



ENI ANNOUNCES RESULTS FOR THE THIRD QUARTER AND THE FIRST NINE MONTHS OF 2009

San Donato Milanese, October 29, 2009 – Eni, the international oil and gas company, today announces its group results for the third quarter and the first nine months of 2009¹ (unaudited).

Financial Highlights

- **Adjusted operating profit: down 49.7% to €3.12 billion for the third quarter and down 46.7% to €9.42 billion for the first nine months of 2009**
- **Adjusted net profit: down 60.5% to €1.15 billion for the third quarter and down 53.6% to €3.81 billion for the first nine months of 2009**
- **Net profit: down 57.8% to €1.24 billion for the third quarter and down 59% to €3.98 billion for the first nine months of 2009**
- **Cash flow: €2.03 billion for the third quarter (€9.66 billion for the first nine months of 2009)**

Operational Highlights

- **Oil and natural gas production: down 4.9% to 1.68 million barrels per day for the third quarter (down 2.6% for the first nine months of 2009). When excluding OPEC cuts, the decrease was 3.5% and 1.1%, respectively**
- **Natural gas sales: up 11.7% to 22.52 billion cubic meters for the third quarter (up 2.9% for the first nine months of 2009)**
- **Made a large gas discovery offshore Venezuela**
- **Awarded licence for the development of the giant Zubair field, one of the biggest oil properties in Iraq**

Paolo Scaroni, Chief Executive Officer, commented:

“Eni has delivered solid results in the quarter despite significantly reduced demand and lower hydrocarbons prices. The Company’s recent achievements, including winning a licence to develop the giant Zubair oilfield in Iraq and the large Perla gas discovery off the Venezuelan coast, mark decisive progress in our strategy to build leading positions in the world’s fastest-growing production areas.”

(1) This press release represents the quarterly report prepared in compliance with Italian listing standards as provided by article 154-ter of the Italian code for securities and exchanges (Testo Unico della Finanza).

Financial highlights

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q. 09 vs. 3 Q. 08	SUMMARY GROUP RESULTS	(€ million)	Nine Months		
						2008	2009	%Ch.
6,239	2,405	3,217	(48.4)	Operating profit		18,209	9,589	(47.3)
6,197	2,549	3,117	(49.7)	Adjusted operating profit ^(a)		17,668	9,420	(46.7)
2,941	832	1,240	(57.8)	Net profit^(b)		9,699	3,976	(59.0)
0.81	0.23	0.34	(58.0)	- per ordinary share (€) ^(c)		2.66	1.10	(58.6)
2.44	0.63	0.97	(60.2)	- per ADR (\$) ^{(c)(d)}		8.10	3.00	(63.0)
2,913	902	1,152	(60.5)	Adjusted net profit^{(a)(b)}		8,209	3,813	(53.6)
0.80	0.25	0.32	(60.0)	- per ordinary share (€) ^(c)		2.25	1.05	(53.3)
2.41	0.68	0.92	(61.8)	- per ADR (\$) ^{(c)(d)}		6.85	2.87	(58.1)

(a) For a detailed explanation of adjusted operating profit and net profit see page 23.

(b) Profit attributable to Eni shareholders.

(c) Fully diluted. Dollar amounts are converted on the basis of the average EUR/USD exchange rate quoted by the ECB for the periods presented.

(d) One ADR (American Depositary Receipt) is equal to two Eni ordinary shares.

Adjusted Operating Profit

Adjusted operating profit for the quarter was €3.12 billion, down 49.7% from the third quarter of 2008. For the first nine months of 2009, adjusted operating profit was €9.42 billion, down 46.7% from a year ago. These results reflected the weaker operating performance of the Exploration & Production division which was impacted by sharply lower oil and gas prices. Also the downstream oil business posted significantly lower operating results due to unprofitable refining margins.

Adjusted Net Profit

Adjusted net profit for the quarter was €1.15 billion, down 60.5% and for the first nine months of 2009 was €3.81 billion, down 53.6%. These results reflected a weaker operating performance, lower results reported by equity-accounted entities and higher adjusted tax rate (up 3.4 percentage points in the quarter; up 0.9 percentage point in the first nine months of 2009).

Capital Expenditure

Capital expenditure was €2.96 billion for the quarter and €9.8 billion for the first nine months of 2009 mainly related to continuing development of oil and gas reserves, the upgrading of gas transport infrastructure and the construction of rigs and offshore vessels in the Engineering & Construction segment.

Cash flow

In the quarter net cash generated by operating activities amounted to €2,034 million. Proceeds from disposals were €292 million mainly related to the first tranche of total cash consideration from the divestment to Gazprom of a 51% stake in OOO SeverEnergiya being Eni's share €155 million. These inflows were used to fund part of the financing requirements associated with capital expenditure (€2,957 million) and the payment of the 2009 interim dividend (€1,811 million) to Eni shareholders. As a result, net borrowings² as of September 30, 2009 increased by €2,185 million from June 30, 2009.

In the first nine months of 2009 net cash generated by operating activities amounted to €9,655 million. Proceeds from disposals were €3,567 million mainly related to the divestment of a 20% interest in Gazprom Neft based on the call option agreement with Gazprom which yielded cash consideration of €3,070 million. Further cash proceeds related to the first tranche of total cash consideration on the divestment of a 51% stake in OOO SeverEnergiya (€155 million) and the divestment of certain non strategic assets in the Exploration & Production division (€0.4 billion). Capital transactions mainly related to a share capital increase (€1,542 million) subscribed to by Snam Rete Gas minorities following restructuring of Eni's regulated gas businesses in Italy. These inflows were used to fund part of the financing requirements associated with capital expenditure (€9,801 million), the payment of Eni's dividends (€4,166 million, of which €1,811 million related to the 2009 interim dividend) and the completion of the Distrigas acquisition (€2,045 million). At September 30, 2009 net borrowings amounted to €20,540 million increasing by €2,164 million from December 31, 2008 (€18,376 million).

(2) Information on net borrowings composition is furnished on page 33.

Financial Ratios

Return on Average Capital Employed (ROACE)³ calculated on an adjusted basis for the twelve-month period to September 30, 2009 was 10% (19.9% at September 30, 2008).

The ratio of net borrowings to shareholders' equity including minority interest – leverage³ – increased to 0.42 at September 30, 2009 from 0.38 as of December 31, 2008.

Operational highlights and trading environment

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q. 09 vs. 3 Q. 08	KEY STATISTICS		Nine Months		% Ch.
						2008	2009	
1,764	1,733	1,678	(4.9)	Production of hydrocarbons	(kboe/d)	1,777	1,730	(2.6)
1,015	986	957	(5.7)	- Liquids	(kbb/d)	1,008	985	(2.3)
4,302	4,290	4,139	(4.1)	- Natural gas	(mmcf/d)	4,415	4,274	(3.2)
20.17	20.46	22.52	11.7	Worldwide gas sales	(bcm)	73.24	75.33	2.9
1.37	1.46	1.40	2.2	- of which: E&P sales in Europe and in the Gulf of Mexico		4.69	4.35	(7.2)
7.62	7.57	9.19	20.6	Electricity sales	(TWh)	22.99	24.54	6.7
3.12	3.07	3.16	1.3	Retail sales of refined products in Europe	(mmtonnes)	8.97	9.02	0.6

Exploration & Production

Oil and natural gas production for the third quarter 2009 amounted to 1,678 kboe/d, representing a decrease of 4.9% from the third quarter of 2008. For the first nine months of 2009, oil and natural gas production amounted to 1,730 kboe/d, representing a decrease of 2.6% from the first nine months of 2008. These declines were mainly due to OPEC production cuts, continuing security issues in Nigeria, lower production uplifts associated with weak European gas demand and mature field declines. These negatives were offset by a continuing production ramp-up in Congo, USA, Kazakhstan, Egypt and Venezuela, as well as positive price impacts reported in the Company's PSAs.

Gas & Power

Eni's worldwide natural gas sales were 22.52 bcm in the quarter, up 11.7% from a year ago, and were 75.33 bcm for the first nine months of 2009, up 2.9%. This reflected the contribution of the DISTRIGAS acquisition (up 3.31 bcm in the quarter and up 11.84 bcm in the first nine months of 2009) and organic growth achieved in European target markets (up 13% and 6% in the quarter and the first nine months of 2009, respectively). Volumes on the Italian market recorded a steep decline (down 2.05 bcm for the quarter and down 9.54 bcm in the first nine months of 2009) as the Company's sales to power generation utilities and industrial businesses, declined by 28% and 9% respectively in the quarter as compared to the same quarter in the previous year (down 39% and 18% in the first nine months of 2009) due to the economic downturn.

Realized Oil and Gas Prices

Oil realizations declined by 37.2% in the quarter and by 45.4% in the first nine months of 2009 driven by falling Brent prices. Natural gas realizations were down by 43.1% in the quarter and by 26.7% in the first nine months of 2009 as the pace of decline reflected the time lag between movements in oil prices and their effect on gas prices provided in pricing formulae.

Refining & Marketing

Eni's realized refining margins in dollar terms were sharply lower both in the quarter and the first nine months of 2009 mirroring trends in the market benchmark (the Brent margin was down \$4 per barrel in the quarter). A number of negative factors help explain these trends. Firstly, significantly compressed light-heavy crude differentials due to a reduction in heavy crude availability on the marketplace negatively affected the profitability of Eni's complex refineries. Specifically in the quarter premium on conversion was substantially reduced. Secondly, relative prices of products to the feedstock cost trended lower due to an ongoing recovery in crude prices absent any significant improvement in demand fundamentals for refined products. Finally, a steep decrease in middle-distillates prices affected refining margins due to lower industrial consumption.

Currency

Results of operations for both periods were helped by the depreciation of the euro vs. the US dollar, down by 4.9% from the third quarter 2008 and 10.3% over the first nine months of the year.

(3) Non-GAAP financial measures disclosed throughout this press release are accompanied by explanatory notes and tables to help investors to gain a full understanding of said measures in line with guidance provided for by CESR Recommendation No. 2005-178b. See pages 33 and 35 for leverage and ROACE, respectively.

Portfolio developments

We continued to focus on our stated strategy, mainly in the Exploration & Production division, through entrance in Iraq with a giant project and strategic agreements on core areas of Russia and Africa.

Iraq

On October 13, 2009, following a successful first round bid, Eni led a consortium of international companies which was awarded a service contract to develop the Zubair giant oilfield (Eni 40%) under a 20-year term with an option for further 5 years. The Eni working interest of 40% may be subject to fractional adjustments. The Zubair field currently produces 195 kboe/d and is expected to plateau at 1.13 mboe/d following implementation of a field development plan within 2016.

Venezuela

A large gas discovery was made in the Perla field, located in the Cardon IV block (Eni 50%) in the Gulf of Venezuela, yielding during flow test 600,000 cubic meters per day (approximately 3,700 boe/d) during flow tests. The field has been estimated to contain a reserve potential of more than 160 billion cubic meters of gas (1 billion of barrels of oil equivalent).

Africa

- On September 28, 2009, Eni acquired operatorship of the offshore exploration permits Cape Three Point and Cape Three Point South (Eni 47.2%), off the Ghanaian coast.
- On August 12, 2009, Eni and Congo's Ministry of Petroleum signed a strategic partnership with the aim to develop the host country's oil reserves. Eni intends to deploy its comprehensive cooperation model in pursuing new ventures whereby the traditional oil business is integrated with sustainable development initiatives designed to support the host countries' population in achieving high social and economic standards.

Pakistan

On September 30, 2009, Eni was awarded the exploration licence of onshore Sukhpur block, following a competitive bid procedure. The Sukhpur block is located in proximity to the Eni-operated producing area of Bhit (Eni 40%), and significant operating synergies are expected in future development activities.

Russia

On September 23, 2009, Eni and its Italian partner Enel in the 60-40% owned joint-venture OOO SeverEnergia completed the divestment of the 51% stake in the venture to Gazprom for cash consideration of \$1,566 million (Eni's share being \$940 million) to be paid in two tranches, in line with the framework agreement signed in May 2009. On September 24, 2009 Eni collected the first tranche of the consideration corresponding to approximately 25% of the whole amount for €155 million (or \$230 million at the EUR/USD exchange rate of 1.48 as of the transaction date). The second tranche of the consideration will be paid by March 2010 (\$710 million). A gain amounting to €100 million was recognized in the profit for the third quarter. The gain was associated with interest income at an annual rate of 9.4% accruing on the initial investment in the venture when it was acquired on April 4, 2007 based on the contractual arrangements between Eni and Gazprom.

SeverEnergia owns 100% of three Russian companies operating in the development of gas reserves in the Yamal Nenets region in Siberia. The parties are committed to producing first gas by June 2011 from the Samburskoye field targeting a production plateau of 150 kboe/d within two years from the start of production.

Turkey

On October 19, 2009 Eni and its commercial partners in Turkey and Russia, working on the construction of the Samsun-Ceyhan pipeline, signed a Memorandum of Understanding committing to discuss the definition of the economic and contractual conditions for Russian companies to participate in the Samsun-Ceyhan Project in order to ensure the volume of crude that would guarantee the economic sustainability of the project. On the same occasion, representatives of the governments of Italy, Turkey and Russia reaffirmed their support to the project which will build a by-pass to facilitate safer transport across the Bosphorus and Dardanelles Straits as well as reducing the impact on the region's complex and delicate ecosystem.

Production start-ups

In the latest months, we achieved a number of field start-ups:

- (i) Blacktip (Eni 100%, operator) offshore Australia;
- (ii) North Bardawil (Eni 60%, operator) off the Egyptian coast;
- (iii) Tombua-Landana (Eni 20%) offshore Angola;
- (iv) Thunder Hawk (Eni 25%) in the Gulf of Mexico;
- (v) Tyrihans (Eni 6.23%) offshore Norway;
- (vi) PY-1 (Eni 47.16%) offshore India.

Outlook

Eni assumes Brent oil prices of approximately \$60 bbl for the full year 2009 considering ongoing upward trends in crude oil market prices. Management expects that European demand for natural gas and fuels will continue to shrink. Key business trends for the year are expected to be the following:

- **Hydrocarbon production:** the Company guides for a production level roughly in line with the volume of 1.797 kboe/d achieved in 2008, when excluding the impact of OPEC cuts. The revision to previous forecast for a production growth in the year as communicated to the marketplace reflects further deterioration of certain contingent issues namely in Nigeria and lower entitlements in the Company's PSA due to higher pricing assumptions. Compared to the previous forecast, the Company still sees volume reduction associated with lower European gas demand and rescheduling of certain development projects that were planned in the first half with a view of benefiting from a reduction in investment costs. On the positive side, the Company has continued to achieve new field start-ups and volume ramp-up in a number of production areas, mainly Congo, USA, Egypt and Venezuela;
- **Worldwide natural gas sales:** are forecasted to remain unchanged from 2008 levels (actual sales volumes in 2008 were 104.23 bcm) as bigger than anticipated impact of the economic downturn on European gas demand has limited the ability of the Company to drive the planned volume growth. Volumes on the Italian market are expected to post a sharp reduction due to the economic downturn and rising competitive pressure. On the positive side, outside Italy sales volumes will be underpinned by the contribution of the Distrigas acquisition and marketing activities designed to strengthen volumes in target European markets;
- **Refining throughputs on Eni's account:** the Company expects that processed volumes will achieve the same level as in 2008 (actual volumes in 2008 were 35.84 mmt tonnes). The Company expects to replace with own processing lower volumes processed by third parties, thus making for lower utilization rates due to a weak trading environment;
- **Retail sales of refined products in Italy and the rest of Europe:** are expected to remain substantially unchanged from 2008 levels (12.03 mmt tonnes in 2008, excluding the impact of the divestment to Galp of marketing activities in the Iberian Peninsula that was executed late in 2008) due to weak demand for fuels forecast in the main European markets, whilst it is anticipated that continued marketing efforts and pricing initiatives on the Italian market will yield positive results in terms of both share and marketed volumes.

In 2009, management expects a slight decrease in capital expenditure versus 2008 (€14.56 billion in 2008). Capital expenditure will be directed mainly to the development of oil and natural gas reserves, the upgrading of construction vessels and rigs, and the upgrading of natural gas transport infrastructure. Management has taken a number of measures designed to ensure the achievement of a ratio of net borrowings to total equity (leverage) adequate to support the Company's current credit rating, although it may temporarily exceed the level recorded at the end of 2008 (0.38).

Other information

During the remainder of the year, developments in certain pending legal proceedings may have a significant impact on the Company's results. Currently, the Company believes that losses from those proceedings are either not probable or not reasonably quantifiable. The above referenced legal proceedings are discussed under the heading "Guarantees, commitments and risks", in the paragraphs (i) and (ii) of the section "Civil and administrative proceedings"; (ii) of the section "Antitrust" and (i) of the section "Court Inquiries" as published in Eni's interim consolidated financial statements as of and for the six-month period ended June 30, 2009 that was released to the public on August 7, 2009 and no material developments have occurred since then.

This press release for the third quarter and the first nine months of 2009 (unaudited) provides data and information on business and financial performance in compliance with article 154-ter of the Italian code for securities and exchanges (“Testo Unico della Finanza” – TUF). Quarterly accounts set forth herein have been prepared in accordance with the evaluation and recognition criteria set by the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission according to the procedure set forth in Article 6 of the European Regulation (CE) No. 1606/2002 of the European Parliament and European Council of July 19, 2002.

The evaluation and recognition criteria applied during the preparation of the report for the third quarter and the first nine months of 2009 are unchanged from those adopted for the preparation of the 2008 Annual Report on form 20-F with the exception of the recognition and evaluation of customer loyalty programmes, after the effectiveness of IFRIC 13. For further details see Eni’s Interim Consolidated Report as of June 30, 2009. From year 2009, the Company accounts gains and losses on non-hedging commodity derivatives instruments, including both fair value re-measurement and settled transactions, as items of operating profit. Prior period results have been restated accordingly.

Results are presented for the third quarter and the first nine months of 2009 and for the third quarter and the first nine months of 2008.

Information on liquidity and capital resources relates to end of the period as of September 30, 2009, June 30, 2009 and December 31, 2008. Tables contained in this press release are comparable with those presented in the management’s disclosure section of the Company’s annual report and interim report.

Non-GAAP financial measures and other performance indicators disclosed throughout this press release are accompanied by explanatory notes and tables to help investors to gain a full understanding of said measures in line with guidance provided by recommendation CESR/05-178b.

Eni’s Chief Financial Officer, Alessandro Bernini, in his position as manager responsible for the preparation of the Company’s financial reports, certifies pursuant to rule 154-bis paragraph 2 of Legislative Decree No. 58/1998, that data and information disclosed in this press release correspond to the Company’s evidence and accounting books and entries.

Cautionary statement

This press release, in particular the statements under the section “Outlook”, contains certain forward-looking statements particularly those regarding capital expenditures, development and management of oil and gas resources, dividends, share repurchases, allocation of future cash flow from operations, future operating performance, gearing, targets of production and sales growth, new markets, and the progress and timing of projects. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will or may occur in the future. Actual results may differ from those expressed in such statements, depending on a variety of factors, including the timing of bringing new fields on stream; management’s ability in carrying out industrial plans and in succeeding in commercial transactions; future levels of industry product supply; demand and pricing; operational problems; general economic conditions; political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations; development and use of new technology; changes in public expectations and other changes in business conditions; the actions of competitors and other factors discussed elsewhere in this document. Due to the seasonality in demand for natural gas and certain refined products and the changes in a number of external factors affecting Eni’s operations, such as prices and margins of hydrocarbons and refined products, Eni’s results from operations and changes in net borrowings for the first nine months of the year cannot be extrapolated on an annual basis.

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This press release for the third quarter and the first nine months of 2009 (unaudited) is also available on the Eni web site: www.eni.com

About Eni

Eni is one of the leading integrated energy companies in the world operating in the oil and gas, power generation, petrochemicals, engineering and construction industries. Eni is present in more than 70 countries and is Italy’s largest company by market capitalization.

Summary results for the third quarter and the first nine months of 2009

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q, 09 vs. 3 Q, 08		Nine Months 2008	2009	% Ch.
28,144	18,267	19,142	(32.0)	Net sales from operations	83,532	61,150	(26.8)
6,239	2,405	3,217	(48.4)	Operating profit^(a)	18,209	9,589	(47.3)
(334)	(190)	(145)		Exclusion of inventory holding (gains) losses	(1,412)	(210)	
292	334	45		Exclusion of special items	871	41	
				<i>of which:</i>			
(21)				- non recurring items	(21)		
313	334	45		- other special items	892	41	
6,197	2,549	3,117	(49.7)	Adjusted operating profit^(a)	17,668	9,420	(46.7)
2,941	832	1,240	(57.8)	Net profit pertaining to Eni	9,699	3,976	(59.0)
(187)	(143)	(108)		Exclusion of inventory holding (gains) losses	(970)	(160)	
159	213	20		Exclusion of special items	(520)	(3)	
				<i>of which:</i>			
(21)				- non recurring items	(21)		
180	213	20		- other special items	(499)	(3)	
2,913	902	1,152	(60.5)	Adjusted net profit pertaining to Eni	8,209	3,813	(53.6)
148	208	249	68.2	Adjusted net profit of minorities	515	663	28.7
3,061	1,110	1,401	(54.2)	Adjusted net profit	8,724	4,476	(48.7)
				Breakdown by division ^(b)			
2,438	1,008	943	(61.3)	Exploration & Production	6,511	2,859	(56.1)
467	497	579	24.0	Gas & Power	2,126	2,064	(2.9)
177	(99)	(48)	..	Refining & Marketing	301	(79)	..
(57)	(114)	(46)	19.3	Petrochemicals	(219)	(255)	(16.4)
203	226	214	5.4	Engineering & Construction	571	663	16.1
(48)	(75)	(62)	(29.2)	Other activities	(162)	(162)	..
(152)	(292)	(183)	(20.4)	Corporate and financial companies	(291)	(649)	..
33	(41)	4		Impact of unrealized intragroup profit elimination ^(c)	(113)	35	
				Net profit			
0.81	0.23	0.34	(58.0)	per ordinary share (€)	2.66	1.10	(58.6)
2.44	0.63	0.97	(60.2)	per ADR (\$)	8.10	3.00	(63.0)
				Adjusted net profit			
0.80	0.25	0.32	(60.0)	per ordinary share (€)	2.25	1.05	(53.3)
2.41	0.68	0.92	(61.8)	per ADR (\$)	6.85	2.87	(58.1)
3,635.7	3,622.4	3,622.4	(0.4)	Weighted average number of outstanding shares^(d)	3,644.3	3,622.4	(0.6)
5,733	2,178	2,034	(64.5)	Net cash provided by operating activities	15,683	9,655	(38.4)
3,112	3,697	2,957	(5.0)	Capital expenditure	9,871	9,801	(0.7)

(a) From year 2009, the Company accounts gain and losses on non-hedging commodity derivatives instruments, including both fair value re-measurement and settled transactions, as items of operating profit. Adjusted operating profit and net profit only include gains and losses associated with settled transaction, gross and net of the associated tax impact respectively. Prior period results have been restated accordingly.

(b) For a detailed explanation of adjusted net profit by division see page 23.

(c) This item concerned mainly intragroup sales of commodities, services and capital goods recorded in the assets of the purchasing business segment as of the end of the period.

(d) Fully diluted (million shares).

Trading environment indicators

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q, 09 vs. 3 Q, 08		Nine Months 2008	2009	% Ch.
114.78	58.79	68.28	(40.5)	Average price of Brent dated crude oil ^(a)	111.02	57.16	(48.5)
1.504	1.362	1.431	(4.9)	Average EUR/USD exchange rate ^(b)	1.522	1.365	(10.3)
76.32	43.16	47.71	(37.5)	Average price in euro of Brent dated crude oil	72.94	41.88	(42.6)
6.37	3.61	2.34	(63.3)	Average European refining margin ^(c)	6.07	3.76	(38.1)
8.51	3.90	2.26	(73.4)	Average European refining margin Brent/Ural ^(c)	8.60	4.14	(51.9)
4.24	2.65	1.64	(61.3)	Average European refining margin in euro	3.99	2.75	(31.1)
5.0	1.3	0.8	(84.0)	Euribor - three-month euro rate (%)	4.8	1.4	(70.8)
2.9	0.9	0.4	(86.2)	Libor - three-month dollar rate (%)	3.0	0.8	(73.3)

(a) In USD dollars per barrel. Source: Platt's Oilgram.

(b) Source: ECB.

(c) In USD per barrel FOB Mediterranean Brent dated crude oil. Source: Eni calculations based on Platt's Oilgram data.

Group results

Net Profit

Net profit for the third quarter of 2009 was €1,240 million, a decrease of €1,701 million from the third quarter of 2008, down 57.8%. For the first nine months of 2009 net profit was €3,976 million, a decrease of €5,723 million from the first nine months of 2008, or 59%. The reduction reflected a decreased operating performance (down €3,022 million or 48.4% in the quarter, down €8,620 million or 47.3% in the first nine months) recorded mainly in the Exploration & Production division driven by lower oil and gas prices. In addition, Group results were affected by lower profits reported by equity-accounted entities, a higher consolidated tax rate up from 51.9% to 54% in the third quarter (from 46.1% to 52.4% in the first nine months) mainly due to recently enacted tax regulations that provided a one-percentage point increase in the tax-rate applicable to Italian companies engaged in the energy sector and enactment of a supplemental tax rate to be added to the Italian statutory tax-rate resulting in higher taxes currently payable amounting to €71 million in the quarter (€214 million in the first nine months). Additionally when compared to the tax rate on a nine-month basis, it should be noted that the 2008 tax rate benefited from a tax gains associated with an adjustment to deferred taxation amounting to €1 billion.

Adjusted Net Profit

Adjusted net profit amounted to €1,152 million, representing a reduction of €1,761 million from the third quarter of 2008, down 60.5%. For the first nine months of 2009, adjusted net profit amounted to €3,813 million, a reduction of €4,396 million from the first nine months of 2008 (down 53.6%). Third quarter adjusted net profit is calculated by excluding an inventory holding profit of €108 million and net special charges of €20 million, resulting in an overall adjustment equal to a decrease of €88 million. For the first nine months of 2009, adjusted net profit excludes an inventory holding profit of €160 million and net special gains of €3 million, resulting in an overall adjustment equal to a decrease of €163 million.

The balance between special charges and gains comprised on the negative side, impairment charges recorded on oil&gas properties in the Exploration & Production division, a number of petrochemicals plants and goodwill recognized on marketing assets in the Refining & Marketing division as well as environmental and other risk provisions. On the positive side, re-measurement gains were recorded on fair value evaluation of certain non-hedging commodity derivatives and gains on the divestment of certain oil&gas properties to the partner Suez.

Results by division

The decline in the Group adjusted net profit reflected lower results mainly reported by the Exploration & Production and the Refining & Marketing divisions.

Exploration & Production

The Exploration & Production division net results declined by €1,495 million or 61.3% in the third quarter, and €3,652 million or 56.1% in the first nine months of 2009. Those trends were explained by a weaker operating performance (down €2,806 million or 53.5% in the third quarter; down €7,821 million or 53.9% in the first nine months of 2009) driven by lower oil and gas realizations in dollar terms (down 37.2% and 43.1%, respectively, in the third quarter; down 45.4% and 26.7%, respectively, in the first nine months of 2009) and lower sales volumes (down 6.8 million boe or 4.4% in the third quarter; down 12 million boe or 2.6% in the first nine months of 2009). These declines were partially offset by the positive impact of the depreciation of the euro against the dollar (down 4.9% in the third quarter and down 10.3% in the first nine months of 2009).

Refining & Marketing

The Refining & Marketing division reported an adjusted operating loss in the third quarter of €110 million (down €337 million). In the first nine months of 2009 adjusted operating loss of €161 million was down of €497 million from the first nine months of 2008. These declines were driven by sharply lower refining margins as a result of the unfavourable trading environment. Furthermore, quarterly results were affected by a lower performance of marketing activities due to lower margins. Net results were down by €225 million and €380 million in the third quarter and first nine months of 2009 respectively.

Gas & Power

In the third quarter the Gas & Power division achieved an increased adjusted net profit (up €112 million, or 24%) driven by better operating performance (up €135 million, or 23%) due to the Regulated businesses in Italy which benefited from the positive impact of a new tariff mechanism in the Distribution segment resulting in a favourable comparison to prior quarter results. The International transport business and equity-accounted entities both reported lower results. The Marketing business posted a slight increase in operating profit mainly due to gains recorded on settlement of certain non-hedging commodity derivatives amounting to €144 million associated with future sales of gas and electricity at fixed prices. Under IFRS, the Company is required to recognize fair value accounting effects on those derivatives in profit or loss because hedge accounting is not followed. However, in assessing the underlying performance of the Marketing business, management calculates an alternative measure of performance the EBITDA pro-forma adjusted, by bringing forward the impacts of the settlement of those derivatives to future reporting periods where the associated revenues are expected to be recognized. Management believes that disclosing this internally used measure is helpful in assisting investors to understand these business trends (see page 19). When measured against this performance indicators, the Marketing business showed a decline in results amounting to €166 million. Marketing results for the quarter were mainly affected by lower marketed volumes mainly on the Italian market reduced by the current economic downturn.

In the first nine months of 2009, the division reported an adjusted net profit of €2,064 million (down €62 million, or 2.9%) due to a weaker operating performance registered in the Marketing business due to above-mentioned market trends.

Engineering & Construction

The Engineering & Construction division reported improved net profit (up €11 million or 5.4% in the third quarter; up €92 million or 16.1% in the first nine months of 2009) driven by steady revenue and profitability as a result of the large number of oil&gas projects that were started during the upward phase of the oil cycle.

Petrochemicals

The Petrochemical division has continued to report losses at both operating and net level (in the quarter the net loss amounted to €46 million; €255 million in the first nine months) due to a prolonged weakness in industry fundamentals reflecting lower end-markets demand and high competitive pressures.

Liquidity and capital resources

Summarized Group Balance Sheet

(€ million)

	Dec. 31, 2008	June 30, 2009	Sept. 30, 2009	Change vs Dec. 31, 2008	Change vs June 30, 2009
Fixed assets	74,461	77,871	78,304	3,843	433
Net working capital	(9,437)	(8,409)	(7,831)	1,606	578
Current investments	2,741			(2,741)	
Provisions for employee benefits	(947)	(966)	(976)	(29)	(10)
Non-current assets held for sale including related net borrowings	68	68	68		
Capital employed, net	66,886	68,564	69,565	2,679	1,001
Shareholders' equity including minority interest	48,510	50,209	49,025	515	(1,184)
Net borrowings	18,376	18,355	20,540	2,164	2,185
Total liabilities and shareholders' equity	66,886	68,564	69,565	2,679	1,001

The appreciation of the euro, in particular versus the US dollar, from December 31, 2008 (the EUR/USD exchange rate was 1.464 as of September 30, 2009, as compared to 1.392 as of December 31, 2008, up 5.2%) reduced net capital employed, net equity and net borrowings by approximately €1,290 million, €1,160 million and €130 million respectively, as a result of translation differences.

Fixed assets amounted to €78,304 million, representing an increase of €3,843 million from December 31, 2008 reflecting capital expenditure incurred in the period (€9,801 million) and recognition of the share of goodwill associated with the buy-out of the Distrigas minorities (€903 million), partly offset by depreciation, depletion, amortization and impairment charges (€6,552 million) recorded in the period.

Net working capital amounted to a negative €7,831 million, representing an increase of €1,606 million from December 31, 2008, mainly due to derecognition of a put option awarded to Publigaz and classified a current liability in 2008 financial statements (a positive of €1,495 million). Derecognition was associated with a mandatory take-over bid on Distrigas minorities. In addition, net working capital increased due to lower tax payables and provisions for net deferred tax liabilities (approximately €1 billion) related to the payments made in June by Italian subsidiaries net of income taxes accrued for the period. Gas inventories decreased as a consequence of gas off-takes made during winter time; management expects to replenish gas inventory by year end.

The item **Current investments** was reduced for an amount corresponding to the book value of a 20% interest in OAO Gazprom Neft (€2,741 million) following the exercise of a call option by Gazprom.

Shareholders' equity including minorities increased by €515 million to €49,025 million, reflecting: (i) comprehensive income for the period (€3,125 million) as a result of net profit for the period (€4,639 million), losses in fair value evaluation of certain cash flow hedges taken to reserve and foreign currency translation effects; (ii) closing of the mandatory public takeover bid on the minorities of Distrigas which determined an increase in shareholders' equity due to derecognition of the put option awarded to Publigaz SCRL in 2008 (€1,495 million); (iii) the Snam Rete Gas' share capital increase subscribed by minorities for €1,542 million. These increases were partly offset by: (i) dividend payments to Eni shareholders (€4,166 million) as well as minority shareholders of certain consolidated subsidiaries (€346 million); (ii) elimination of the book value, including their respective share of profit for the period, of the Distrigas minorities who tendered their shares to the public offer (€1,146 million).

Summarized Group Cash Flow Statement

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months	
				2008	2009
5,733	2,178	2,034	Net cash provided by operating activities	15,683	9,655
(3,112)	(3,697)	(2,957)	Capital expenditure	(9,871)	(9,801)
(127)	(175)	(63)	Investments and acquisitions of consolidated subsidiaries and businesses	(2,076)	(2,277)
91	3,093	292	Disposals	564	3,567
(568)	(2,258)	4	Other cash flow related to capital expenditure, investments and disposals	13	(509)
2,017	(859)	(690)	Free cash flow	4,313	635
(2,728)	(2,355)	(1,811)	Dividends to Eni shareholders and shares repurchased	(5,667)	(4,166)
(24)	1,286	12	Dividends to minorities, shares repurchased and other changes in shareholders' equity	(243)	1,296
(523)	101	304	Exchange differences and other changes	101	71
(1,258)	(1,827)	(2,185)	CHANGE IN NET BORROWINGS	(1,496)	(2,164)

Main cash inflows for the first nine months of 2009 were: (i) net cash provided by operating activities (€9,655 million); (ii) cash proceeds of €3,070 million associated with the divestment of a 20% interest in Gazprom Neft following exercise of a call option agreement by Gazprom, plus the first tranche of the proceeds from the sale of the 51% interest in OOO SeverEnergiya (Eni's share 60%) for €155 million (including repayment of financing); (iii) the subscription by Snam Rete Gas minorities of a share capital increase amounting to €1,542 million; (iv) further cash proceeds of approximately €500 million mainly associated with the divestment of certain non strategic assets in the Exploration & Production division, following 2008 agreements signed with Suez. These funds allowed to meet a part of the cash requirements associated with capital expenditure of €9,801 million; completion of a mandatory takeover bid on the Distrigas minorities, including the squeeze-out procedure for total cash consideration of €2,045 million; payment of dividends to Eni shareholders (€4,166 million of which €1,811 million as interim dividend for the year 2009) as well as dividend payments to minorities (€263 million) in particular relating to Snam Rete Gas and Saipem. Net borrowings increased by €2,164 million.

Other information

Continuing listing standards provided by article No. 36 of Italian exchanges regulation about issuers that control subsidiaries incorporated or regulated in accordance with laws of extra-EU countries.

As of September 30, 2009 the provisions of Article no. 36 of Italian exchanges regulation in accordance with Italian continuing listing standards apply to eight Eni subsidiaries: Burren Energy (Bermuda) Ltd, Eni Congo SA, Eni Norge AS, Eni Petroleum Co Inc, NAOC-Nigerian Agip Oil Co Ltd, Nigerian Agip Exploration Ltd, Trans Tunisian Pipeline Co Ltd and Burren Energy (Congo) Ltd which fell within the scope of the regulation as stated in the Interim Consolidated Report as of June 30, 2009 (see page 74). The Company has already adopted adequate procedures to ensure full compliance with the abovereferenced regulation.

Shareholders' authorization deadline for buyback expired

Eni informs that the Shareholders' authorization deadline for buyback expired. Eni's Shareholders' Meeting on April 29, 2008, authorised the continuation of the purchase program for a period of 18 months starting from the date of the shareholders' resolution, and up to a maximum level of 400,000,000 (four hundred million) Eni ordinary shares, including the treasury shares already held, up to a total amount of €7.4 billion. As at the date of October 29, 2009 a total amount of 398,466,853 Eni's shares (9.95% of Eni share capital) were purchased, for a total cost of about €6.97 billion. As at the same date, Eni's treasury shares amount to n. 382,952,240 (9.56% of Eni share capital).

Financial and operating information by division for the third quarter and the first nine months of 2009 is provided in the following pages.

Exploration & Production

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q. 09 vs. 3 Q. 08	RESULTS ^(a)	(€ million)	Nine Months		
						2008	2009	% Ch.
8,815	5,683	5,325	(39.6)	Net sales from operations		26,536	17,153	(35.4)
5,209	1,778	2,557	(50.9)	Operating profit		14,252	6,709	(52.9)
40	286	(114)		Exclusion of special items:		249	(29)	
33	220	(5)		- asset impairments		343	215	
	(4)	(111)		- gains on disposal of assets			(278)	
4	3	6		- provision for redundancy incentives		6	11	
7	67	(4)		- re-measurement gains/losses on commodity derivatives		(95)	23	
(4)				- other		(5)		
5,249	2,064	2,443	(53.5)	Adjusted operating profit		14,501	6,680	(53.9)
15	50	(49)		Net financial income (expense) ^(b)		47	34	
207	125	106		Net income from investments ^(b)		470	219	
(3,033)	(1,231)	(1,557)		Income taxes ^(b)		(8,507)	(4,074)	
55.4	55.0	62.3		Tax rate (%)		56.6	58.8	
2,438	1,008	943	(61.3)	Adjusted net profit		6,511	2,859	(56.1)
				Results also include:				
1,493	1,785	1,458	(2.3)	- amortizations and depreciations		4,726	4,929	4.3
				of which:				
367	442	281	(23.4)	exploration expenditure		1,423	1,201	(15.6)
298	394	225	(24.5)	- amortization of exploratory drilling expenditures and other		1,104	995	(9.9)
				- amortization of geological and geophysical exploration expenses		319	206	(35.4)
69	48	56	(18.8)	Capital expenditure		6,365	6,996	9.9
2,001	2,759	2,089	4.4	of which:				
				- exploratory expenditure ^(c)		1,315	944	(28.2)
334	352	212	(36.5)	Production^{(d)(e)}				
1,015	986	957	(5.7)	Liquids ^(f)	(kbb/d)	1,008	985	(2.3)
4,302	4,290	4,139	(4.1)	Natural gas	(mmcf/d)	4,415	4,274	(3.2)
1,764	1,733	1,678	(4.9)	Total hydrocarbons	(kboe/d)	1,777	1,730	(2.6)
				Average realizations				
99.77	54.43	62.69	(37.2)	Liquids ^(f)	(\$/bbl)	97.03	53.01	(45.4)
9.13	5.03	5.20	(43.1)	Natural gas	(\$/mmcf)	7.89	5.78	(26.7)
80.00	44.20	49.54	(38.1)	Total hydrocarbons	(\$/boe)	75.35	45.02	(40.3)
				Average oil market prices				
114.78	58.79	68.28	(40.5)	Brent dated	(\$/bbl)	111.02	57.16	(48.5)
76.32	43.16	47.71	(37.5)	Brent dated	(€/bbl)	72.94	41.88	(42.6)
117.83	59.54	68.19	(42.1)	West Texas Intermediate	(\$/bbl)	113.25	56.90	(49.8)
317.48	131.02	111.95	(64.7)	Gas Henry Hub	(\$/kmc)	341.49	134.90	(60.5)

(a) From January 1, 2009, results of the gas storage business are reported within the Gas & Power segment reporting unit following restructuring of Eni regulated gas businesses in Italy. Prior period results have been restated accordingly.

(b) Excluding special items.

(c) Includes exploration bonuses.

(d) Supplementary operating data is provided on page 39.

(e) Includes Eni's share of production of equity-accounted entities.

(f) Includes condensates.

Results

The Exploration & Production division reported adjusted operating profit amounting to €2,443 million for the **third quarter of 2009**, representing a decrease of €2,806 million from the third quarter 2008, down 53.5%. The decrease was mainly driven by lower oil and gas realizations in dollars (down 37.2% and 43.1%, respectively). In addition, the business reported lower production sales volumes (down 6.8 million boe). These negatives were partly offset by a positive impact associated with the depreciation of the euro over the dollar (up approximately €300 million). Special gains excluded from adjusted operating profit amounted to €114 million and mainly regarded gains on the divestment of certain exploration and production assets as part of the agreements signed with Suez.

Adjusted net profit for the quarter decreased by €1,495 million to €943 million from the third quarter of 2008 due to a weaker operating performance, lower results from equity-accounted entities on the back of a weak trading environment as well as a higher tax rate (up 6.9 percentage points) due to a higher share of profit before taxes earned in foreign countries with higher taxation.

Adjusted operating profit for the **first nine months of 2009** was €6,680 million, a decrease of €7,821 million from the first nine months of 2008, down 53.9%, mainly driven by lower oil and gas realizations in dollars (down 45.4% and 26.7%, respectively). Results for the period were also affected by lower production sales volumes (down 12 mmbob). These negatives were partly offset by the depreciation of the euro over the dollar (approximately €1 billion).

Adjusted net profit amounted to €2,859 million for the first nine months of 2009, with a reduction of €3,652 million (down 56.1%) due to a weaker operating performance, lower results from equity-accounted entities and a higher tax rate (up 2.2 percentage points).

Special gains excluded from adjusted operating profit in the first nine months of 2009 (€29 million) mainly regarded gains on the divestment of certain exploration and production assets as part of the agreements signed with Suez, re-measurement gains recorded on fair value evaluation of the ineffective portion of certain cash flow hedges and impairments of oil&gas properties in the Gulf of Mexico, Nigeria and Egypt.

Operating review

Liquids and gas production for the **third quarter of 2009** amounted to 1,678 kboe/d, representing a decrease of 86 kboe/d from the third quarter of 2008, down 4.9%. This negative trend was mainly the result of OPEC production cuts (down approximately 25 kboe/d), continuing security issues in Nigeria, lower production uplifts associated with weak European gas demand and mature field declines. Those negatives were partially offset by continuing production ramp-ups and field start-ups in Congo, Kazakhstan, Norway, Venezuela and the Gulf of Mexico, also related to the hurricane disruptions occurred in the same period of 2008, and the positive price impact reported in the Company's PSAs (up approximately 50 kboe/d). The share of liquids and natural gas produced outside Italy was 90% (89% in the third quarter of 2008).

Liquids production came in at 957 kbb/d, a decrease of 58 kbb/d from the third quarter of 2008, down 5.7%. Main reductions were related to mature fields decline, mainly in Italy and in the North Sea, and continuing security issues in Nigeria. Main increases were recorded in: (i) the Gulf of Mexico, due to production start-up at the Thunder Hawk (25%) and Pegasus (58%) projects; (ii) Congo, due to the development of the Awa Paloukou (90%) project; (iii) Kazakhstan, due to an improved performance; (iv) Venezuela due to the Corocoro (26%) production ramp-up.

Natural gas production (4,139 mmcf/d) decreased by 163 mmcf/d, or 4.1%. Main reductions were recorded in Libya, Italy and Nigeria. Main increases were recorded in the Gulf of Mexico and in Kazakhstan as well as Congo due to the start-up of the M'Boundi project (83%) and Norway due to production start-up at the Tyrihans (6.23%) and Yttergryta (9.8%) projects.

Liquids and gas production for the **first nine months of 2009** amounted to 1,730 kboe/d, representing a decrease of 47 kboe/d from the first nine months of 2008 (down 2.6%) mainly due to OPEC production cuts (down approximately 28 kboe/d), lower production uplifts associated with weak European gas demand, continuing security issues in Nigeria and mature field declines. Those negatives were partially offset by continuing production ramp-ups/start-ups in Angola, Congo, Egypt, Kazakhstan, Venezuela and the Gulf of Mexico also due to the hurricane disruptions occurred in the same period of 2008, and the positive price impact reported in the Company's PSAs (up approximately 50 kboe/d). The share of oil and natural gas produced outside Italy was 90% (89% in the first nine months of 2008).

Liquids production was 985 kbb/d, a decrease of 23 kbb/d from the first nine months of 2008, or 2.3%. Mature fields decline, mainly in Italy and in the North Sea, was partly offset by production increases achieved in Angola, Congo, the Gulf of Mexico and Venezuela.

Natural gas production (4,274 mmcf/d) decreased by 141 mmcf/d, or 3.2% mainly in Italy, Libya and Nigeria. Increases were recorded mainly in the Gulf of Mexico, Kazakhstan and Congo.

Liquids and gas realizations for the quarter decreased on average by 38.1% in dollar terms (down 40.3% in the first nine months of 2009) driven by lower prices for market benchmarks (the Brent crude price declined by 40.5% and 48.5% in the third quarter and first nine months of 2009, respectively).

Eni's average **liquids realizations** for the quarter (down 37.2% from a year ago) decreased by \$0.23/bbl due to settlement of certain commodity derivatives relating to the sale of 10.6 mmbbl. This was part of a derivative transaction the Company entered into to hedge exposure to variability in future cash flows expected from the sale of a portion of the Company's proved reserves for an original amount of approximately 125.7 mmbbl in the 2008-2011 period, decreasing to approximately 48.1 mmbbl by end of September 2009. These hedging transactions were undertaken in connection with the acquisition of oil and gas assets in Congo and in the Gulf of Mexico that were executed in 2007.

Eni's average oil realizations for the first nine months of 2009 (down 45.4% from a year ago) increased instead by \$0.45/bbl in the first nine months as settlement of the abovementioned derivative transaction occurred (relating to the sale of 31.6 mmbbl) at more favourable market conditions in the first half of the year. In fact, in the first half of the year liquid realizations were increased by \$0.79/bbl on the sale of 21 mmbbl; in the third quarter liquid realizations were reduced by \$0.23/bbl on the sale of 10.6 mmbbl as discussed. Excluding this impact, liquid realizations would have been \$62.92 per barrel in the quarter (\$52.56 per barrel in the first nine months of 2009).

Eni's average **gas realizations** decreased by 43.1% in the quarter (down 26.7% in the first nine months) showing a different pace of decline due to time lags between movements in oil prices and their effect on gas prices provided in pricing formulae.

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months		
				2008	2009	
88.1	94.1	91.1	Sales volumes	(mmbbl)	270.8	278.1
11.5	10.5	10.6	Sales volumes hedged by derivatives (cash flow hedge)		34.5	31.6
106.45	54.30	62.92	Average realized price per barrel, excluding derivatives	(\$/bbl)	103.05	52.56
(6.68)	0.13	(0.23)	Realized gains (losses) on derivatives		(6.02)	0.45
99.77	54.43	62.69	Average realized price per barrel		97.03	53.01

Gas & Power

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q. 09 vs. 3 Q. 08	RESULTS ^(a)	(€ million)	Nine Months		% Ch.
						2008	2009	
7,378	5,619	5,511	(25.3)	Net sales from operations		24,349	22,979	(5.6)
687	863	567	(17.5)	Operating profit		3,112	2,683	(13.8)
(138)	18	41		Exclusion of inventory holding (gains) losses		(276)	335	
37	(191)	113		Exclusion of special items:		45	(244)	
	15	1		- environmental charges		14	18	
2	(5)			- gains on disposal of assets		2	(5)	
1	5	4		- provision for redundancy incentives		8	12	
35	(206)	108		- re-measurement gains/losses on commodity derivatives		24	(269)	
(1)				- other		(3)		
586	690	721	23.0	Adjusted operating profit		2,881	2,774	(3.7)
171	213	185	8.2	Marketing		1,277	1,172	(8.2)
293	390	450	53.6	Regulated businesses in Italy ^(a)		1,226	1,309	6.8
122	87	86	(29.5)	International transport		378	293	(22.5)
(2)	(6)	(7)		Net finance income (expense) ^(b)		(10)	(19)	
99	62	76		Net income from investments ^(b)		332	238	
(216)	(249)	(211)		Income taxes ^(b)		(1,077)	(929)	
31.6	33.4	26.7		Tax rate (%)		33.6	31.0	
467	497	579	24.0	Adjusted net profit		2,126	2,064	(2.9)
433	361	344	(20.6)	Capital expenditure		1,402	1,095	(21.9)
				Natural gas sales	(bcm)			
16.83	17.33	19.60	16.5	Sales of consolidated subsidiaries		62.11	65.29	5.1
10.97	7.90	8.92	(18.7)	- Italy (includes own consumption)		39.54	30.03	(24.1)
5.52	9.17	10.31	86.8	- Rest of Europe		21.84	34.51	58.0
0.34	0.26	0.37	8.8	- Outside Europe		0.73	0.75	2.7
1.97	1.67	1.52	(22.8)	Eni's share of sales of natural gas of affiliates		6.44	5.69	(11.6)
18.80	19.00	21.12	12.3	Total sales and own consumption (G&P)		68.55	70.98	3.5
1.37	1.46	1.40	2.2	E&P in Europe and in the Gulf of Mexico		4.69	4.35	(7.2)
20.17	20.46	22.52	11.7	Worldwide gas sales		73.24	75.33	2.9
18.02	17.81	17.24	(4.3)	Gas volumes transported in Italy	(bcm)	63.40	55.34	(12.7)
11.41	9.62	9.77	(14.4)	Eni		38.64	29.81	(22.9)
6.61	8.19	7.47	13.0	On behalf of third parties		24.76	25.53	3.1
7.62	7.57	9.19	20.6	Electricity sales	(TWh)	22.99	24.54	6.7

(a) From January 1, 2009, results of the gas storage business are reported within the Gas & Power segment reporting unit, within the Regulated businesses results, following restructuring of Eni regulated gas businesses in Italy. As of that date, the results of the Regulated businesses in Italy therefore include results of the Transport, Distribution, Re-gasification and Storage activities in Italy. Prior period results have been restated accordingly. Results of the power generation are reported within the Marketing business as it is ancillary to the latter.

(b) Excluding special items.

Results

In the **third quarter of 2009** the Gas & Power division reported adjusted operating profit of €721 million, an increase of €135 million or 23% from the third quarter of 2008, driven by a better performance achieved by Regulated businesses in Italy benefiting from the new tariff mechanism for the Distribution activity. The Marketing business posted a slight increase in operating profit (up €14 million) mainly due to gains recorded on the settlement of certain non-hedging commodity derivatives amounting to €144 million associated with future sales of gas and electricity at fixed prices. When excluding this derivative impact in calculating the EBITDA proforma adjusted (see page 19 below), the Marketing business showed a decline in results amounting to €166 million for the third quarter 2009. The Marketing business results mainly reflected declining marketed volumes mainly on the Italian market dragged down by the current economic downturn.

Adjusted net profit for the **third quarter of 2009** was €579 million, increasing by €112 million from the third quarter of 2008 (up 24%) due to an improved operating performance and a lower tax rate (down 4.9 percentage points). These positives were partly offset by lower earnings reported by equity-accounted entities.

In the **first nine months of 2009** the Gas & Power division reported adjusted operating profit of €2,774 million, a decrease of €107 million down 3.7% from the first nine months of 2008. The reduction mainly reflected lower results recorded by the Marketing business (down €105 million) due to weaker gas demand, particularly in Italy. This reduction was partly offset by favourable trends in the energy parameters to which gas prices are contractually indexed. Furthermore, a positive impact was recorded associated with settlement of certain non-hedging commodity derivatives resulting in a gain of €27 million relating to amounts of gas and electricity that the Gas & Power division expects to supply at fixed prices in future periods. When excluding this derivative impact in calculating the EBITDA proforma adjusted (see page 19 below) the Marketing business confirmed the negative trend results compared to the first nine months of 2008 (down €142 million) as showed by operating profit. Also the International Transport business recorded a drop in operating profit.

Adjusted net profit for the first nine months of 2009 was €2,064 million, declining by €62 million from the first nine months of 2008 (down 2.9%) due to a weaker operating performance, as well as lower earnings reported by equity accounted entities, partly offset by a lower tax rate (down 2.6 percentage points).

Special items excluded from operating profit amounted to net charges of €113 million in the quarter and net gains of €244 million in the first nine months and related mainly to re-measurement impacts recorded on fair value evaluation of certain non-hedging commodity derivatives in the Marketing business (€108 million losses in the quarter and €269 million gains in the first nine months) as discussed above.

Operating review

Marketing

This business reported **adjusted operating profit** of €185 million for the **third quarter of 2009**, representing an increase of €14 million from the third quarter of 2008 mainly due to the impact of the settlement of certain non-hedging commodity derivatives resulting in a €144 million gain relating to amounts of gas and electricity that the Gas & Power division expects to supply at fixed prices in future periods .

When excluding this derivative impact in calculating the EBITDA proforma adjusted (see page 19 below), the Marketing business showed a decline in results amounting to €166 million for the third quarter of 2009. The Marketing business results mainly reflected declining marketed volumes mainly on the Italian market dragged down by the current economic downturn.

The Marketing business reported adjusted operating profit of €1,172 million for the **first nine months of 2009**, a decrease of €105 million from the first nine months of 2008 mainly due to lower sales volumes reported by consolidated subsidiaries as a result of the economic downturn that particularly hit the Italian market where volumes were down 24.1%. This reduction was partly offset by a number of positives. First, favourable trends were recorded in the energy parameters to which gas prices are contractually indexed. Secondly, results for the first nine months 2008 were affected by the incurrence of certain operating expenses associated with a claim filed by the Authority for Electricity and Gas which reverted application of a favourable tariff regime on electricity productions.

Finally, a positive impact was recorded associated with settlement of certain non-hedging commodity derivatives resulting in a €27 million gain relating to amounts of gas and electricity that the Gas & Power division expects to supply at fixed prices in future periods. When excluding this derivative impact in calculating the EBITDA proforma adjusted (see page 19 below), the Marketing business confirmed the negative trend results compared to the first nine months of 2008 (down €142 million) as showed by operating profit.

NATURAL GAS SALES BY MARKET

(bcm)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q. 09 vs. 3 Q. 08		Nine Months 2008	2009	%Ch.
10.97	7.90	8.92	(18.7)	ITALY	39.57	30.03	(24.1)
0.78	0.94	0.70	(10.3)	- Wholesalers	5.23	4.45	(14.9)
0.73	0.24	0.24	(67.1)	- Gas release	2.85	0.89	(68.8)
0.78	0.29	0.63	(19.2)	- Italian exchange for gas and spot markets	1.30	1.02	(21.5)
2.06	1.97	1.87	(9.2)	- Industries	7.27	5.96	(18.0)
0.09	0.12	0.09		- Medium-sized enterprises and services	0.68	0.69	1.5
4.68	2.35	3.39	(27.6)	- Power generation	13.72	8.39	(38.8)
0.43	0.74	0.45	4.7	- Residential	4.15	4.32	4.1
1.42	1.25	1.55	9.2	- Own consumption	4.37	4.31	(1.4)
9.20	12.56	13.60	47.8	INTERNATIONAL SALES	33.67	45.30	34.5
7.07	10.65	11.65	64.8	Rest of Europe	27.08	39.48	45.8
1.54	2.36	2.07	34.4	- Importers in Italy	8.38	7.84	(6.4)
5.53	8.29	9.58	73.2	- European markets	18.70	31.64	69.2
1.95	1.70	1.92	(1.5)	<i>Iberian Peninsula</i>	5.58	5.17	(7.3)
0.82	0.95	1.09	32.9	<i>Germany - Austria</i>	3.47	3.77	8.6
	2.16	2.85	..	<i>Belgium</i>		10.11	..
0.30	0.17	0.30		<i>Hungary</i>	1.89	1.76	(6.9)
0.74	1.01	1.02	37.8	<i>Northern Europe</i>	2.21	3.00	35.7
1.08	1.02	1.17	8.3	<i>Turkey</i>	3.72	3.49	(6.2)
0.43	1.02	1.02	..	<i>France</i>	1.46	3.38	..
0.21	0.26	0.21		<i>Other</i>	0.37	0.96	..
0.76	0.45	0.55	(27.6)	Extra European markets	1.90	1.47	(22.6)
1.37	1.46	1.40	2.2	E&P in Europe and in the Gulf of Mexico	4.69	4.35	(7.2)
20.17	20.46	22.52	11.7	WORLDWIDE GAS SALES	73.24	75.33	2.9

In the **third quarter of 2009 natural gas sales** were 22.52 bcm, an increase of 2.35 bcm from the third quarter of 2008, up 11.7%, driven by the contribution of the Distrigas acquisition (up 3.31 bcm). Sales included own consumption, Eni's share of sales made by equity-accounted entities and upstream sales in Europe and the Gulf of Mexico.

Sales volumes on the Italian market declined by 2.05 bcm, or 18.7%, to 8.92 bcm driven by sharply lower supplies to the power generation business (down 1.29 bcm) and, to a lesser extent, to industrial customers (down 0.19 bcm) dragged down by a deep fall in industrial production. Lower sales to power generation customers were also caused by increased use of water basins in the production of electricity thus replacing gas-fired production. International sales were up 4.40 bcm, or 47.8%, to 13.60 bcm, benefiting from the contribution of Distrigas (up 3.31 bcm).

Organic growth was achieved in a number of European markets, including the French market where ongoing marketing initiatives and a growing customer base helped boost sales (up 0.32 bcm) and Germany-Austria (up 0.23 bcm). Sales in Northern Europe increased by up 0.28.

In the **first nine months of 2009 natural gas sales** were 75.33 bcm, an increase of 2.09 bcm from the first nine months of 2008, up 2.9%, due to the contribution of the Distrigas acquisition (up 11.84 bcm), partly offset by lower gas demand in Europe caused by the economic downturn. Sales included own consumption, Eni's share of sales made by equity-accounted entities and upstream sales in Europe and the Gulf of Mexico.

In Italy, sales volumes decreased by 9.54 bcm, or 24.1%, to 30.03 bcm reflecting sharply lower supplies to power generation utilities (down 5.33 bcm) and industrial customers (down 1.31 bcm) dragged down by a decline in industrial production following the economic downturn and, to a lower extent, to wholesalers (down 0.78 bcm) also reflecting competitive pressure. Lower sales to power generation customers also reflected wider use of water basins. These negatives were partly offset by increased volumes sold to the residential sector (up 0.17 bcm) mainly due to higher weather-related sales.

International sales were up 11.63 bcm, or 34.5%, to 45.30 bcm, benefiting from the contribution of Distrigas. In addition to this positive, organic sales increases were achieved in a number of European markets, including

France (up 0.94 bcm) and Northern Europe (up 0.79 bcm). Lower volumes were reported in supplies to importers to Italy (down 0.54 bcm), in the European markets of the Iberian Peninsula (down 0.41 bcm) and Turkey (down 0.23 bcm), as well as in the Exploration & Production segment sales, particularly in Europe (down 0.34 bcm or 7.2%).

Electricity sales increased to 9.19 TWh, up 20.6% in the third quarter and to 24.54 TWh, up 6.7%, in the first nine months of 2009. Notwithstanding weaker domestic demand, Eni's sales were driven by higher traded volumes. Increased volumes mainly related to higher sales on open markets and, to a lesser extent, to the Italian Power Exchange.

Regulated businesses in Italy

These businesses reported **adjusted operating profit** of €450 million for the **third quarter of 2009**, up €157 million, or 53.6% from the same period of 2008, due to increased results reported by: (i) the Distribution business (up €118 million). This trend was mainly driven by a new tariff mechanism set by the Authority for Electricity and Gas effective from January 1, 2009 which provided for the elimination of the commodity component of the tariff resulting in a revenue profile that is largely unaffected by seasonal swings in volumes of gas distributed and (ii) the Transport activity (up €23 million) which benefited from tariff increases associated with new capital expenditure partly offset by lower volumes as a result of weak gas demand in Italy.

The Storage business reported adjusted operating profit of €43 million for the third quarter of 2009 (€27 million in the third quarter of 2008).

Regulated businesses in Italy reported **adjusted operating profit** of €1,309 million for the **first nine months of 2009**, up €83 million, or 6.8% from the same period of 2008, due to the contribution of the Distribution business (up €93 million) which recorded a positive trend mainly driven by the impact of the afore mentioned new tariff mechanism set by the Authority for Electricity and Gas. This positive was partly offset by weaker results reported by Transport activities (down €35 million), caused by a decline in gas demand in Italy.

The Storage business reported adjusted operating profit of €169 million, a slight increase from the first nine months of 2008 (€144 million).

Volumes of gas transported in Italy (17.24 bcm in the third quarter of 2009 and 55.34 bcm in the first nine months of 2009) decreased by 0.78 bcm, or 4.3%, from the third quarter of 2008 (down 8.06 bcm from the first nine months of 2008) due to lower gas deliveries due to a weaker demand.

In the first nine months of 2009, 7.3 bcm were input to Company's **storage** deposits, an increase of 1.6 bcm compared to the same period of 2008 (3 bcm on the third quarter of 2009, up 0.7 bcm from the third quarter of 2008).

International Transport

This business reported **adjusted operating profit** of €86 million for the **third quarter of 2009** (€293 million for the first nine months of 2009), representing a decrease of €36 million or 29.5% from the third quarter of 2008 (down €85 million from the first nine months of 2008) mainly due to the recognition of: (i) higher amortization charges related to the upgrading of the TTPC pipeline and (ii) costs incurred to repair and restore to full capacity the TMPC pipeline that was damaged in an accident occurred in December 2008.

Other performance indicators

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q. 09 vs. 3 Q. 08		Nine Months		
					2008	2009	% Ch.
787	821	703	(10.7)	Pro-forma adjusted EBITDA	3,370	3,244	(3.7)
377	374	211	(44.0)	Marketing	1,911	1,769	(7.4)
6	(15)	(150)		<i>of which: +/- adjustment on commodity derivatives</i>	4	10	
235	301	338	43.8	Regulated businesses in Italy	915	982	7.3
175	146	154	(12.0)	International transport	544	493	(9.4)

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization charges) on an adjusted basis is calculated by adding amortization and depreciation charges to adjusted operating profit which is also modified to take into account impacts associated with certain derivatives instruments as discussed below. This performance indicator includes adjusted EBITDA of Eni's wholly owned subsidiaries and Eni's share of adjusted EBITDA generated by certain associates which are accounted for under the equity method for IFRS purposes. The EBITDA of Snam Rete Gas is included according to Eni's share of equity (55.58% as of September 30, 2009, which takes into account the amount of own shares held in treasury by the subsidiary itself) although this Company is fully consolidated when preparing consolidated financial statements in accordance with IFRS, due to its listed company status. Italgas SpA and Stoccaggi Gas Italia SpA results are also included according to the same share of equity as Snam Rete Gas due to closing of the restructuring deal which involved Eni's regulated business in the Italian gas sector, whereby the parent company Eni SpA divested the entire share capital of the two subsidiaries to Snam Rete Gas. In order to calculate the EBITDA pro-forma adjusted, the adjusted operating profit of the Marketing business is modified to take into account the impact of the settlement of certain commodity and exchange rate derivatives that do not meet the formal criteria to be classified as hedges under the IFRS. Those are entered into by the Company in view of certain amounts of gas and electricity that the Company expects to supply at fixed prices in future periods. The impact of those derivatives is allocated to the EBITDA pro-forma adjusted relating to the reporting periods during which those supplies at fixed prices are recognized. Management believes that the EBITDA pro-forma adjusted is an important alternative measure to assess the performance of Eni's Gas & Power division, taking into account evidence that this division is comparable to European utilities in the gas and power generation sector. This measure is provided in order to assist investors and financial analysts in assessing the Eni Gas & Power divisional performance as compared to its European peers, as EBITDA is widely used as the main performance indicator for utilities. The EBITDA pro-forma adjusted is a non-GAAP measure under IFRS.

Refining & Marketing

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q. 09 vs. 3 Q. 08		(€ million)	Nine Months		%Ch.
						2008	2009	
13,843	7,735	8,582	(38.0)	RESULTS				
428	47	34	(92.1)	Net sales from operations^(a)		38,083	22,703	(40.4)
(218)	(258)	(173)		Operating profit		1,204	321	(73.3)
17	105	29		Exclusion of inventory holding (gains) losses		(1,034)	(640)	
				Exclusion of special items:		166	158	
(21)				of which:				
38	105	29		Non-recurring items		(21)		
22	15	19		Other special items:		187	158	
1	46	12		- environmental charges		28	41	
10	2	(2)		- asset impairments		150	64	
	15			- gains on disposal of assets		10	(1)	
4	3	3		- risk provisions			15	
(11)	24	(3)		- provision for redundancy incentives		10	11	
12				- re-measurement gains/losses on commodity derivatives		(11)	28	
				- other				
227	(106)	(110)	..	Adjusted operating profit		336	(161)	..
47	4	22		Net income from investments ^(b)		111	61	
(97)	3	40		Income taxes ^(b)		(146)	21	
35.4		Tax rate (%)		32.7	..	
177	(99)	(48)	..	Adjusted net profit		301	(79)	..
193	132	164	(15.0)	Capital expenditure		543	381	(29.8)
				Global indicator refining margin				
6.37	3.61	2.34	(63.3)	Brent	(\$/bbl)	6.07	3.76	(38.1)
4.24	2.65	1.64	(61.3)	Brent	(€/bbl)	3.99	2.75	(31.1)
8.51	3.90	2.26	(73.4)	Brent/Ural	(\$/bbl)	8.60	4.14	(51.9)
				Refining throughputs and sales	(mmt tonnes)			
6.71	5.91	6.42	(4.3)	Refining throughputs of wholly-owned refineries		19.40	18.05	(7.0)
7.75	7.11	7.94	2.5	Refining throughputs on own account Italy		22.66	22.10	(2.5)
1.37	1.21	1.35	(1.5)	Refining throughputs on own account Rest of Europe		4.11	3.84	(6.6)
9.12	8.32	9.29	1.9	Refining throughputs on own account		26.77	25.94	(3.1)
2.28	2.31	2.36	3.5	Retail sales Italy		6.52	6.77	3.8
0.84	0.76	0.80	(4.8)	Retail sales Rest of Europe		2.45	2.25	(8.2)
3.12	3.07	3.16	1.3	Total retail sales in Europe		8.97	9.02	0.6
2.90	2.25	2.43	(16.2)	Wholesale Italy		8.26	7.09	(14.2)
1.02	0.85	0.94	(7.8)	Wholesale Rest of Europe		2.94	2.70	(8.2)
3.92	3.10	3.37	(14.0)	Total wholesale in Europe		11.20	9.79	(12.6)
0.15	0.12	0.10	(33.3)	Wholesale Rest of World		0.43	0.31	(27.9)
7.34	4.87	4.71	(35.8)	Other sales		16.45	14.35	(12.8)
14.53	11.16	11.34	(22.0)	Sub-total		37.05	33.47	(9.7)
0.48			..	Iberian Peninsula		1.52		..
15.01	11.16	11.34	(24.5)	SALES		38.57	33.47	(13.2)
				Refined product sales by region				
7.09	6.72	6.88	(3.0)	Italy		21.40	19.78	(7.6)
2.34	1.61	1.74	(25.6)	Rest of Europe		6.91	4.95	(28.4)
5.58	2.83	2.72	(51.3)	Rest of World		10.26	8.74	(14.8)

(a) From January 1, 2009 Eni adopted IFRIC 13 "Customer Loyalty Programmes" providing that the award credits granted to clients within the related loyalty programmes should be accounted as a separate component of the basic sale transaction, evaluated at their fair value and recognized as revenues when redeemed. Prior period results have been restated accordingly.

(b) Excluding special items.

Results

The Refining & Marketing division reported adjusted operating loss amounting to €110 million for the **third quarter of 2009**, reversing a prior year profit of €227 million. The €337 million reduction was mainly driven by sharply lower refining margins as a result of an unfavourable trading environment. Marketing activities in Italy

delivered lowered operating performance reflecting margin reduction and lower marketed volumes mainly due to the economic downturn.

Adjusted net loss for the quarter was €48 million, reversing a prior year profit of €177 million, mainly due to a lower operating performance, as well as lower earnings reported by equity accounted entities.

The Refining & Marketing division reported an adjusted operating loss of €161 million for the **first nine months of 2009**, a decrease of €497 million from the first nine months of 2008 mainly driven by sharply lower refining margins as a result of an unfavourable trading environment.

Adjusted net loss for the first nine months of 2009 was €79 million (down €380 million, reversing a prior year profit of €301 million), mainly due to a lower operating performance and decreased earnings reported by equity-accounted entities.

Special charges excluded from adjusted operating profit amounted to €29 million for the quarter and €158 million for the first nine months of 2009 mainly related to impairment charges associated with goodwill recognized on marketing assets acquired in Central-Eastern Europe, capital expenditure for the period on assets impaired in previous reported years, as well as environmental and other risk provisions and re-measurement losses recorded on fair value evaluation of certain not hedging commodity derivatives.

Operating review

Eni's refining throughputs for the **third quarter of 2009** were 9.29 mmt tonnes, up 1.9% from the third quarter of 2008. Higher volumes were processed in Italy (up 2.5%) as the Company replaced with own volumes lower volumes processed by third parties compared to the third quarter of 2008. Volumes processed outside Italy declined particularly at Eni's plants in the Czech Republic due to lower capacity utilization in response to weak market demand for fuels.

Excluding the impact of the divestment of marketing activities in the Iberian Peninsula late in 2008 (down 0.48 mmt tonnes), sales of refined products for the third quarter of 2009 decreased by approximately 3.19 mmt tonnes, down 22%, to 11.34 mmt tonnes compared to the third quarter of 2008. Retail sales in Italy followed a different trend and increased by approximately 80 ktonnes, up 3.5%, to 2.36 mmt tonnes due to increased volumes marketed under self-service promotional sales programmes and other marketing campaigns mainly on ordinary service stations. Eni's retail market share for the third quarter was 31.6%, up 0.3 percentage points from the corresponding period in 2008. Among individual products marketed on the network, gasoil sales performed well.

Wholesale volumes in Italy (2.43 mmt tonnes) decreased by approximately 470 ktonnes, down 16.2%, mainly due to lower demand reflecting the economic downturn.

Retail sales in the rest of Europe (approximately 0.80 mmt tonnes) decreased by approximately 40 ktonnes, or 4.8%, mainly reflecting a decline in demand, in particular in Eastern Europe.

Wholesale sales in the rest of Europe (0.94 mmt tonnes) decreased by approximately 80 ktonnes, or 7.8%, mainly in the Czech Republic and Germany.

Eni's refining throughputs for the **first nine months of 2009** were 25.94 mmt tonnes, down 3.1% from the first nine months of 2008. Lower volumes were recorded in Italy (down 2.5%) as refinery operations were rescheduled at certain plants to take account of weak demand for products and refinery downtime was prolonged. Volumes processed outside Italy declined in particular in the Czech Republic and in Germany due to lower utilization of plant capacity in response to weak market conditions and the shut down of the Ingolstadt refinery.

Retail sales in Italy (6.77 mmt tonnes) increased by approximately 250 ktonnes, up 3.8%, driven by marketing initiatives, including pricing. Eni's retail market share for the first nine months was 31.6%, up 1.3 percentage points from the corresponding period in 2008.

Wholesale sales in Italy (7.09 mmt tonnes) decreased by approximately 1.17 mmt tonnes, down 14.2%, mainly due to lower demand reflecting the economic downturn.

Excluding the impact of the divestment of marketing activities in the Iberian Peninsula late in 2008, sales of refined products decreased by 3.5 mmt tonnes, down 9.7% from the corresponding period of 2008.

Retail sales in the rest of Europe (2.25 mmt tonnes) decreased by approximately 200 ktonnes, or 8.2%, mainly reflecting a decline in full demand, in particular in Eastern Europe.

Wholesale sales in the rest of Europe (2.70 mmt tonnes) decreased by approximately 240 ktonnes, mainly in the Czech Republic, Germany and Switzerland.

Profit and loss account

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q, 09 vs. 3 Q, 08		Nine Months		
					2008	2009	% Ch.
28,144	18,267	19,142	(32.0)	Net sales from operations ^(a)	83,532	61,150	(26.8)
58	141	333	..	Other income and revenues	466	834	79.0
(20,014)	(13,624)	(14,207)	29.0	Operating expenses	(59,520)	(45,804)	23.0
21				of which non recurring items	21		
(37)	31	(87)	..	Other operating income (expense) ^(b)	32	(39)	..
(1,912)	(2,410)	(1,964)	(2.7)	Depreciation, depletion, amortization and impairments	(6,301)	(6,552)	(4.0)
6,239	2,405	3,217	(48.4)	Operating profit	18,209	9,589	(47.3)
(161)	(189)	(175)	(8.7)	Finance income (expense)	(291)	(394)	(35.4)
347	214	194	(44.1)	Net income from investments	1,216	552	(54.6)
6,425	2,430	3,236	(49.6)	Profit before income taxes	19,134	9,747	(49.1)
(3,336)	(1,390)	(1,747)	47.6	Income taxes	(8,818)	(5,108)	42.1
51.9	57.2	54.0		Tax rate (%)	46.1	52.4	
3,089	1,040	1,489	(51.8)	Net profit	10,316	4,639	(55.0)
				Attributable to:			
2,941	832	1,240	(57.8)	- Eni	9,699	3,976	(59.0)
148	208	249	68.2	- minority interest	617	663	7.5
2,941	832	1,240	(57.8)	Net profit attributable to Eni	9,699	3,976	(59.0)
(187)	(143)	(108)		Exclusion of inventory holding (gain) loss	(970)	(160)	
159	213	20		Exclusion of special items	(520)	(3)	
				of which:			
(21)				- non recurring items	(21)		
180	213	20		- other special items	(499)	(3)	
2,913	902	1,152	(60.5)	Eni's adjusted net profit ^(c)	8,209	3,813	(53.6)

(a) From January 1, 2009 Eni adopted IFRIC 13 "Customer Loyalty Programmes" providing that the award credits granted to clients within the related loyalty programmes should be accounted as a separate component of the basic sale transaction, evaluated at their fair value and recognized as revenues when redeemed. Prior period results have been restated accordingly.

(b) From year 2009, the Company accounts gains and losses on commodity derivatives instruments, including both fair value re-measurement and settled transactions, as items of operating profit. Adjusted operating profit and net profit only include gains and losses associated with settled transaction, gross and net of the associated tax impact respectively. Prior period results have been restated accordingly.

(c) For a detailed explanation of adjusted operating profit and adjusted net profit see page 23.

Non-GAAP measures

Reconciliation of reported operating profit and reported net profit to results on an adjusted basis

Management evaluates Group and business performance on the basis of adjusted operating profit and adjusted net profit, which are arrived at by excluding inventory holding gains or losses and special items. Further, finance charges on finance debt, interest income, gains or losses deriving from evaluation of certain derivative financial instruments at fair value through profit or loss as they do not meet the formal criteria to be assessed as hedges under IFRS, excluding commodity derivatives, and exchange rate differences are excluded when determining adjusted net profit of each business segment. The taxation effect of the items excluded from adjusted operating or net profit is determined based on the specific rate of taxes applicable to each of them. The Italian statutory tax rate of 34% is applied to finance charges and income (33% in previous reporting periods). Adjusted operating profit and adjusted net profit are non-GAAP financial measures under either IFRS, or U.S. GAAP. Management includes them in order to facilitate a comparison of base business performance across periods and allow financial analysts to evaluate Eni's trading performance on the basis of their forecasting models. In addition, management uses segmental adjusted net profit when calculating return on average capital employed (ROACE) by each business segment.

The following is a description of items that are excluded from the calculation of adjusted results.

Inventory holding gain or loss is the difference between the cost of sales of the volumes sold in the period based on the cost of supplies of the same period and the cost of sales of the volumes sold calculated using the weighted average cost method of inventory accounting.

Special items include certain significant income or charges pertaining to either: (i) infrequent or unusual events and transactions, being identified as non-recurring items under such circumstances; or (ii) certain events or transactions which are not considered to be representative of the ordinary course of business, as in the case of environmental provisions, restructuring charges, asset impairments or write ups and gains or losses on divestments even though they occurred in past periods or are likely to occur in future ones. As provided for in Decision No. 15519 of July 27, 2006 of the Italian market regulator (CONSOB), non recurring material income or charges are to be clearly reported in the management's discussion and financial tables. Also, special items include gains and losses on re-measurement at fair value of certain non-hedging commodity derivatives, including the ineffective portion of cash flow hedges.

Finance charges or income related to net borrowings excluded from the adjusted net profit of business segments are comprised of interest charges on finance debt and interest income earned on cash and cash equivalents not related to operations. In addition gains or losses on the fair value evaluation of abovementioned derivative financial instruments, excluding commodity derivatives, and exchange rate differences are excluded from the adjusted net profit of business segments. Therefore, the adjusted net profit of business segments includes finance charges or income deriving from certain segment-operated assets, i.e., interest income on certain receivable financing and securities related to operations and finance charge pertaining to the accretion of certain provisions recorded on a discounted basis (as in the case of the asset retirement obligations in the Exploration & Production division). Finance charges or interest income and related taxation effects excluded from the adjusted net profit of the business segments are allocated on the aggregate Corporate and financial companies.

For a reconciliation of adjusted operating profit and adjusted net profit to reported operating profit and reported net profit see tables below.

(€ million)

Nine Months of 2009

	E&P	G&P	R&M	Petrochemicals	Engineering & Construction	Other activities	Corporate and financial companies	Impact of unrealized intragroup profit elimination	Group
Reported operating profit	6,709	2,683	321	(514)	854	(205)	(321)	62	9,589
Exclusion of inventory holding (gains) losses		335	(640)	95					(210)
Exclusion of special items:									
environmental charges		18	41			45			104
asset impairments	215		64	97		6			382
gains on disposal of assets	(278)	(5)	(1)		(4)	(2)			(290)
risk provisions			15			(4)			11
provision for redundancy incentives	11	12	11	3		4	20		61
re-measurement gains/losses on commodity derivatives	23	(269)	28	(3)	(14)				(235)
other						(36)	44		8
Special items of operating profit	(29)	(244)	158	97	(18)	13	64		41
Adjusted operating profit	6,680	2,774	(161)	(322)	836	(192)	(257)	62	9,420
Net finance (expense) income ^(a)	34	(19)				28	(437)		(394)
Net income from investments ^(a)	219	238	61		29	2			549
Income taxes ^(a)	(4,074)	(929)	21	67	(202)		45	(27)	(5,099)
Tax rate (%)	58.8	31.0	..		23.4				53.3
Adjusted net profit	2,859	2,064	(79)	(255)	663	(162)	(649)	35	4,476
<i>of which:</i>									
- adjusted net profit of minority interest									663
- Eni's adjusted net profit									3,813
Eni reported net profit									3,976
Exclusion of inventory holding (gains) losses									(160)
Exclusion of special items									(3)
Eni's adjusted net profit									3,813

(a) Excluding special items.

(€ million)

Nine Months of 2008

	E&P	G&P	R&M	Petrochemicals	Engineering & Construction	Other activities	Corporate and financial companies	Impact of unrealized intragroup profit elimination	Group
Reported operating profit	14,252	3,112	1,204	(352)	743	(193)	(381)	(176)	18,209
Exclusion of inventory holding (gains) losses		(276)	(1,034)	(102)					(1,412)
Exclusion of special items:									
of which:									
Non-recurring (income) charges			(21)						(21)
Other special (income) charges:	249	45	187	168		40	203		892
environmental charges		14	28			28			70
asset impairments	343		150	172		3			668
gains on disposal of assets		2	10	(5)		(13)	(9)		(15)
risk provisions						20			20
provision for redundancy incentives	6	8	10	1		2	14		41
re-measurement gains/losses on commodity derivatives	(95)	24	(11)				3		(79)
other	(5)	(3)					195		187
Special items of operating profit	249	45	166	168		40	203		871
Adjusted operating profit	14,501	2,881	336	(286)	743	(153)	(178)	(176)	17,668
Net finance (expense) income ^(a)	47	(10)				(12)	(316)		(291)
Net income from investments ^(a)	470	332	111	2	36	3	5		959
Income taxes ^(a)	(8,507)	(1,077)	(146)	65	(208)		198	63	(9,612)
Tax rate (%)	56.6	33.6	32.7		26.7				52.4
Adjusted net profit	6,511	2,126	301	(219)	571	(162)	(291)	(113)	8,724
of which:									
- adjusted net profit of minority interest									515
- Eni's adjusted net profit									8,209
Eni reported net profit									9,699
Exclusion of inventory holding (gains) losses									(970)
Exclusion of special items:									(520)
- non-recurring (income) charges									(21)
- other special (income) charges									(499)
Eni's adjusted net profit									8,209

(a) Excluding special items.

(€ million)

Third Quarter of 2009

	E&P	G&P	R&M	Petrochemicals	Engineering & Construction	Other activities	Corporate and financial companies	Impact of unrealized intragroup profit elimination	Group
Reported operating profit	2,557	567	34	(60)	274	(28)	(134)	7	3,217
Exclusion of inventory holding (gains) losses		41	(173)	(13)					(145)
Exclusion of special items:									
environmental charges		1	19						20
asset impairments	(5)		12	8		2			17
gains on disposal of assets	(111)		(2)		(3)				(116)
provision for redundancy incentives	6	4	3			2	8		23
re-measurement gains/losses on commodity derivatives	(4)	108	(3)		(4)				97
other						(40)	44		4
Special items of operating profit	(114)	113	29	8	(7)	(36)	52		45
Adjusted operating profit	2,443	721	(110)	(65)	267	(64)	(82)	7	3,117
Net finance (expense) income ^(a)	(49)	(7)					(119)		(175)
Net income from investments ^(a)	106	76	22		10	2			216
Income taxes ^(a)	(1,557)	(211)	40	19	(63)		18	(3)	(1,757)
Tax rate (%)	62.3	26.7	..		22.7				55.6
Adjusted net profit	943	579	(48)	(46)	214	(62)	(183)	4	1,401
<i>of which:</i>									
- adjusted net profit of minority interest									249
- Eni's adjusted net profit									1,152
Eni reported net profit									1,240
Exclusion of inventory holding (gains) losses									(108)
Exclusion of special items									20
Eni's adjusted net profit									1,152

(a) Excluding special items.

(€ million)

Third Quarter of 2008

	E&P	G&P	R&M	Petrochemicals	Engineering & Construction	Other activities	Corporate and financial companies	Impact of unrealized intragroup profit elimination	Group
Reported operating profit	5,209	687	428	(89)	276	(52)	(274)	54	6,239
Exclusion of inventory holding (gains) losses		(138)	(218)	22					(334)
Exclusion of special items:									
of which:									
Non-recurring (income) charges			(21)						(21)
Other special (income) charges:	40	37	38	(3)		1	200		313
environmental charges			22						22
asset impairments	33		1			1			35
gains on disposal of assets		2	10	(5)		(13)	(9)		(15)
provision for redundancy incentives	4	1	4	1		1	3		14
re-measurement gains/losses on commodity derivatives	7	35	(11)				2		33
other	(4)	(1)	12	1		12	204		224
Special items of operating profit	40	37	17	(3)		1	200		292
Adjusted operating profit	5,249	586	227	(70)	276	(51)	(74)	54	6,197
Net finance (expense) income ^(a)	15	(2)					(174)		(161)
Net income from investments ^(a)	207	99	47		10	3	5		371
Income taxes ^(a)	(3,033)	(216)	(97)	13	(83)		91	(21)	(3,346)
Tax rate (%)	55.4	31.6	35.4		29.0				52.2
Adjusted net profit	2,438	467	177	(57)	203	(48)	(152)	33	3,061
of which:									
- adjusted net profit of minority interest									148
- Eni's adjusted net profit									2,913
Eni reported net profit									2,941
Exclusion of inventory holding (gains) losses									(187)
Exclusion of special items:									159
- non-recurring (income) charges									(21)
- other special (income) charges									180
Eni's adjusted net profit									2,913

(a) Excluding special items.

(€ million)

Second Quarter of 2009

	E&P	G&P	R&M	Petrochemicals	Engineering & Construction	Other activities	Corporate and financial companies	Impact of unrealized intragroup profit elimination	Group
Reported operating profit	1,778	863	47	(287)	310	(122)	(124)	(60)	2,405
Exclusion of inventory holding (gains) losses		18	(258)	50					(190)
Exclusion of special items:									
environmental charges		15	15			45			75
asset impairments	220		46	89		3			358
gains on disposal of assets	(4)	(5)	2		(1)	(1)			(9)
risk provisions			15			(4)			11
provision for redundancy incentives	3	5	3	2		2	7		22
re-measurement gains/losses on commodity derivatives	67	(206)	24		(12)				(127)
other						4			4
Special items of operating profit	286	(191)	105	91	(13)	49	7		334
Adjusted operating profit	2,064	690	(106)	(146)	297	(73)	(117)	(60)	2,549
Net finance (expense) income ^(a)	50	(6)				(2)	(231)		(189)
Net income from investments ^(a)	125	62	4		11				202
Income taxes ^(a)	(1,231)	(249)	3	32	(82)		56	19	(1,452)
Tax rate (%)	55.0	33.4	..		26.6				56.7
Adjusted net profit	1,008	497	(99)	(114)	226	(75)	(292)	(41)	1,110
<i>of which:</i>									
- adjusted net profit of minority interest									208
- Eni's adjusted net profit									902
Eni reported net profit									832
Exclusion of inventory holding (gains) losses									(143)
Exclusion of special items									213
Eni's adjusted net profit									902

(a) Excluding special items.

Breakdown of special items

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months	
				2008	2009
(21)			Non-recurring charges (income)	(21)	
			of which:		
(21)			<i>provisions and utilizations against antitrust proceedings and regulations</i>	(21)	
313	334	45	Other special charges (income):	892	41
35	358	17	asset impairments	668	382
22	75	20	environmental charges	70	104
(15)	(9)	(116)	gains on disposal of property, plant and equipment	(15)	(290)
	11		risk provisions	20	11
14	22	23	provisions for redundancy incentives	41	61
33	(127)	97	re-measurement gains/losses on commodity derivatives	(79)	(235)
224	4	4	other	187	8
292	334	45	Special items of operating profit	871	41
(2)	2	39	Net income from investments	(187)	31
			of which:		
			<i>gain on divestment of GTT (Gaztransport et Technigaz SAS)</i>	(185)	
(131)	(123)	(64)	Income taxes	(1.306)	(75)
			of which:		
(19)	(27)		tax impact pursuant to Law decree No. 112 of June 25, 2008 for Italian subsidiaries	(556)	(27)
(19)			- on inventories	(462)	
	(27)		- on deferred taxes	(94)	(27)
			tax impact pursuant Budget Law 2008 for Italian subsidiaries	(290)	
			adjustment to deferred tax for Libyan assets	(173)	
(1)			other special items	(41)	
(111)	(96)	(64)	taxes on special items of operating profit	(246)	(48)
159	213	20	Total special items of net profit	(622)	(3)
			attributable to:		
			- <i>Minority interest</i>	(102)	
159	213	20	- <i>Eni</i>	(520)	(3)

Breakdown of impairment

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months	
				2008	2009
2	324	17	Asset impairment	513	348
	23		Goodwill impairment		23
2	347	17	Sub Total	513	371
33	11		Impairment losses of receivables equivalent to fixed assets	155	11
35	358	17	Impairment	668	382

Adjusted operating profit

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q. 09 vs. 3 Q. 08		Nine Months		
					2008	2009	% Ch.
5,249	2,064	2,443	(53.5)	Exploration & Production	14,501	6,680	(53.9)
586	690	721	23.0	Gas & Power	2,881	2,774	(3.7)
227	(106)	(110)	..	Refining & Marketing	336	(161)	..
(70)	(146)	(65)	7.1	Petrochemicals	(286)	(322)	(12.6)
276	297	267	(3.3)	Engineering & Construction	743	836	12.5
(51)	(73)	(64)	(25.5)	Other activities	(153)	(192)	(25.5)
(74)	(117)	(82)	(10.8)	Corporate and financial companies	(178)	(257)	(44.4)
54	(60)	7		Impact of unrealized intragroup profit elimination	(176)	62	
6,197	2,549	3,117	(49.7)		17,668	9,420	(46.7)

Net sales from operations

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q, 09 vs. 3 Q, 08		Nine Months 2008	2009	% Ch.
8,815	5,683	5,325	(39.6)	Exploration & Production	26,536	17,153	(35.4)
7,378	5,619	5,511	(25.3)	Gas & Power	24,349	22,979	(5.6)
13,843	7,735	8,582	(38.0)	Refining & Marketing	38,083	22,703	(40.4)
1,742	1,027	1,162	(33.3)	Petrochemicals	5,261	3,067	(41.7)
2,441	2,466	2,383	(2.4)	Engineering & Construction	6,652	7,264	9.2
49	21	20	(59.2)	Other activities	144	67	(53.5)
314	302	310	(1.3)	Corporate and financial companies	957	921	(3.8)
63	(5)	3		Impact of unrealized intragroup profit elimination	63	(16)	
(6,501)	(4,581)	(4,154)		Consolidation adjustment	(18,513)	(12,988)	
28,144	18,267	19,142	(32.0)		83,532	61,150	(26.8)

Operating expenses

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q, 09 vs. 3 Q, 08		Nine Months 2008	2009	% Ch.
19,066	12,537	13,195	(30.8)	Purchases, services and other	56,600	42,715	(24.5)
(21)				of which: - non-recurring items	(21)		
40	101	16		- other special items	230	126	
948	1,087	1,012	6.8	Payroll and related costs	2,920	3,089	5.8
14	22	23		of which: - provision for redundancy incentives	41	61	
20,014	13,624	14,207	(29.0)		59,520	45,804	(23.0)

Gains and losses on non-hedging commodity derivative instruments

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months 2008	2009
(16)	(66)	1	Exploration & Production	85	(21)
(9)	1	(3)	- settled transactions	(10)	2
(7)	(67)	4	- re-measurement gains/losses	95	(23)
(40)	149	(110)	Gas & Power	(15)	3
(5)	(57)	(2)	- settled transactions	9	(266)
(35)	206	(108)	- re-measurement gains/losses	(24)	269
53	(66)	20	Refining & Marketing	(18)	(43)
42	(42)	17	- settled transactions	(29)	(15)
11	(24)	3	- re-measurement gains/losses	11	(28)
(11)	1	2	Petrochemicals	(2)	12
(11)	1	2	- settled transactions	(2)	9
			- re-measurement gains/losses		3
	16	(3)	Engineering & Construction		10
	4	(7)	- settled transactions		(4)
	12	4	- re-measurement gains/losses		14
(23)	(3)	3	Corporate and financial companies	(18)	
(21)	(3)	3	- settled transactions	(15)	
(2)			- re-measurement gains/losses	(3)	
(37)	31	(87)	Total	32	(39)
(4)	(96)	10	- settled transactions	(47)	(274)
(33)	127	(97)	- re-measurement gains/losses	79	235

Depreciation, depletion, amortization and impairments

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009	%Ch. 3 Q. 09 vs. 3 Q. 08		Nine Months		
					2008	2009	%Ch.
1,492	1,576	1,463	(1.9)	Exploration & Production	4,538	4,725	4.1
187	237	243	29.9	Gas & Power	553	720	30.2
102	98	102		Refining & Marketing	320	299	(6.6)
18	24	16	(11.1)	Petrochemicals	82	64	(22.0)
94	109	106	12.8	Engineering & Construction	248	322	29.8
2	1	1	(50.0)	Other activities	3	2	(33.3)
19	21	21	10.5	Corporate and financial companies	54	61	13.0
(4)	(3)	(5)		Impact of unrealized intragroup profit elimination	(10)	(12)	
1,910	2,063	1,947	1.9	Total depreciation, depletion and amortization	5,788	6,181	6.8
2	347	17	..	Impairments	513	371	(27.7)
1,912	2,410	1,964	2.7		6,301	6,552	4.0

Net income from investments

(€ million)

Nine Months of 2009	Exploration & Production	Gas & Power	Refining & Marketing	Engineering & Construction	Other activities	Group
Share of gains (losses) from equity-accounted investments	100	219	71	26	(37)	379
Dividends	110	11	32	2		155
Net gains on disposal	2			10		12
Other income (expense), net	5			1		6
	217	230	103	39	(37)	552

Income taxes

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months		
				2008	2009	Change
			Profit before income taxes			
1,114	467	487	Italy	4,247	2,549	(1,698)
5,311	1,963	2,749	Outside Italy	14,887	7,198	(7,689)
6,425	2,430	3,236		19,134	9,747	(9,387)
			Income taxes			
368	341	186	Italy	774	1,193	419
2,968	1,049	1,561	Outside Italy	8,044	3,915	(4,129)
3,336	1,390	1,747		8,818	5,108	(3,710)
			Tax rate (%)			
33.0	73.0	38.2	Italy	18.2	46.8	28.6
55.9	53.4	56.8	Outside Italy	54.0	54.4	0.4
51.9	57.2	54.0		46.1	52.4	6.3

Summarized Group Balance Sheet

The summarized group balance sheet aggregates the amount of assets and liabilities derived from the statutory balance sheet in accordance with functional criteria which consider the enterprise conventionally divided into the three fundamental areas focusing on resource investments, operations and financing. Management believes that this summarized group balance sheet is useful information in assisting investors to assess Eni's capital structure and to analyze its sources of funds and investments in fixed assets and working capital. Management uses the summarized group balance sheet to calculate key ratios such as return on capital employed (ROACE) and the proportion of net borrowings to shareholders' equity (leverage) intended to evaluate whether Eni's financing structure is sound and well-balanced.

SUMMARIZED GROUP BALANCE SHEET

(€ million)

	December 31, 2008	June 30, 2009	Sept. 30, 2009	Change vs Dec. 31, 2008	Change vs June 30, 2009
Fixed assets					
Property, plant and equipment	59,255	61,199	61,535	2,280	336
Other assets					
Inventory - Compulsory stock	1,196	1,607	1,715	519	108
Intangible assets	7,697	8,365	8,201	504	(164)
Equity-accounted investments and other investments	5,881	6,044	6,187	306	143
Receivables and securities held for operating purposes	1,219	1,204	1,218	(1)	14
Net payables related to capital expenditure	(787)	(548)	(552)	235	(4)
	74,461	77,871	78,304	3,843	433
Net working capital					
Inventories	6,082	5,477	5,659	(423)	182
Trade receivables	16,444	13,139	14,013	(2,431)	874
Trade payables	(12,590)	(10,634)	(10,584)	2,006	50
Tax payables and provisions for net deferred tax liabilities	(5,323)	(4,345)	(4,188)	1,135	157
Provisions	(9,506)	(9,225)	(9,268)	238	(43)
Other current assets and liabilities:					
<i>Equity instruments</i>	2,741			(2,741)	
<i>Other^(a)</i>	(4,544)	(2,821)	(3,463)	1,081	(642)
	(6,696)	(8,409)	(7,831)	(1,135)	578
Provisions for employee post-retirement benefits	(947)	(966)	(976)	(29)	(10)
Net assets held for sale including related net borrowings	68	68	68		
CAPITAL EMPLOYED, NET	66,886	68,564	69,565	2,679	1,001
Sahreholders' equity:					
- Eni shareholder's equity	44,436	46,684	45,334	898	(1,350)
- Minority interest	4,074	3,525	3,691	(383)	166
	48,510	50,209	49,025	515	(1,184)
Net borrowings	18,376	18,355	20,540	2,164	2,185
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	66,886	68,564	69,565	2,679	1,001

(a) Include receivables and securities for financing operating activities for €540 million at September 30, 2009 (€582 million at June 30, 2009; €410 million at December 31, 2008) and securities covering technical reserves of Eni's insurance activities for €285 million at September 30, 2009 (€269 million at June 30, 2009; €302 million at December 31, 2008).

Leverage and net borrowings

Leverage is a measure of a company's level of indebtedness, calculated as the ratio between net borrowings which is calculated by excluding cash and cash equivalents and certain very liquid assets from financial debt and shareholders' equity, including minority interests. Management makes use of leverage in order to assess the soundness and efficiency of the Group balance sheet in terms of optimal mix between net borrowings and net equity, and to carry out benchmark analysis with industry standards.

(€ million)

	December 31, 2008	June 30, 2009	Sept. 30, 2009	Change vs Dec. 31, 2008	Change vs June 30, 2009
Total debt	20,837	19,873	22,438	1,601	2,565
Short-term debt	6,908	5,682	6,820	(88)	1,138
Long-term debt	13,929	14,191	15,618	1,689	1,427
Cash and cash equivalents	(1,939)	(1,340)	(1,744)	195	(404)
Securities held for non-operating purposes	(185)	(107)	(85)	100	22
Financing receivables for non-operating purposes	(337)	(71)	(69)	268	2
Net borrowings	18,376	18,355	20,540	2,164	2,185
Shareholders' equity including minority interest	48,510	50,209	49,025	515	(1,184)
Leverage	0.38	0.37	0.42	0.04	0.05

Bonds maturing in the 18-months period starting on September 30, 2009

(€ million)

Issuing entity	Amount at Sept. 30, 2009 ^(a)
Eni SpA	509
Eni Coordination Center SA	362
	871

(a) Amounts in euro at Sept. 30, 2009 include interest accrued and discount on issue.

Bonds issued in the first nine months of 2009 (granted by Eni SpA)

Issuing entity	Nominal amount (million)	Currency	Amount at Sept. 30, 2009 ^(a) (€ million)	Maturity	Rate	%
Eni SpA	1,500	euro	1,492	2019	fixed	4.13
	1,500	euro	1,538	2016	fixed	5.00
	1,000	euro	995	2015	fixed	4.00
	1,000	euro	992	2015	variable	
			5,017			

(a) Amounts in euro at Sept. 30, 2009 include interest accrued and discount on issue.

Comprehensive income

(€ million)

	Nine Months	
	2008	2009
Net profit (loss)	10,316	4,639
Other items of comprehensive income:		
- Foreign currency translation differences	844	(1,331)
- Change in the fair value of available-for-sale securities	2	
- Change in the fair value of cash flow hedge derivatives	(464)	(318)
- Share of "Other comprehensive income" on equity accounted entities		2
- Taxation	187	133
Other comprehensive income	569	(1,514)
Total comprehensive income	10,885	3,125
Attributable to:		
- Eni	10,254	2,487
- Minority interest	631	638

Changes in shareholders' equity

(€ million)

Shareholders' equity at December 31, 2008		48,510
Total comprehensive income	3,125	
Dividends paid to Eni shareholders	(4,166)	
Dividends paid by consolidated subsidiaries to minorities	(346)	
Acquisition of Distrigas minorities	(1,146)	
Cancellation of Publigaz put option	1,495	
Share capital increase subscribed by Snam Rete Gas minorities	1,542	
Payments by shareholders	13	
Other changes	(2)	
Total changes		515
Shareholders' equity at September 30, 2009		49,025
Attributable to:		
- Eni		45,334
- Minority interest		3,691

Return On Average Capital Employed (ROACE)

Return on Average Capital Employed for the Group, on an adjusted basis is the return on the Group average capital invested, calculated as ratio between net adjusted profit before minority interest, plus net finance charges on net borrowings net of the related tax effect, and net average capital employed. The tax rate applied on finance charges is the Italian statutory tax rate of 34% effective from January 1, 2009 (33% in previous reporting periods). The capital invested as of period-end used for the calculation of net average capital invested is obtained by deducting inventory gains or losses as of in the period, net of the related tax effect. ROACE by division is determined as the ratio between adjusted net profit and net average capital invested pertaining to each division and rectifying the net capital invested as of period-end, from net inventory gains or losses (after applying the division specific tax rate).

(€ million)

Calculated on a 12-month period ending on September 30, 2009	Exploration & Production	Gas & Power	Refining & Marketing	Group
Adjusted net profit	4,248	2,586	141	6,547
Exclusion of after-tax finance expenses/interest income	-	-	-	283
Adjusted net profit unlevered	4,248	2,586	141	6,830
Adjusted capital employed, net				
- at the beginning of period	27,312	21,827	9,384	65,734
- at the end of period	30,889	23,778	8,738	71,098
Adjusted average capital employed, net	29,101	22,803	9,061	68,416
Adjusted ROACE (%)	14.6	11.3	1.6	10.0

(€ million)

Calculated on a 12-month period ending on September 30, 2008	Exploration & Production	Gas & Power	Refining & Marketing	Group
Adjusted net profit	8,547	3,081	275	11,610
Exclusion of after-tax finance expenses/interest income	-	-	-	310
Adjusted net profit unlevered	8,547	3,081	275	11,920
Adjusted capital employed, net				
- at the beginning of period	23,269	19,463	6,321	55,059
- at the end of period	27,312	21,630	8,449	64,540
Adjusted average capital employed, net	25,291	20,547	7,385	59,800
Adjusted ROACE (%)	33.8	15.0	3.7	19.9

(€ million)

Calculated on a 12-month period ending on December 31, 2008	Exploration & Production	Gas & Power	Refining & Marketing	Group
Adjusted net profit	7,900	2,648	521	10,795
Exclusion of after-tax finance expenses/interest income	-	-	-	335
Adjusted net profit unlevered	7,900	2,648	521	11,130
Adjusted capital employed, net				
- at the beginning of period	23,826	21,333	7,675	59,194
- at the end of period	30,362	22,273	8,260	67,609
Adjusted average capital employed, net	27,094	21,803	7,968	63,402
Adjusted ROACE (%)	29.2	12.2	6.5	17.6

Summarized Group Cash Flow Statement and change in net borrowings

Eni's summarized group cash flow statement derives from the statutory statement of cash flows. It enables investors to understand the link existing between changes in cash and cash equivalents (deriving from the statutory cash flows statement) and in net borrowings (deriving from the summarized cash flow statement) that occurred from the beginning of period to the end of period. The measure enabling such a link is represented by the free cash flow which is the cash in excess of capital expenditure needs. Starting from free cash flow it is possible to determine either: (i) changes in cash and cash equivalents for the period by adding/deducting cash flows relating to financing debts/receivables (issuance/repayment of debt and receivables related to financing activities), shareholders' equity (dividends paid, net repurchase of own shares, capital issuance) and the effect of changes in consolidation and of exchange rate differences; (ii) changes in net borrowings for the period by adding/deducting cash flows relating to shareholders' equity and the effect of changes in consolidation and of exchange rate differences. The free cash flow is a non-GAAP measure of financial performance.

SUMMARIZED GROUP CASH FLOW STATEMENT

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months 2008 2009	
3,089	1,040	1,489	Net profit	10,316	4,639
			<i>Adjustments to reconcile to cash generated from operating profit before changes in working capital:</i>		
2,086	1,878	1,988	- amortization and depreciation and other non monetary items	5,960	5,944
4	(8)	(119)	- net gains on disposal of assets	(203)	(284)
3,287	1,311	1,840	- dividends, interest, taxes and other changes	8,549	5,037
8,466	4,221	5,198	Net cash generated from operating profit before changes in working capital	24,622	15,336
(130)	871	(1,611)	Changes in working capital related to operations	(1,280)	427
(2,603)	(2,914)	(1,553)	Dividends received, taxes paid, interest (paid) received during the period	(7,659)	(6,108)
5,733	2,178	2,034	Net cash provided by operating activities	15,683	9,655
(3,112)	(3,697)	(2,957)	Capital expenditure	(9,871)	(9,801)
(127)	(175)	(63)	Investments and purchase of consolidated subsidiaries and businesses	(2,076)	(2,277)
91	3,093	292	Disposals	564	3,567
(568)	(2,258)	4	Other cash flow related to capital expenditure, investments and disposals	13	(509)
2,017	(859)	(690)	Free cash flow	4,313	635
2,172	368	(87)	Borrowings (repayment) of debt related to financing activities	343	383
(681)	1,057	2,997	Changes in short and long-term financial debt	1,429	1,674
(2,752)	(1,069)	(1,799)	Dividends paid and changes in minority interests and reserves	(5,910)	(2,870)
56	(2)	(17)	Effect of changes in consolidation and exchange differences	41	(17)
812	(505)	404	NET CASH FLOW FOR THE PERIOD	216	(195)

CHANGE IN NET BORROWINGS

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months 2008 2009	
2,017	(859)	(690)	Free cash flow	4,313	635
(35)			Net borrowings of acquired companies	(35)	
(488)	101	304	Net borrowings of divested companies	136	71
(2,752)	(1,069)	(1,799)	Exchange differences on net borrowings and other changes	(5,910)	(2,870)
(1,258)	(1,827)	(2,185)	Dividends paid and changes in minority interests and reserves	(1,496)	(2,164)
			CHANGE IN NET BORROWINGS		

CAPITAL EXPENDITURE

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months	
				2008	2009
2,001	2,759	2,089	Exploration & Production	6,365	6,996
433	361	344	Gas & Power	1,402	1,095
193	132	164	Refining & Marketing	543	381
52	36	36	Petrochemicals	120	81
480	393	333	Engineering & Construction	1,457	1,221
16	8	5	Other activities	30	19
20	12	13	Corporate and financial companies	56	35
(83)	(4)	(27)	Impact of unrealized intragroup profit elimination	(102)	(27)
3,112	3,697	2,957	Capital expenditure	9,871	9,801

In the first nine months of 2009 capital expenditure amounting to €9,801 million (€9,871 million in the first nine months of 2008) related mainly to:

- Development activities (€5,510 million) deployed mainly in Kazakhstan, USA, Egypt, Congo, Italy and Angola and exploratory projects (€944 million) of which 96% was spent outside Italy, primarily in the USA, Libya, Egypt, Norway and Angola;
- Development and upgrading of Eni's natural gas transport network in Italy (€561 million) and distribution network (€208 million), as well as development and increase of storage capacity (€200 million);
- Projects aimed at improving the conversion capacity and flexibility of refineries (€262 million), as well as building and upgrading service stations in Italy and outside Italy (€97 million);
- Upgrading of the fleet used in the Engineering & Construction division (€1,221 million).

Capital expenditure by division

EXPLORATION & PRODUCTION

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months 2008	Nine Months 2009
3	468	13	Acquisitions of proved and unproved property	624	490
3	219	13	North Africa	604	238
	73		West Africa	13	73
	176		Rest of world	7	179
334	352	212	Exploration	1,315	944
38	5	8	Italy	109	34
51	121	49	North Africa	264	283
66	43	41	West Africa	205	158
32	33	40	North Sea	180	97
14	7	3	Caspian Area	21	18
133	143	71	Rest of world	536	354
1,645	1,907	1,859	Development	4,374	5,510
137	185	127	Italy	396	486
307	296	392	North Africa	849	1,066
415	544	414	West Africa	1,195	1,345
149	143	159	North Sea	361	424
303	286	354	Caspian Area	738	883
334	453	413	Rest of world	835	1,306
19	32	5	Other expenditure	52	52
2,001	2,759	2,089		6,365	6,996

GAS & POWER

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months 2008	Nine Months 2009
402	339	309	Italy	1,168	1,019
31	22	35	Outside Italy	234	76
433	361	344		1,402	1,095
48	31	47	Marketing	130	102
25	16	34	- Marketing	66	60
3	5	3	Italy	16	8
22	11	31	Outside Italy	50	52
23	15	13	- Power generation	64	42
376	319	293	Regulated businesses in Italy	1,088	969
277	163	161	- Transport	806	561
49	79	64	- Distribution	134	208
50	77	68	- Storage	148	200
9	11	4	International transport	184	24
433	361	344		1,402	1,095

REFINING & MARKETING

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009		Nine Months 2008	Nine Months 2009
168	117	156	Italy	486	350
25	15	8	Outside Italy	57	31
193	132	164		543	381
120	87	127	Refining, Supply and Logistic	371	262
120	87	127	Italy	371	262
60	39	32	Marketing	141	97
35	24	24	Italy	84	66
25	15	8	Outside Italy	57	31
13	6	5	Other activities	31	22
193	132	164		543	381

Exploration & Production

PRODUCTION OF OIL AND NATURAL GAS BY REGION

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009			Nine Months 2008	Nine Months 2009
1,764	1,733	1,678	Production of oil and natural gas ^{(a)(b)}	(kboe/d)	1,777	1,730
196	169	161	Italy		202	168
666	567	567	North Africa		648	576
352	343	344	West Africa		327	340
217	232	210	North Sea		234	228
104	133	117	Caspian Area		122	127
229	289	279	Rest of world		244	291
154.4	154.2	147.6	Oil and natural gas sold ^(a)	(mboe)	468.0	456.0

PRODUCTION OF LIQUIDS BY REGION

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009			Nine Months 2008	Nine Months 2009
1,015	986	957	Production of liquids ^(a)	(kbb/d)	1,008	985
66	56	51	Italy		69	54
358	289	294	North Africa		346	296
304	304	301	West Africa		281	299
131	130	124	North Sea		139	131
69	87	76	Caspian Area		80	82
87	120	111	Rest of world		93	123

PRODUCTION OF NATURAL GAS BY REGION

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009			Nine Months 2008	Nine Months 2009
4,302	4,290	4,139	Production of natural gas ^{(a)(b)}	(mmcf/d)	4,415	4,274
743	648	634	Italy		761	655
1,767	1,593	1,564	North Africa		1,734	1,609
280	230	244	West Africa		267	228
497	584	498	North Sea		548	557
198	263	236	Caspian Area		240	258
817	972	963	Rest of world		865	967

(a) Includes Eni's share of production of equity-accounted entities.

(b) Includes volumes of gas consumed in operations (294 and 275 mmcf/d in the third quarter 2009 and 2008, respectively, 294 and 280 mmcf/d in the first nine months of 2009 and 2008 respectively and 299 mmcf/d in the second quarter of 2009).

Petrochemicals

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009			Nine Months	
					2008	2009
			Sales of petrochemical products	(€ million)		
865	475	513	Basic petrochemicals		2,616	1,329
802	510	600	Polymers		2,427	1,595
75	42	49	Other revenues		218	143
1,742	1,027	1,162			5,261	3,067
			Production	(ktonnes)		
1,308	1,155	1,095	Basic petrochemicals		4,222	3,270
577	559	517	Polymers		1,799	1,596
1,885	1,714	1,612			6,021	4,866

Engineering & Construction

(€ million)

Third Quarter 2008	Second Quarter 2009	Third Quarter 2009			Nine Months	
					2008	2009
			Orders acquired^(a)			
270	1,303	1,544	Offshore construction		3,689	3,408
4,663	719	434	Onshore construction		5,718	2,774
547	15	(101)	Offshore drilling		760	230
12	513	4	Onshore drilling		796	537
5,492	2,550	1,881			10,963	6,949

(a) Net of renegotiated/cancelled orders.

(€ million)

	Dec. 31, 2008	Sept. 30, 2009
Order backlog	19,105	18,354