni

Good afternoon ladies and gentlemen, and welcome to our presentation.

The main theme of today will be upstream growth. Our E&P division has a strong pipeline of attractive projects and a diversified resource base – including new countries and plays we have entered in 2010 – with additional upside from the strategic position we are building in shale gas.

While E&P is Eni's main growth engine, all of our other businesses will improve their results over the next four years. We will highlight in G&P both the short-term trading issues and the mid-term recovery opportunities, and in R&M the work we are doing to bring this business back to profit.

We will also take you through our main subsidiaries, and the key ways in which they will generate value over the plan.

But before we go into our four year strategy and targets, let me give you an update on our operations in Libya.

In this situation of confused conflict, the safety of our people is our priority: we have repatriated almost all our expatriates, and a significant proportion of our Libyan staff has taken leave.
As a result, production has been suspended at our offshore gas facilities, which were feeding the export market, and the Greenstream pipeline connecting Libya to Italy has been temporarily shut. Production has also been suspended from the Bu Attifel oil field, owing to insufficient staffing levels.

This means that today we are producing at around a third of our capacity in the country, mainly gas for domestic power generation.
Our assets have suffered no damage and we are technically able to resume production once the situation stabilises.

While the duration of this conflict remains uncertain, our long history of operations in Libya and the importance of the energy industry to all its people lead us to work on the assumption that the disruption will be temporary.

On this assumption, we do not expect impacts to our longer-term production profile: we have limited investments planned in Libya over the course of the next two years, and no major project start-up within the four-year plan period.

While the disruption is ongoing, however, it will affect our business in Libya:
For E&P, each day in which production remains at current levels will cause a 500 boe/d reduction in full-year average daily production. For example, this means that should we produce at this level for 100 days, we would lose about 50.000 boe/d on average daily production for the full year. On the other hand, the uncertainty in North Africa and the suspension of Libyan exports is supporting higher oil prices. We estimate that the North African situation adds around $15 to oil prices.

Turning now to G&P, the suspension of Libyan gas exports will impact 2011 ebitda, which was expected to be broadly in line with 2010. While we are able to fulfill all our contractual obligations through higher withdrawals from alternative sources, the Libyan contract had been recently renegotiated, making gas from this source relatively competitive. However, the higher withdrawals from alternative contracts will further reduce take or pay pre-payments, with a positive impact on cashflow.
If we look at the overall impact on Eni profits and cashflows, we see the positive effect of higher oil prices and lower take or pay more than offsetting the lower E&P production and lower margins in G&P.

Let me now take you through our strategy and targets for each division.

In E&P, we are targeting average annual production growth of over 3% for the plan period.

Our target is underpinned by the sustainability of our current production: we have one of the lowest decline rates in the industry at 3% a year.

We will build on this base through our strong pipeline of project start-ups and ramp ups. In 2010 we have made significant progress in four key areas, Iraq, Venezuela, Angola and Russia, improving the visibility of our growth profile.

Our new production will be increasingly diversified, with strong contributions from giant projects in Venezuela, new frontier fields in the Arctic and in Russia and conventional projects in Subsaharan Africa and Italy.

80% of our new production in 2014 will come from giant projects, which provide long plateau volumes and cashflows, ensuring the sustainability of our growth beyond the plan period.

Our focus on conventional oil, legacy areas and giant fields will enable us to maintain some of the lowest operating costs in the industry.
This, coupled with our continuous efforts to improve the time to market of our new discoveries will ensure high returns. Excluding Kashagan, the average internal rate of return for new projects is over 20% at our price deck of $70.

As well as our low decline rate and the long plateaus from giant projects, our longer-term growth will be supported by major start-ups and the new countries and plays we have secured access to over the last couple of years.

In Venezuela, our two giant projects - which will start early production in 2013 - will subsequently enter a second phase of development, reaching a long-term plateau of 170 boe/d.

Meanwhile, we will also execute giant start-ups in Russia, where we have 2.5bn boe of resources. Following the start-up of Samburgskoye in 2012, four more giants – Yaro, Urengoskoye, Yevo and Severo – will contribute 120k boed of production by 2018.

In terms of new countries and plays, we are particularly interested in three main themes.

The first is Africa, our legacy area, in which we have some promising new prospects in Ghana, Togo, Gabon and in the Democratic Republic of Congo. I would describe as more than promising our block off the coast of Mozambique.

The second theme is the Pacific region, which is both rich in terms of resources and provides a stronger gas market. Here we have several initiatives, such as the first coal bed methane to LNG project in the world, in Indonesia, and the MoU we have recently signed with Petrochina, which opens new opportunities in terms of Chinese gas shales.

Shale gas is a theme we are interested in more generally. We see the shale gas revolution, which has changed the shape of the global gas market, as an opportunity for our upstream division. Leveraging on the competences acquired with Quicksilver in the US, we are working on prospects in China, North Africa and Eastern Europe.

While the shale gas revolution provides upstream opportunities, it is also causing challenges for our G&P business, with oversupply driving the price of spot gas below oil linked contract prices.

This challenging market environment affects only a portion of our G&P business: around 50% of our ebitda comes from infrastructure-based businesses, which provide stable returns regardless of the market context, while a further 20% comes from activities which are only marginally affected by the scenario, including international distribution and captive power generation.

The remaining 30% - which is our pure merchant gas business - is of course exposed to market conditions. For this segment, looking ahead at the next 24 months we see gradual improvements in the scenario.
Demand will continue to recover, partially absorbing oversupply.
Meanwhile, the price of our long-term oil-linked contracts will be lowered through ongoing contract renegotiations.
As a result of these two trends, the differential between spot gas prices and our oil-linked contracts will progressively decrease.
We will leverage on our more competitive position to recover volumes and market share in Italy, and continue our international growth.
Excluding the impact of Libya, this strategy will enable us to preserve 2010 ebitda in what continue to be difficult market conditions, and will put us in a great position to benefit from the market's expected recovery.

Looking further ahead, to 2014 and beyond, our view of the European gas market is very positive. European demand will recover to pre-crisis levels and then continue to grow, driven by power generation. Gas is the cleanest fossil fuel and the best way we currently have of combining economic development and meeting the EU's CO2 reduction targets.
At the same time, European domestic gas production will continue to decline, by around 4% a year.
Meanwhile, we see limited new LNG capacity coming onstream in the Atlantic basin between 2012 and 2014.
The combination of these trends will rebalance the European market by the end of the plan period.

In a normalised market, our consolidated position in Europe and our diversified supply portfolio will again become competitive edges, and we will return to pre-crisis levels of profitability also thanks to the solid performance of our regulated businesses. Our target for 2014 is €4.2bn of ebitda, in line with 2009 considering the €200mln impact of the forced sale of some international pipelines.
Looking beyond the plan period, we expect the European market to tighten further, requiring additional imports to meet demand. And Europe will have to compete globally for this additional gas : fast growing countries like China and India and gas producing countries themselves are expected to increase domestic consumption to sustain economic development.

Turning now to R&M, our refining business has suffered in the last two years from depressed refining margins and a reduction of the spread between heavy and light crudes.

We expect the scenario in Europe to show only limited improvements: demand for oil products will stagnate, and while we see some capacity reduction, refining margins are likely to remain well below historical levels.

Our strategy is fully based on self-help. In particular, we are focusing on efficiency, for which there is still ample scope. We have doubled our plan target for cost savings to €200m.

On top of that, we are working to support margins through:

- greater supply flexibility, to take advantage of opportunities in the pricing of different crudes;
- the integration of our refining system, to decrease supply costs and minimise the production of fuel oil.

We will also improve results in our marketing business over the plan period, leveraging on the rebranding of our network, continuing growth in key European markets and the expansion of non-oil activities.

As a result of all these actions, R&M will go from a €170mln loss in 2010 to a €200mln profit in 2014, even assuming no improvement in the scenario.

Let's now look at our three main subsidiaries, which will continue to create exceptional value.

We are pleased with the performance of Snam, which has delivered a TSR of 18% over the last twelve months. Looking ahead, the regulatory context is now clear. The Italian government has adopted the EU 3rd Directive on Gas in a way which has limited impacts on our structure, and leaves us free to either retain ownership of our stake or sell it. In this, our guiding principle will be shareholder value creation. Meanwhile, we expect Snam to continue to deliver outstanding returns for at least the next couple of years, as the full benefit of merging the regulated businesses comes through.

Saipem, which has delivered a TSR of 48% over the last twelve months, is a core part of our strategy and has material synergies with our upstream. Over the last five years, Saipem has strengthened its position in two important markets: Onshore construction, where the merger with Snamprogetti has created a real powerhouse, and Offshore drilling and construction, with a significant investment programme in new vessels. In a context of rising upstream investments, Saipem's competences, technology and fleet will enable it to enter a new period of growth.

Turning now to Galp, this has been a phenomenal investment. Its value has increased by several times since we bought our stake, and just over the last 12 months it has delivered a TSR of 22%. Having said that holding a co-controlling stake in a listed company does not fit in with our long-term strategy. However, we are not in a rush to dispose of it: Galp gives us exposure to Brazil, the world's new oil frontier, and we expect the company to continue to deliver good returns to shareholders.

And now, before I hand you over to Claudio - who will take you through the E&P targets - I would like to introduce Angelo Fanelli, who became our head of R&M last year and whom most of you have not yet met. And now over to Claudio.

Claudio Descalzi

Thank you Paolo,

Good afternoon ladies and gentlemen.

Today I will elaborate on our portfolio of upstream assets and projects, which will deliver accelerating profitable growth in the coming years
In 2010, we have reached several key milestones that add certainty and visibility to our growth profile.

In Iraq, the Zubair project has achieved rapid progress:

- Our production has been 29% over the baseline versus a minimum requirement of 10%,with current production above 270 thousand boed.

In Venezuela, we have laid the foundations for over 170 thousand boed of long-life production:

- In Junin 5, we have incorporated the joint venture with PdVSA and are gearing up initial development activities.
- In Perla, we had an excellent appraisal campaign, increasing gas in place to over 16 trillion cubic feet;

In Angola, we have sanctioned the West Hub development project and we continued the exploration campaign with 5 successful wells in the East of Block 15/06.

During 2010 we further strengthened our resource base through exploration success and acreage in promising basins, such as the Gulf of Guinea.

Our asset base is largely made up of conventional projects: 74% of our assets are located onshore or in shallow water, with a limited exposure (6%) to deepwater.

We are geographically diversified, with balanced exposure to the world's most prolific oil-producing regions.

In 2010, we also achieved a strong reserve replacement ratio of over 120% through fast sanctioning and time to market of new projects.

The achievements we made over the last year underpin production growth of over 3% a year to 2014.

This target is based on our scenario, and includes a contingency and asset rationalizations of 140 thousand boed.

Our production will rapidly accelerate starting from 2012, and we can confirm last year's target of 2million boe/d of production in 2013.

This growth will be entirely organic, based on our low decline rate and solid pipeline of project start-ups.

Over the plan period, we will significantly increase operatorship, which will enable us to control risks, costs, and focus on our giant projects. This will ensure the long term sustainability of our growth.

Our production profile is also resilient to oil price increases: at 100 $/bbl the growth rate will be 2%.

A key pillar of our growth is the sustainability of current production; we confirm our very low decline rate of 3% a year, driven by exposure to giant fields and our focus on production optimisation.

Production optimization activities imply a close and proactive interaction between reservoir management, well design and production facilities management.

Over the next four years, production optimization will account for approximately 20% of our capex (over 7.8 billion €). This will deliver around 220 thousand boe/d of production which otherwise would have been lost through natural depletion.

The main contribution to our growth comes from the strong pipeline of development projects, which will add 630 thousand boe/d to our production by 2014:

- about 70% of this production comes from projects already sanctioned, and
- 20% comes from projects which will be sanctioned by the end of this year.

The 15 major projects listed will account for about two thirds of the new production, and around one third of the 4-year capex plan.

Most of these projects are related to conventional, onshore or shallow water reservoir, and just two projects have exposure to HP/HT wells [Kashagan and Jasmine].

Our project pipeline, which has an average breakeven of 45$/barrel, is geographically diversified, with the main contributions coming from OECD countries and Western Africa.

During the plan period, we have no major start-ups planned in Libya; the temporary suspension of production from this country will not impact our growth to 2014..

Over the 4YP we expect gross operated production to increase from the current 2.8 million boed to 4.4 million boed.

We aim to increase the amount of production we operate because this is a key instrument in controlling costs, maximising asset value and directly managing technical risk.
Operatorship will allow us to deploy our competences and know-how to:

- efficiently manage our reservoir and production operations
- deploy our safety standard and procedures to strictly control the operations execution; and
- apply our unique portfolio of proprietary technology for drilling & completion

To support these challenging objectives, we are:
- intensifying our training and knowledge management programmes
- reinforcing our local technical teams in core disciplines such as HSE, well operations, reservoir and production surface operations.

New production will be increasingly focused on giant projects, which will play an essential role in sustaining growth and value generation both during the plan period and beyond. This is due to their long term production plateau, and synergies and cost efficiencies.

In total, new giant projects will:

- Account for 80% of new production by 2014, and over 3.5 billion boe of 2P reserves, and
- Generate annual operating cash flows in the range of 3 to 4 billion € for more than 10 years based on a 70$/bbl price scenario

Beyond the 4 year plan we will start up several giant projects.

We are working on three developments in Russia, where we have huge unexploited resources, and on significant gas projects in Indonesia – Jangkrik and others in the Kutei Basin.

Our domestic giant in Val D'Agri is also expected to grow its contribution through a second development phase.

Long term growth will also be supported by our solid and balanced exploration portfolio. In the next 4 years we plan to invest 3.6 billion € in exploration, in line with our previous plan, and to drill 238 wells targeting 2.1 billion boe of additional resources
- 70% of spending will be devoted to fast Time to Market exploration, and
- 30% will be invested on high risk / high reward frontier plays.

Specifically for 2011, we plan to drill 67 wells, focusing on:

- "Near Field legacy areas", to extend the plateau of producing fields in Egypt, Pakistan, Nigeria, Congo and Gulf of Mexico.
- "Proven Basin plays" in areas where we have a consolidated presence in West Africa; in Venezuela and in deepwater Gulf of Mexico, and on
    - "Frontier exploration basins", where we expect tangible volumes for future growth, notably:
    - in the Rovuma Basin in Mozambique, in the Transform Margins of Gulf of Guinea, and
    - in the deepwater basins of West Australia and Timor Leste, and
    - in the Barents Sea.

Our long-term growth prospects are also underpinned by the strategic position which are building in unconventional.

In unconventional gas we are working on interesting prospects in the Far East, Eastern Europe and North Africa, areas with large resource bases, profitable gas markets, existing infrastructure and suitable environmental characteristics.

Looking at the Far East :

- in Indonesia, our CBM project will start up in 2012. The project takes advantage of the existing transportation and LNG plant infrastructure.
- in Pakistan we are evaluating a tight gas reservoir with equity resources estimated at over 2 trillion cubic feet. Here as well infrastructure is already in place, and the gas market is profitable and established.
- in China we recently signed an MoU with CNPC/Petrochina, to access the huge shale resources potential which exists in the country.

In Eastern Europe we are making good progress in Poland, a growing market with existing infrastructure. Here we acquired three licences last year, and plan to drill our first wells in 2011.

Total resources related to our unconventional portfolio are estimated in the range of 900 million to 1 billion barrels.
The significant production growth in the 4Y plan and beyond will be fueled by investments of about 39 billion euros.

This represents an increase of 1.6 billion euro compared to the previous plan, which reflects cost inflation in the region of 4 to 5% and new projects in Angola, Indonesia and Italy.

Most of the investments are related to projects already sanctioned, thus reducing cost uncertainties

At our price scenario, capex on new projects has an Internal Rate of Return in excess of 20% and production optimization projects have an Internal Rate of Return above 40% and a fast payback of less than two years.

Reducing the time to market of our projects is one of the key tools to increase the return on our investments.

We have made significant progress on this front.

Out of the 3.1 billion barrels of resources we discovered in the last three years, approximately 50% will be in production in less than four years, which compares positively with the 35% achieved in the previous period.

Our returns will be further driven by our continued focus on cost efficiency.

We have some of the lowest operating costs in the industry, driven by our exposure to conventional assets.

While we follow the general trend of cost increase we will be able to partially offset this through greater deployment of our technology and continuing operational improvement. This will enable us to maintain costs which are among the lowest in the industry.

Increasing efficiency in project sanctioning and accelerated Time to Market greatly improved our F&D performance.

The quality of our assets, low operating costs and competitive breakeven prices of new projects result in industry-leading cash generation per barrel with substantial upside from higher oil prices.

Looking at 2P reserves, the value of our portfolio remains outstanding.
Based on our price deck of 70$, each 2P barrel is worth a weighted average of 7,5$. At 100$ per barrel, this value rises by over 50% to 11,5$.

In conclusion, we will deliver growth and profitability over the plan period and beyond, leveraging on:

- our strong asset base, focused on giant fields and conventional projects.
- our high-visibility development portfolio, mainly based on projects which have already been sanctioned and
- the active management of our assets.

By increasing operatorship we will:

- reduce depletion rates,
- improve cost efficiency and time to market, and
- deploy our competences and technologies to manage technical risks.

Thank you for your attention, I will pass you on to Domenico.

Domenico Dispenza

Thank you Claudio,

Good afternoon ladies and gentlemen.

G&P results in 2010 were affected by a complex market environment, in particular by significant oversupply in Europe.
Looking ahead, we see this oversupply gradually being absorbed, through a combination of different trends.

The first is rapid demand growth in emerging markets, in particular in the Pacific Basin: in 2014, China, India and the Middle East alone will consume over 110 bcm of gas more than today. Japan and Korea will add a further 15bcm to incremental demand.

The second trend is a slowdown in global liquefaction capacity growth. Liquefaction capacity grew by around 110 bcm between 2007 and 2010: over the next four year we see a more moderate growth of less than 50 bcm.

The combination of rapid demand growth outside of Europe and moderate increases in global liquefaction capacity means that over the next four years we see limited new LNG supply to Europe: of the total 50bcm of new liquefaction capacity, we expect only 15 bcm supplying the Atlantic Basin – and potentially some of that LNG may be absorbed by South America.

The third trend is European demand growth, which is projected to add approximately 25bcm to consumption by 2014. This, coupled with the decline in domestic production (~20 bcm), leads us to forecast European import requirements rising by around 45 bcm over the next four years.

To sum up, over the next four years European need for gas imports will grow more than supply. This trend will gradually rebalance the market, leading to a convergence between spot and oil-linked gas prices towards the end of the plan period.

This scenario underpins our target of returning to 2009 profitability levels by the end of the plan period.

While our ebitda in the first part of the plan will remain broadly in line with 2010 levels, by 2014 we could deliver €4.2bn of ebitda, which - taking into account the €200mln impact of the planned sale of our international pipelines – is in line with 2009.

This target is based on continuing strong results from our regulated business, and volume growth and margin improvement in our merchant activities.

In terms of volumes, we will grow sales in our key target markets in Europe and in our domestic Italian market at an average annual rate of 5% between 2010 and 2014. This sales growth will be driven by the increased competitiveness of our offer, leveraging on the ongoing renegotiations with our gas suppliers.

Meanwhile, we will support margins through the development of an integrated gas trading operation, with desks in London, Brussels, Milan and Houston, increased focus on the most valuable market segments such as retail and small businesses, and by delivering cost savings of €100mln.

Let’s look at our European operations more closely.

Over the next four years, we plan to add 8bcm of sales in Europe, primarily in Germany, Austria and France, and maintain our leadership position in Benelux. Our planned sales growth in Europe is in-line with our historical organic growth rate.

We will drive sales to large industrial clients through new customised commercial offers, and by offering a multi-country approach. This strategy will be delivered leveraging on our integrated pan-European commercial platform.

Meanwhile, we will increase the share of small customers in our portfolio, which will provide greater stability and value.

Our activities in Italy present significant recovery potential.

We expect to increase sales by 12bcm to 44 bcm by 2014 through a recovery in market share from the low of 39% in 2010 to 48% at the end of the plan period.

This trend was already visible in our Q4 results, where a more volume-oriented approach led to Italian sales growth of 7% and a 1.5 pp recovery in Italian market share compared to the fourth quarter of the previous year.

In the industrial and powergen sectors, we will grow sales leveraging on the improved competitiveness of our cost base, the reliability of our supply portfolio, especially valuable for powergen customers, and the quality of our commercial offer.

We have also designed new offer structures and customized contracts to meet client needs, and - as well as supplying gas - we offer a wide range of additional technical services, including energy analysis, infra-red thermography and co-generation feasibility studies.

Retail and small business clients are a key target of our commercial activities; we have invested in our customer service operations and aim to position ourselves at the highest level in terms of service quality while further improving operating efficiency to support margins.

Our growth will be fuelled by a selective capital expenditure plan, which amounts to €7.5bn over the four year plan.

Planned capex will be largely focussed on regulated businesses with guaranteed returns; we are planning investments to improve the system's flexibility and also to expand gas storage capacity in Italy by 4bcm.

In the merchant business, we will invest about €1bn, mainly in the power generation sector to increase flexibility and maximise margins.

Beyond the plan period, we are working on a gas storage project in the UK, which will enable us to maximise value from seasonal volatility.

Thank you for your attention. I will now hand you over to Angelo.

Angelo Fanelli

Thank you Domenico,

Good afternoon ladies and gentlemen.

I am very pleased to be here to show you our action plan in refining and marketing, which will shortly return us to profitability.

We expect only limited improvement in the scenario.
European demand will be stable, with decreasing consumption of gasolines offset by growing demand for gasoils.
In terms of capacity, tightening product quality regulations will put the weaker refineries under pressure; a reduction of 1.5 million barrels per day by 2012 has already been announced in Europe.
Despite the expected reduction, however, Europe and the Mediterranean area will remain long.
These drivers underpin a modest recovery in TRC/Brent refining margins, which we expect to reach 4$ a barrel in 2014.
Meanwhile we expect the differentials between light and heavy crudes, as well as between diesel and fuel oil, to re-open, benefiting our complex refining system.

In this scenario, we are committed to recovering profitability.
In refining, we will focus on increasing operational efficiency through energy saving, streamlining logistics and fixed cost reductions. Meanwhile, the integration of our refining system will see the Gela refinery processing revenues from Taranto as feedstock: this will cut our production of low value fuel oil and our supply costs.
We will also benefit from the start-up of our **eni slurry technology** (E-S-T) plant in Sannazzaro, which will enable us to fully exploit our deep conversion proprietary technology.

In marketing, we will continue our network upgrading programme, improving the quality and range of our offer and developing non oil activities under the eni brand.
Overall, we will deliver 200 million euro of additional cost savings by 2014, half of which already in 2011, mainly labour and energy costs.
These actions mean that, even assuming no scenario recovery from 2010, we will reach breakeven this year and grow our ebit to 200mln by 2014.

We plan to invest about 2.9 billion euro, in line with the previous plan, focusing capex on low risk and high return projects.

About 70% percent of the spending is on refining; the main projects are the EST plant in Sannazzaro - which will become a zero fuel oil refinery - and logistic systems.

Marketing accounts for 30% of capex, mainly rebranding and non oil development.

Thank you for your attention.

Sandro will now take you through the financial outlook.

Alessandro Bernini

Thank you Angelo

Today, I will take you through our progress and targets with regards to efficiency.

I will also detail our cash allocation priorities. At our plan scenario of $70/bbl oil, the cashflow generated over the next four years will be sufficient to maintain a strong balance sheet, fund our attractive capex programme, and also to guarantee stable cash returns through our dividend.

Efficiency will continue to be an important part of our strategy.

Since the beginning of the programme, in 2006, we have delivered over 2.4 billion euro in cost savings by streamlining our processes and driving continuous improvement in our operations. Savings achieved in 2010 amounted to over 540 million euros, half of which came from enhanced efficiency at the corporate level.

Our new plan envisages a step-up in our efficiency drive: we are targeting 4.1 billion euro in total savings for the 2006-2014 period. Overall, including the savings achieved since 2004, by the end of the plan period we will have taken 4.4 billion euro of costs out of the business.

This will be achieved through procurement optimization, further streamlining of our logistics and of our Downstream operations as well as increased labour efficiencies.

Maintaining a strong balance sheet is one of our key priorities. Disposals of 2 billion euro expected in 2011 and growing cash flows from operations during the plan period will progressively reduce our net debt to equity ratio to below 40% by 2014.

Meanwhile, our current net financial debt of 26 billion euro is associated with low risk activities.

Around 10 billion euro belong entirely to Snam Rete Gas which has a stable and solid cashflow that covers its investment needs and contributes to lower the risk profile of eni's portfolio.

3 billion euro of consolidated debt are attributable to Saipem, whose major ongoing investment programme, relating to Offshore drilling and construction, will be completed by the end of the year. The cash flows generated by the new vessels, as well as the cash flow expected from the existing backlog, the highest in Saipem's history, will positively contribute to the group's financial position.

Finally, 13 billion euro are attributable to eni and mainly linked to development projects under PSAs that have a safe and quick pay back period.

Our net financial debt of 26 billion is well diversified by source of funding and is characterized by an optimal profile in terms of both composition and duration.
More than 50% of our total net debt has a maturity of more than four years, and bears fixed interest rates.

In 2010 we have successfully placed bonds with an average maturity of over 7 years, which have contributed to widen our investor base and extend the average maturity date of the long term portion of our debt to around 6 years.

Throughout the plan, our target is to maintain the same structure so as to match as much as possible the length of the funding with the timing of development of the most important upstream projects.

Our capex for the 2011-2014 period, though broadly in line with the previous plan, will be even more focussed on E&P, with well over 70% of expenditures dedicated to upstream activities; chief among these will be the development of giant projects such as Zubair, Junin, Perla, Goliat and Kashagan.

Other important investments include the completion of the EST project at the Sannazzaro refinery, that will significantly increase the plant's conversion capacity, and the renewal of Saipem's fleet.

In 2011, capex will be in line with 2010 and will amount to roughly 14 billion euro.

Our dividend policy remains unchanged. We have announced we will propose a full-year dividend of €1 a share for 2010, and will grow this in line with inflation starting in 2011.

Thank you for you attention. I will now hand you over to Paolo for his closing remarks.

Paolo Scaroni

Thank you Sandro.

In summary, we are now entering into a highly productive phase of our growth, and the plan we have outlined today reflects this. Eni will over the next four years deliver value through leveraging the quality, breadth and depth of our asset base, our giant projects, and our integrated business model.

Our E&P division is well-positioned to be the engine of our growth. The investments we have made are entering into production and we will see an acceleration of that growth from 2012 onwards. Confidence in our growth projections is underpinned by the progress we've made on giant projects in Iraq, Venezuela, Angola and Russia.

In G&P, we are taking action to tackle the tough market environment and are well-placed to benefit from a recovery in the medium term. We have a very positive view of the European gas market in the longer term and believe our infrastructure-based businesses and consolidated position will continue to deliver solid and stable profits.

So, to conclude, Eni is now entering a new phase of growth. The investments we have made are set to deliver industry-leading E&P production growth over the next four years. This highly attractive E&P portfolio, coupled with our leadership in the European gas market, positions us well for the challenges and opportunities we will face in the global energy market over the next four years.

Thank you for your attention. I will now ask Camilla to moderate the Q&A session.