

eni



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# Eni's Strategy: Unchanged Direction

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Operational Efficiency

**Delivering industry-leading growth  
across all sectors**

**Preserving resilient and  
sustainable long-term value**

Solid Capital Structure

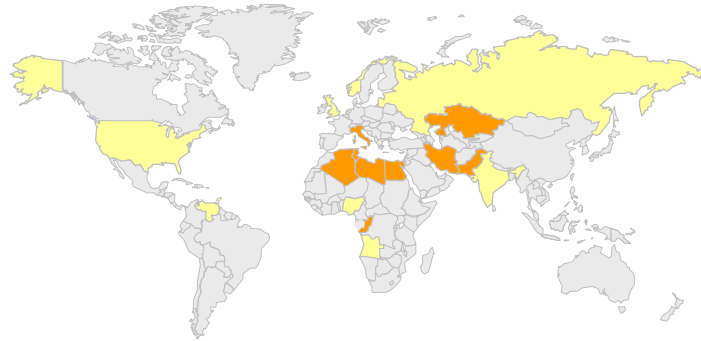


# Eni: Ideally Positioned to Cope with Industry Challenges

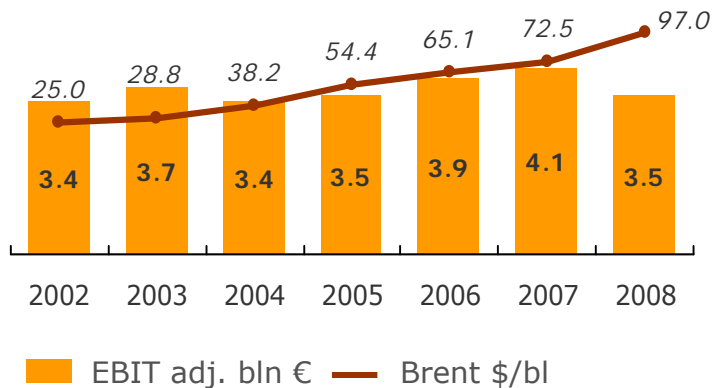
## E&P Low-cost portfolio

Leading lifting costs of 7.5 \$/bl

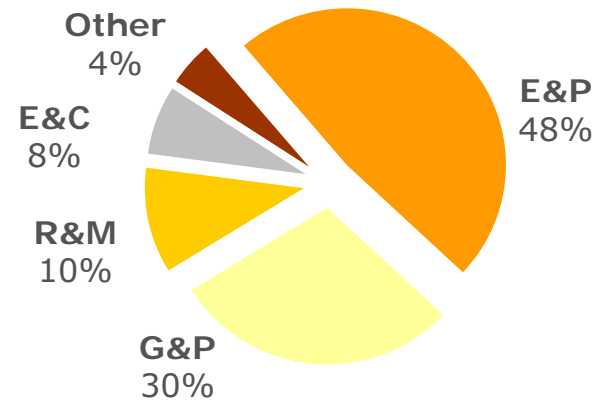
- Top producer
- Leading Player



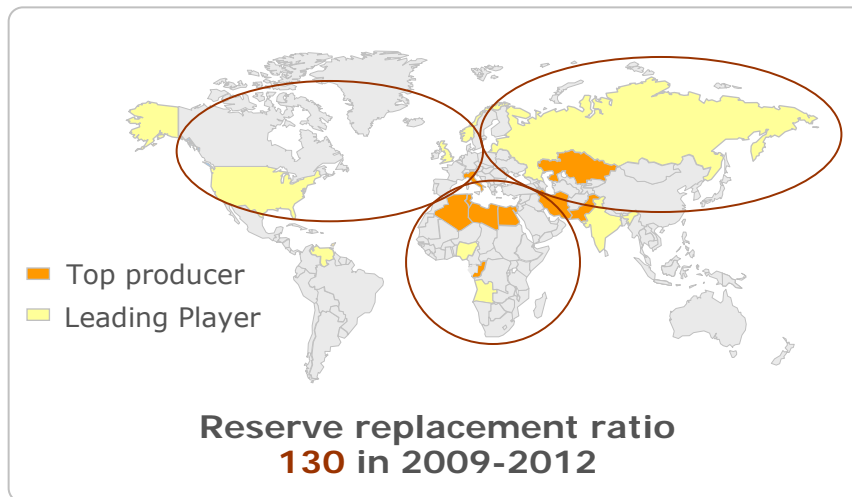
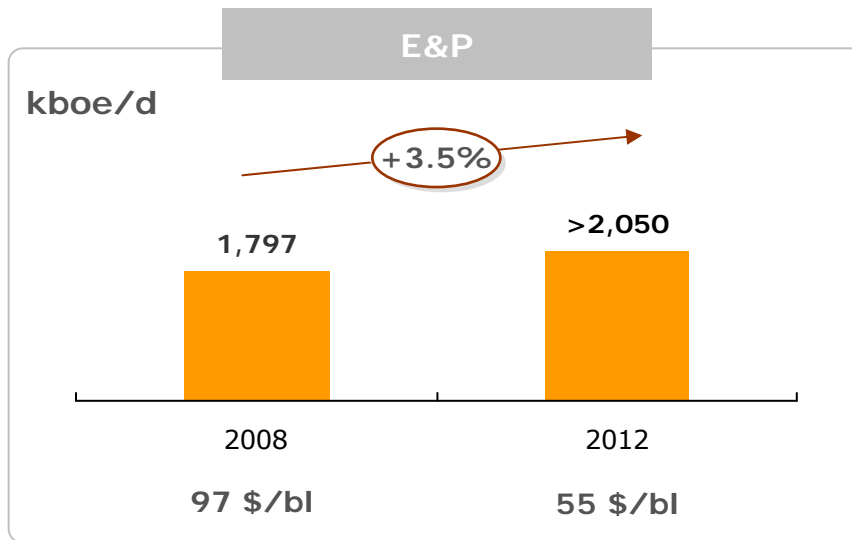
## G&P Resilient cash generation



## R&M Limited capital employed

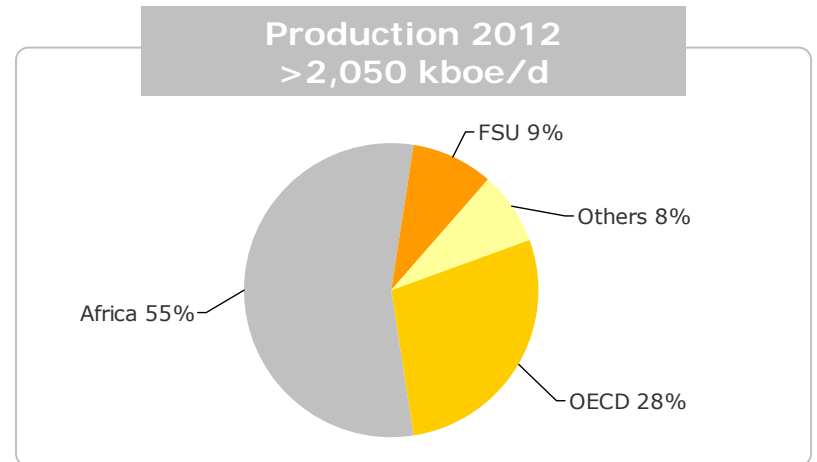
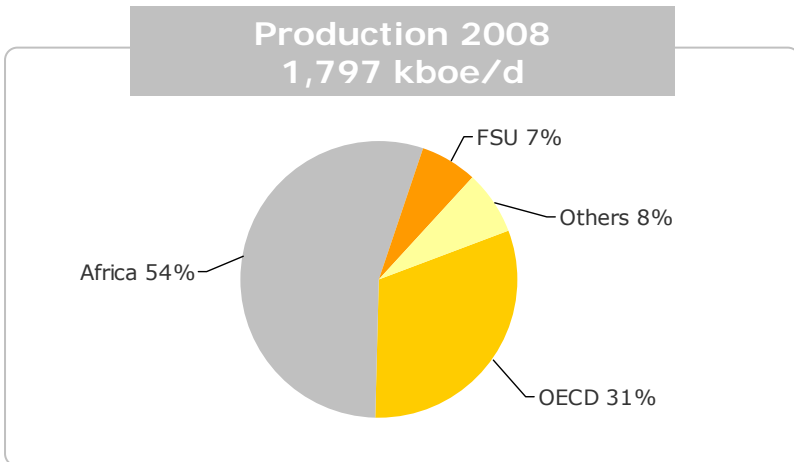
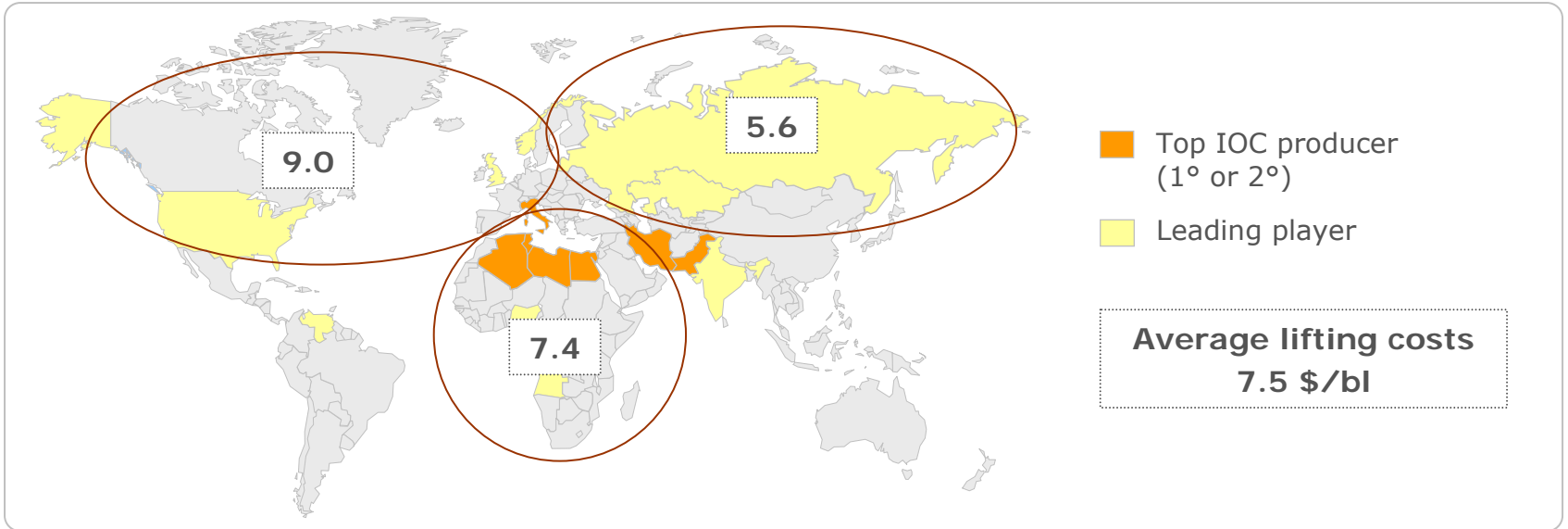


# E&P: Sustainable Organic Growth

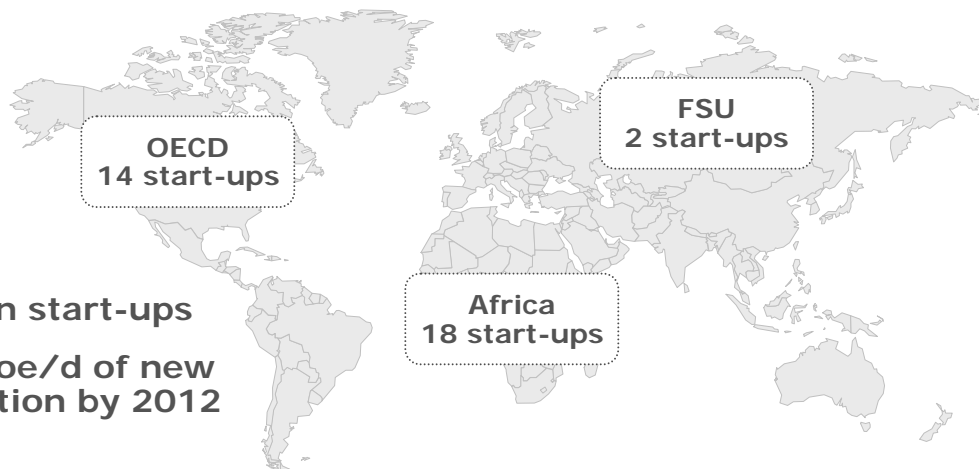


- Large player in fastest growing areas
- Strong presence in giant projects
- Focus on three core regions

# Focus on Core Regions



# 2009-2012 Main Start-ups



- 37 main start-ups
- 525 kboe/d of new production by 2012

## 2009

Project start-ups	Op.	Peak boe/d 100%
Abo phase 2	✓	14,000
M'Boundi water inj.	✓	35,000
Blacktip	✓	14,000
Longhorn	✓	29,000
WLGP+1	✓	22,000
Oyo	✓	29,000
Tombua-Landana		100,000
Tyrhians		90,000
Thunderhawk		36,000
Gambat		10,000

## 2010

Project start-ups	Op.	Peak boe/d 100%
Rom Integrated	✓	20,000
Maamoura	✓	7,000
Libondo		8,000
M'Boundi Gas to IPP	✓	22,000
Morvin		45,000
Nikaitchuq	✓	26,000
Appaloosa	✓	5,600
Bourigas	✓	6,600
Val D'Agri phase 2	✓	40,000
Baraka	✓	6,000

## 2011

Project start-ups	Op.	Peak boe/d 100%
IAN/EOR	✓	15,400
Wafa redevelopment	✓	28,000
Kitan	✓	35,000
Sicily Channel	✓	10,000
Sambursgkoye	✓	150,000
Stones		19,000
Gamma		20,000
Marulk	✓	30,000
Seth		25,000
MLE	✓	55,000

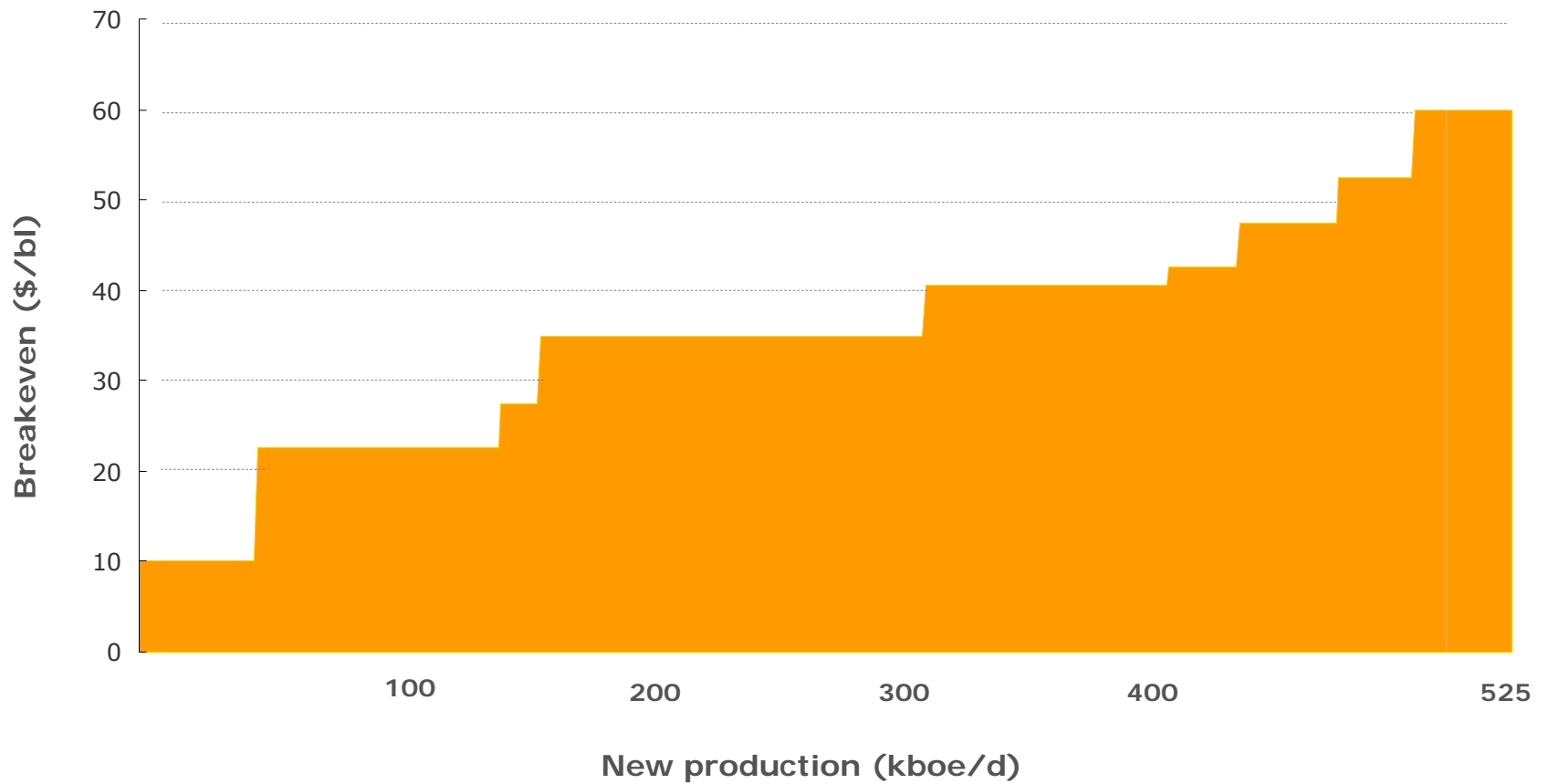
## 2012

Project start-ups	Op.	Peak boe/d 100%
A-LNG		150,000
Karawan	✓	6,200
Kashagan	✓	450,000
Jasmine		100,000
El Merk		145,000
Mavacola		64,000
CAFC	✓	65,000



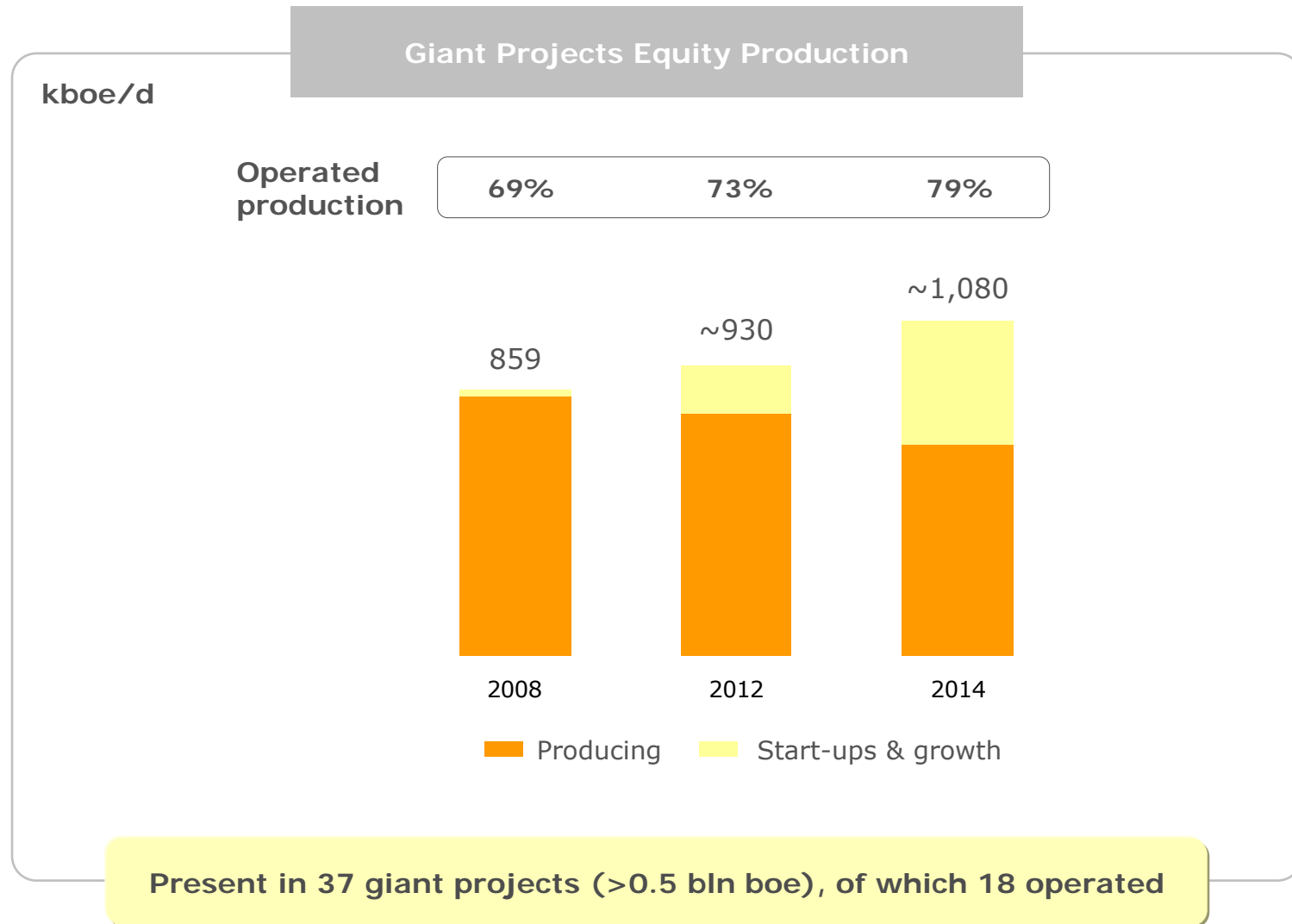
# Resilient Portfolio: Highly Profitable Growth

Breakeven\* of New Production  
2009-2012



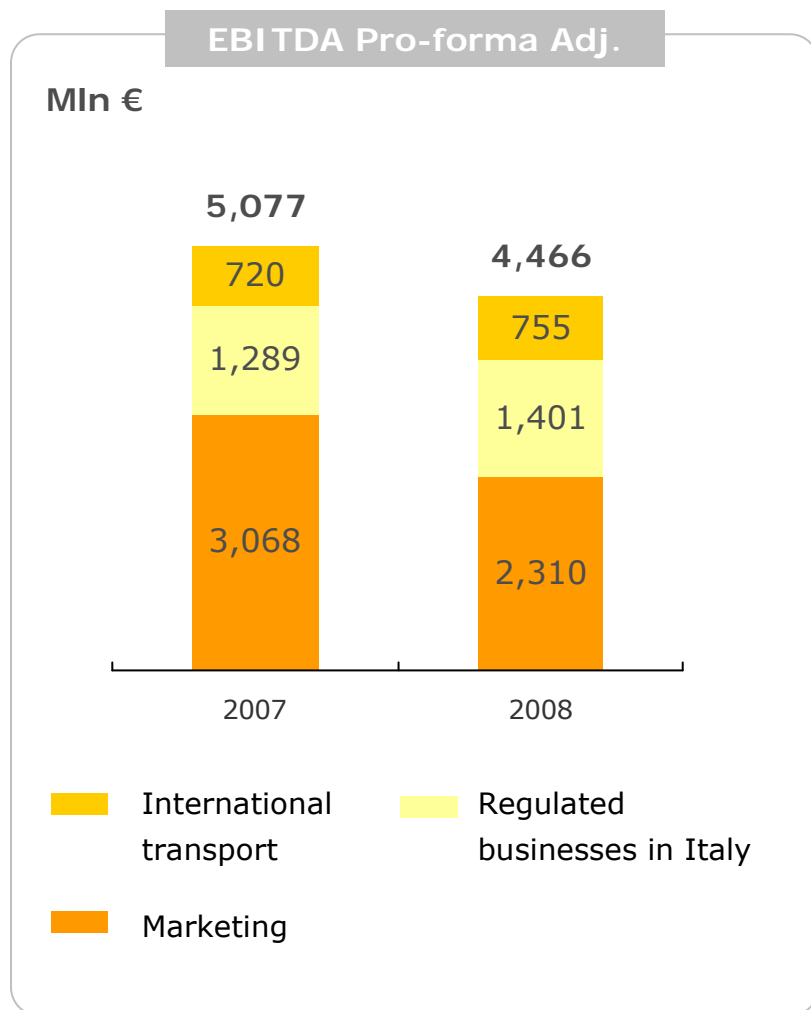
\* @ WACC adjusted for country risk

# Growing Exposure to Giant Projects



Source: Goldman Sachs "top 190 projects" and Eni elaboration

# G&P: Resilient Cash Generation



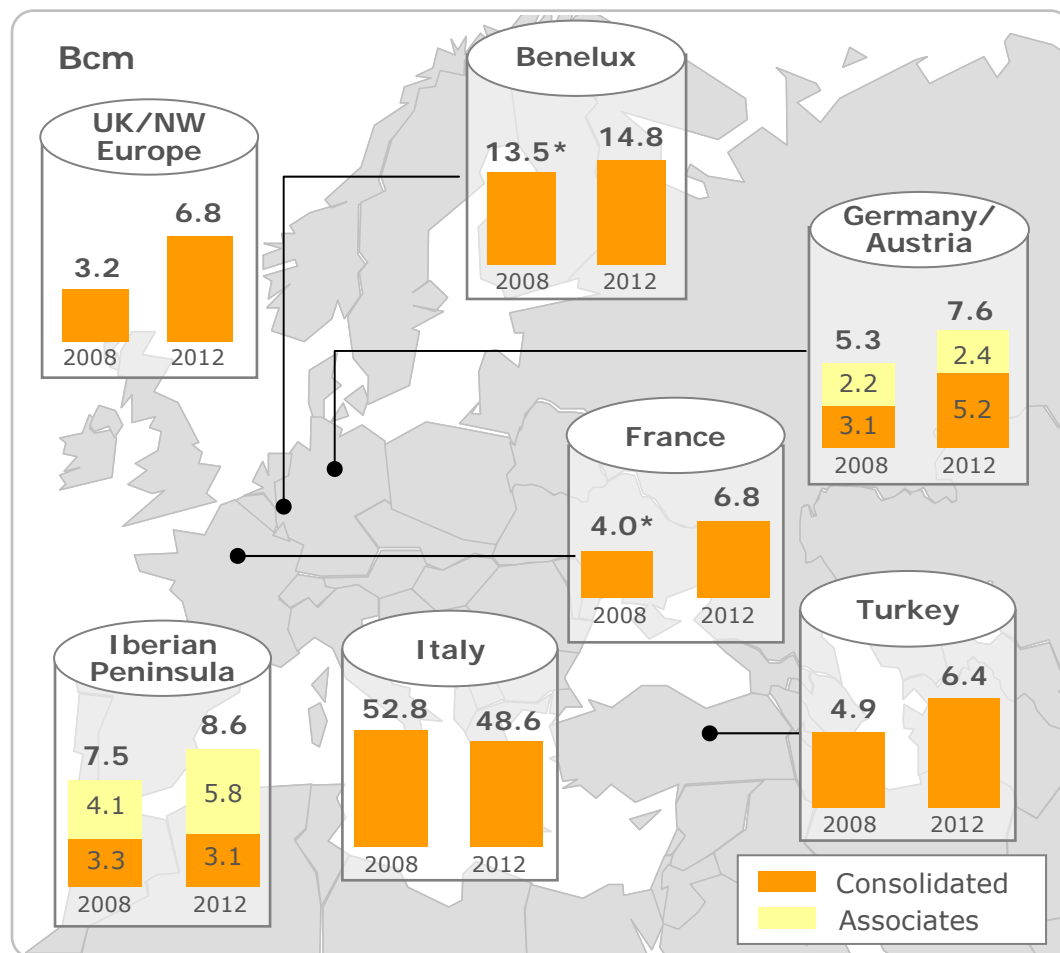
- Strengthen our 21% leading market share in Europe
- Enhance flexibility leveraging on Distrigas acquisition
- Preserve the leading position in the Italian gas market

**Sales outside Italy: +7% CAGR 2008-12**  
**Cumulative 2009-12 Ebitda pro-forma:**  
**€ 20 bln**



# Gas Sales in Europe

- Strong growth in the core European markets despite increasing competition and slowing demand
- Extra-European sales at 6.9 Bcm in 2012



Sales outside Italy:  
7% CAGR 2008-2012\*\*

**Strengthen European leadership in a weak market environment**

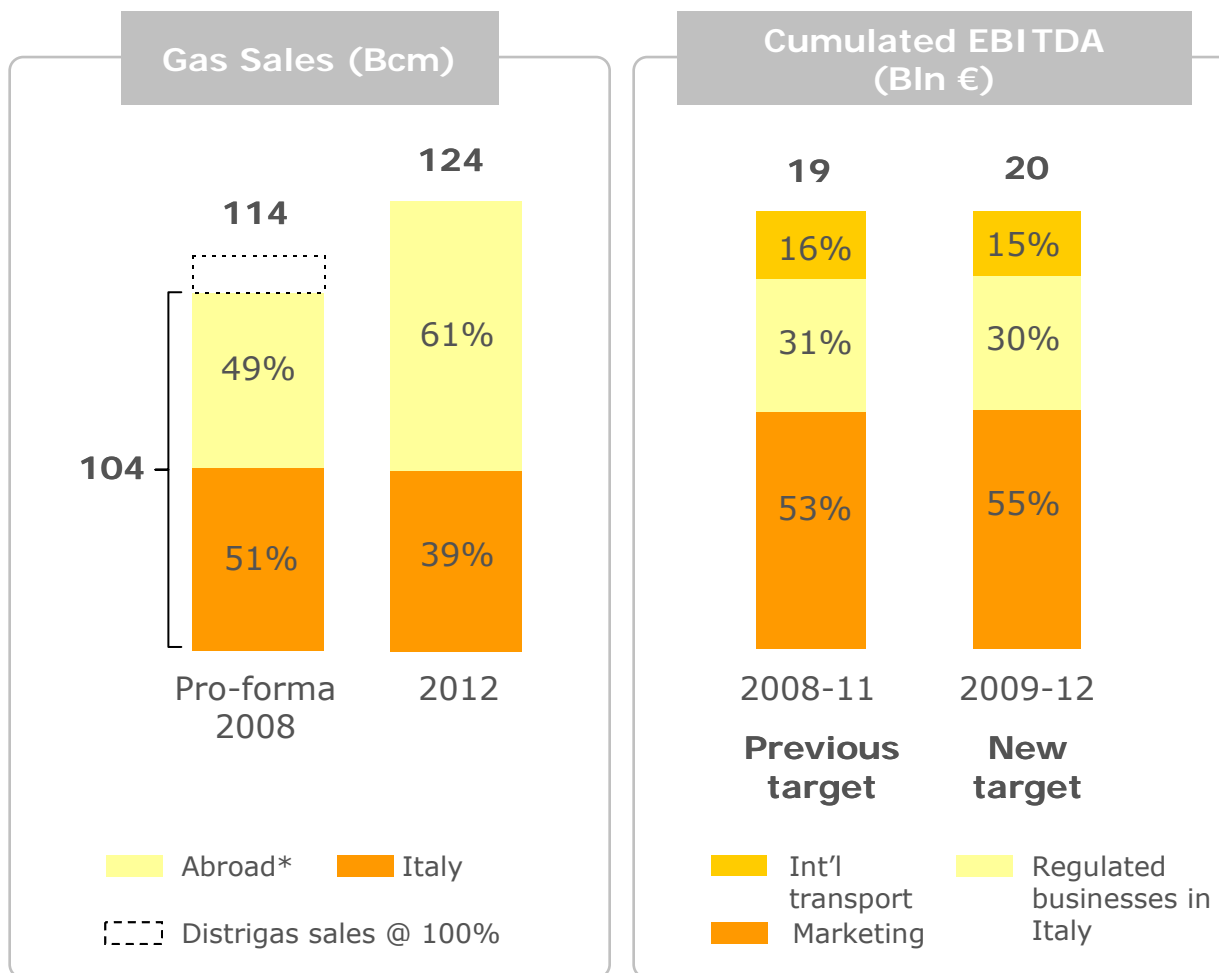


\*\* Includes 100% Distrigas in 2008 and excludes sales to importers in Italy

\* 100% Distrigas sales

# 2009-12 Targets

- Steady expansion in international sales despite weak demand
- Resilient results in all business segments



\* Including E&P gas sold in Europe and Gulf of Mexico



## R&M: Improve Profitability

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- Selective upgrade in refining with focused capex
- Market share growth in Italy
- Enhanced operational efficiency

**2012 +400 mln € Ebit vs 2008**  
**Cash neutral by 2010**



# Efficiency Programme to Enhance Profitability

## Corporate

Direct costs (real term cagr) **+1.4%** 2005-08 **-7.1%** 2008-12

- Procurement & ICT processes and structure streamlining
- Overheads reduction

## G&P

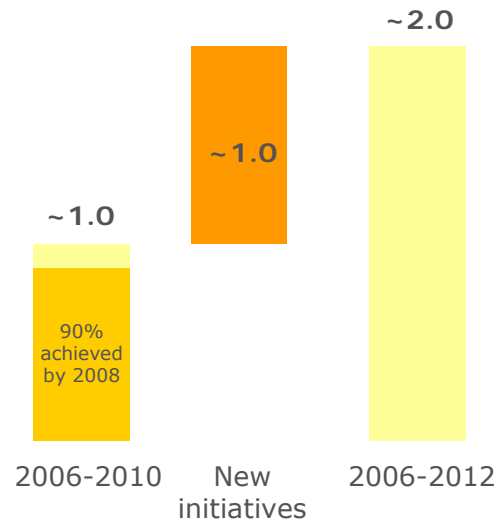
CAGR **-9.7%** **-6.6%**

Mass market costs to serve (€/customer) **22.8** 2005 **16.8** 2008 **12.8** 2012

- CRM optimization
- Overheads reduction

+100% savings

Bln €



Real term, base line 2005

## E&P

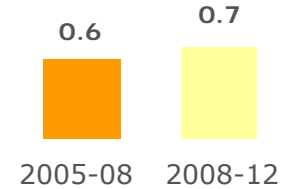
Opex \$/bl



- Technology improvements & operational excellence
- Procurement optimization

## R&M

Cost savings (\$/bl of refining capacity)



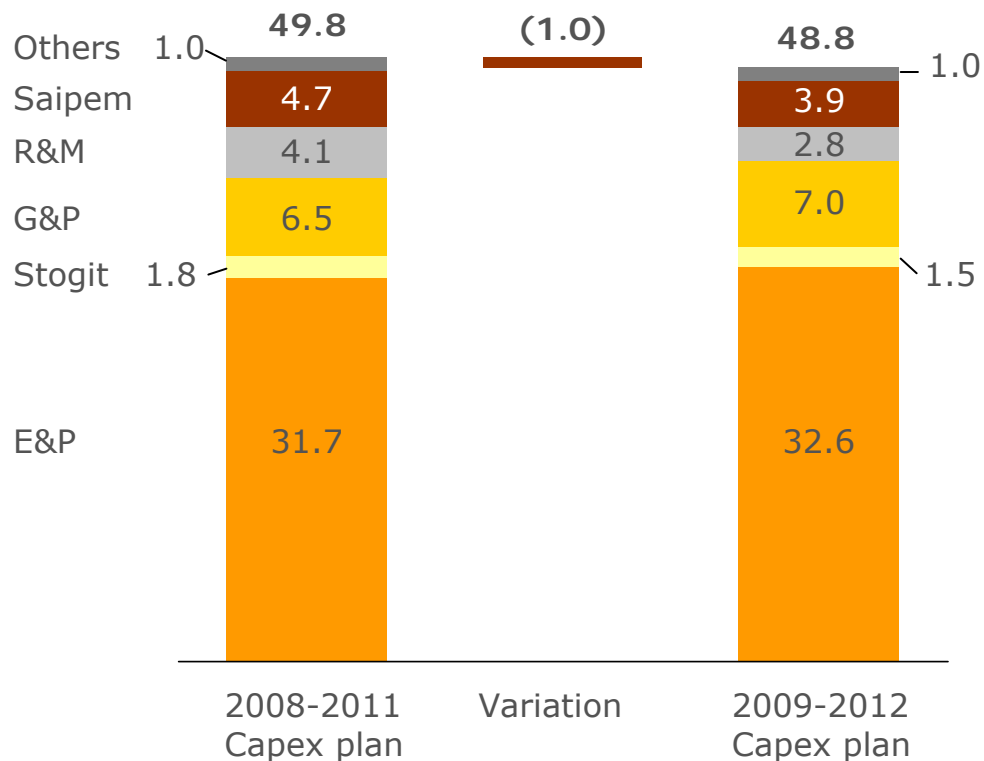
- Overheads reduction
- Energy savings



\* ExxonMobil, BP, Shell, Chevron, ConocoPhillips, Total (based on company reports); Eni included

# Disciplined Capex to Fuel Growth

Bln €



- High resilience in low oil price scenario
- High flexibility: E&P capex ~25% uncommitted in 2009-10; ~85% uncommitted in 2011-12
- Spending optimisation

**2009 capex:**  
**€14.1 bln**

**Attractive capex programme**



# Cash Allocation Priorities

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1

**Commitment to maintain strong credit rating**

2

**Attractive and flexible capex program**

3

**Superior dividend yield**

