

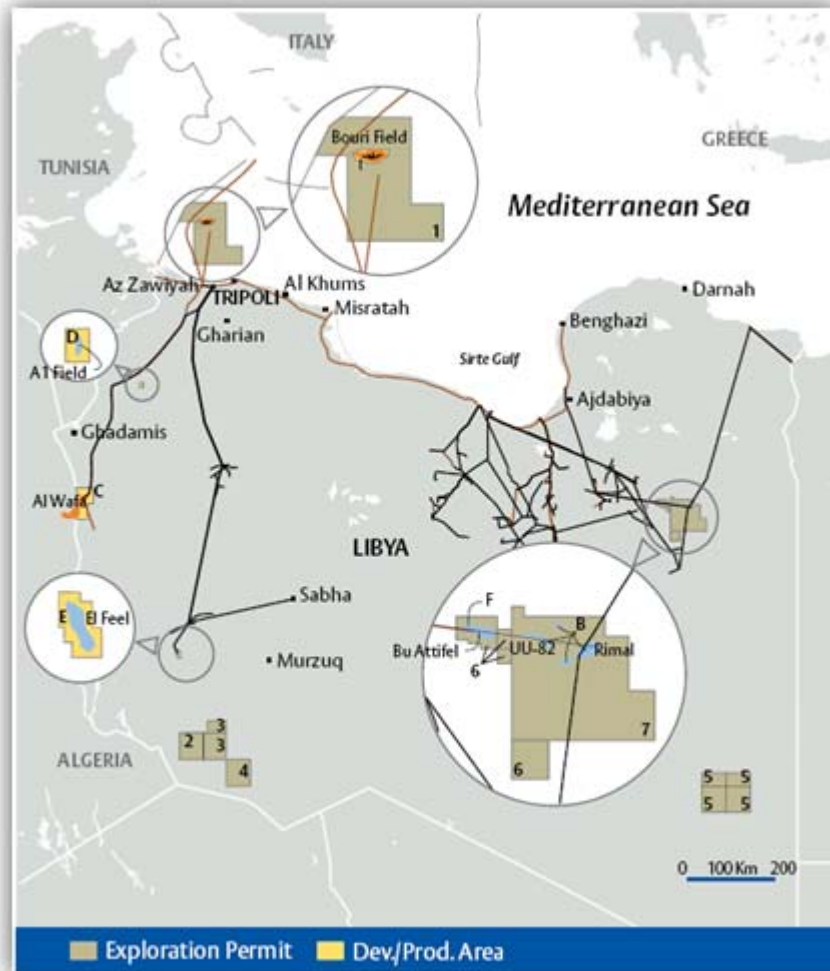


2011-2014 Strategy

10 March 2011

eni.com

update on Libya



- Personnel safety first priority
- Some assets in operation, mainly gas
- Facilities on “hot standby” – ready to restart quickly
- Payback on existing investments already achieved
- Limited investments in the plan period
- Limited contribution to plan period growth (plateau volume achieved)



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Libya: impacts on eni 2011 outlook

Negatives

E&P

- Lower contribution from production

G&P

- Higher supply costs



Positives

E&P

- Higher oil price scenario

G&P

- Lower ToP prepayments



Negative impacts fully offset



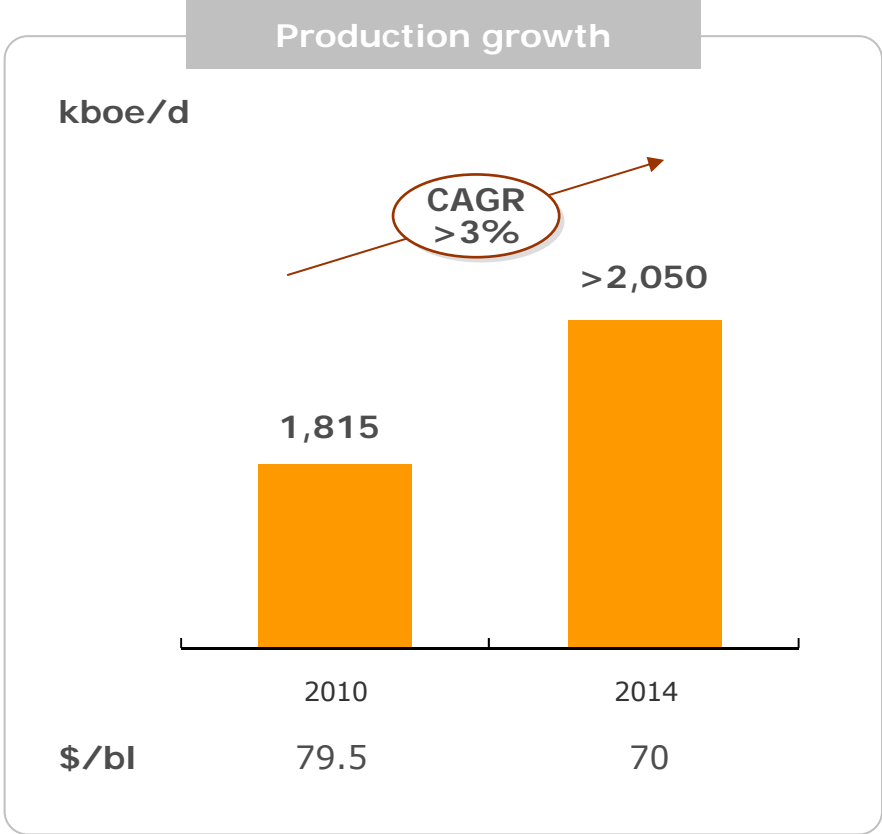
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E&P: a solid pipeline to support growth

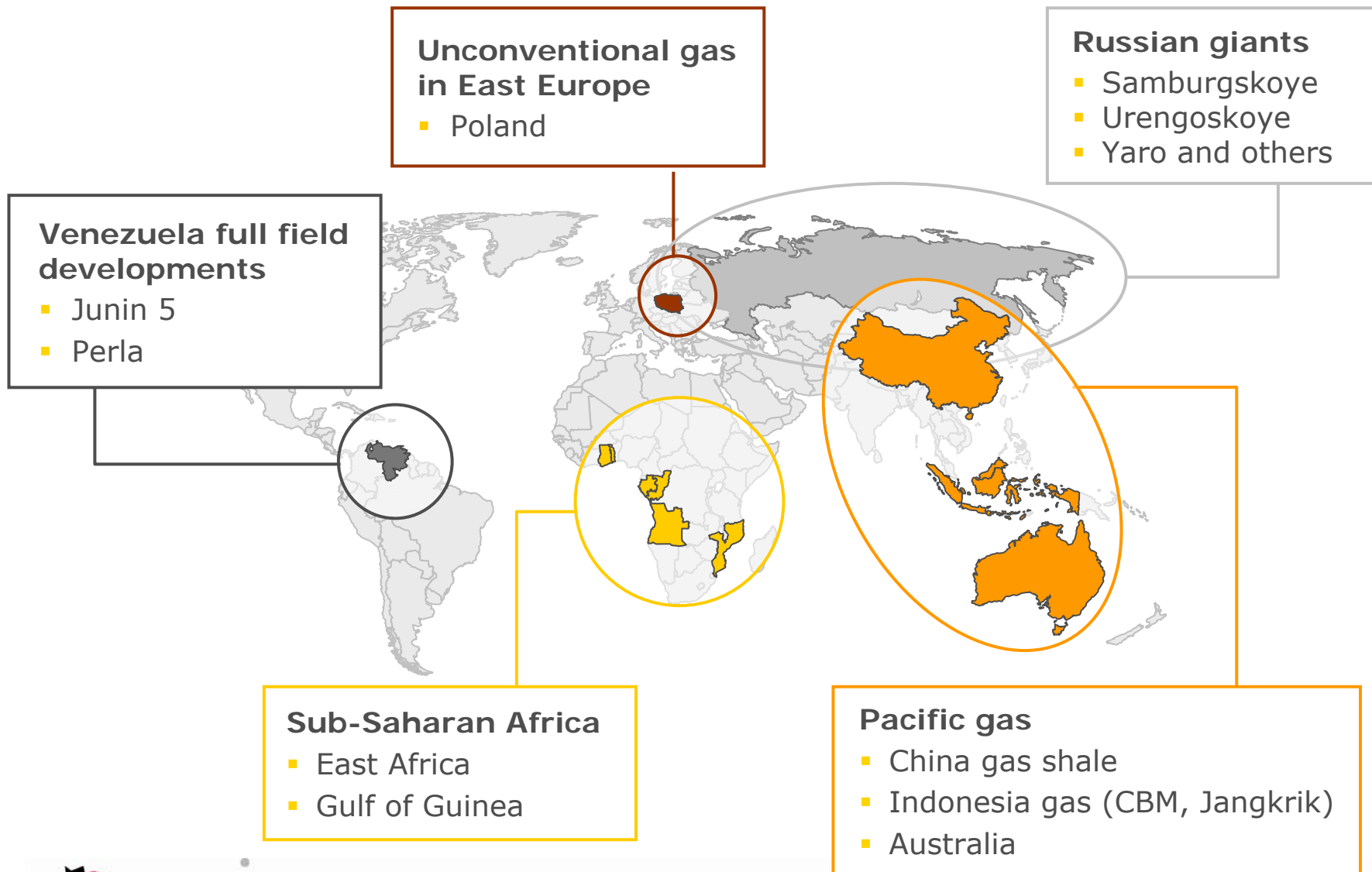
Well-positioned to grow:

- Industry-leading low decline rate
- Strong pipeline of project start-ups
- Focus on giant projects with long plateau volumes

Raised 4-yr target to >3% CAGR



longer term upside: promising growth opportunities



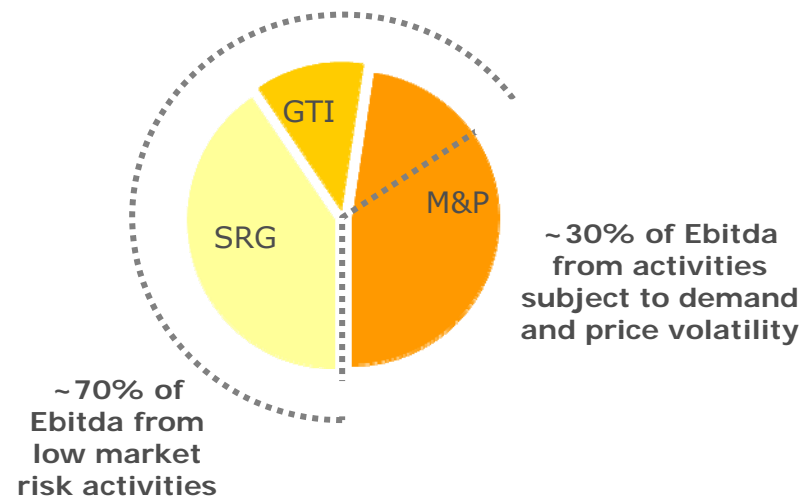
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G&P: tackling short term challenges....

Proforma Ebitda

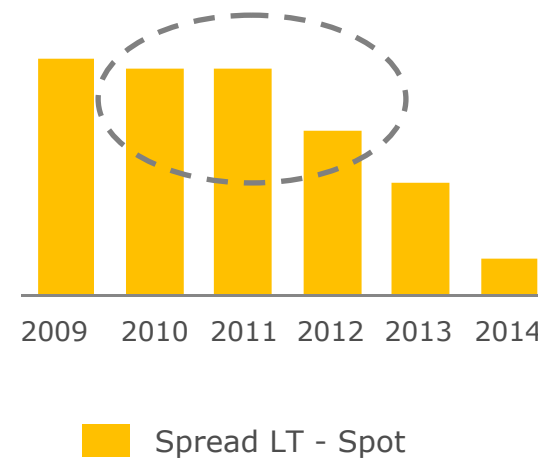
Ebitda sustained by:

- Regulated and low-volatility businesses
- Volume and market share growth



Short term scenario

- Demand recovery
- Spot price increase
- LT contract renegotiation

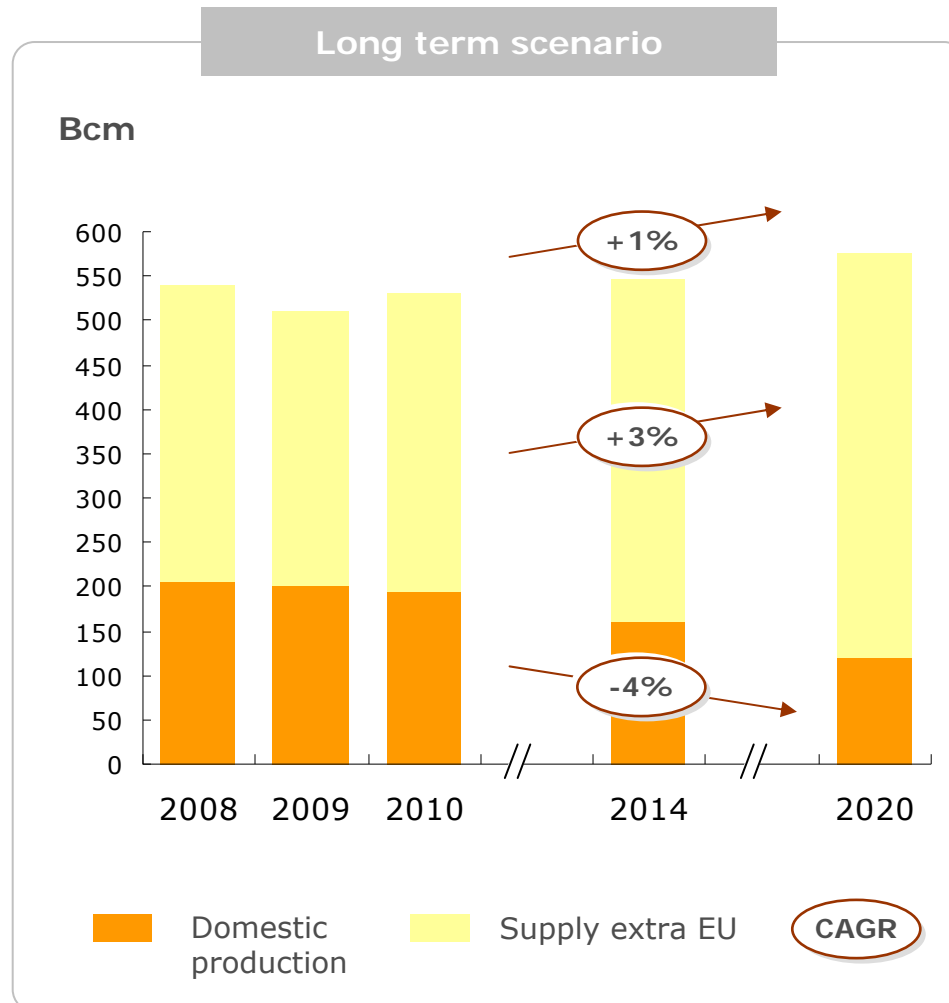


**Support profitability
in market turbulence**



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... to benefit from medium-term recovery opportunities



- European demand growth and additional opportunities from fuel switching
- Continuous decline of European domestic production
- Limited new LNG capacity for the Atlantic basin
- Global competition for additional supply

Return to normalised profitability by 2014



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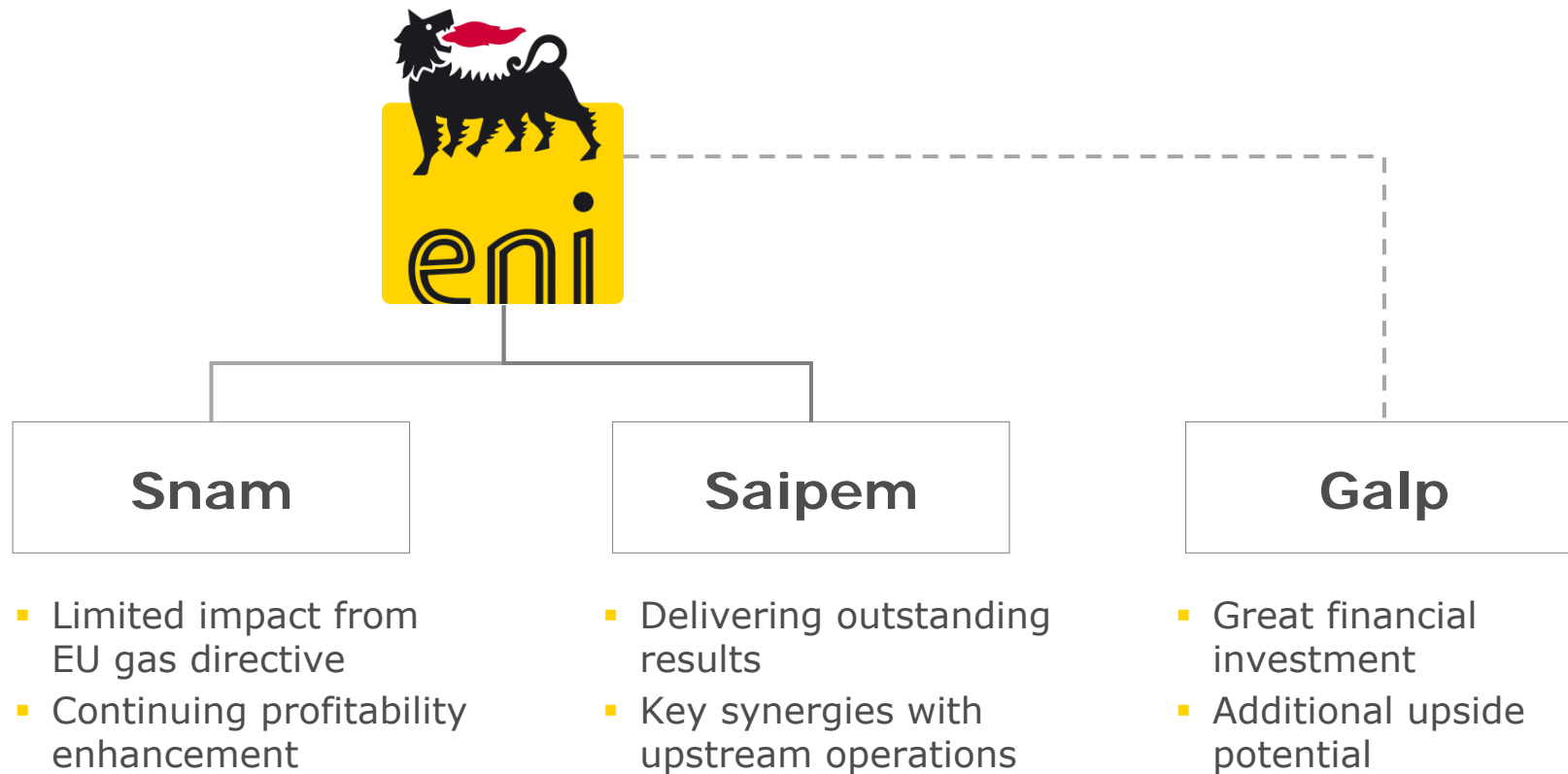
R&M: enhanced efficiency in a difficult market

- Limited improvements expected in refining scenario
- Doubling efficiency target to €200m
- Increase flexibility of supply slates
- Improve integration of Italian refining system
- Marketing profitability growth (retail and wholesale)



EBIT
€200m in 2014
at 2010 scenario

eni's key assets: enhanced value creation prospects





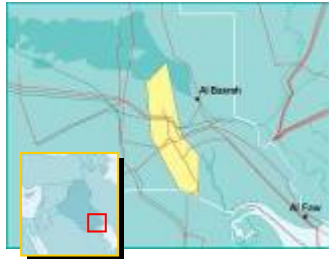
Exploration & Production

Claudio Descalzi, COO

eni.com

2010: achieved key milestones for future growth

Iraq



Zubair

- Sanction of Rehabilitation Plan
- 20 kboed booked in Q4
- First Major to enter cost recovery phase

Venezuela



Perla

- Gas in place over 16 tcf

Junin-5

- Set up of *empresa mixta*
- Reserves booked: 100Mboe



Angola bl. 15/06



Sangos & Ngoma

- Project sanctioned
- Start up in 2013

East Hub

- 400 Mboe of gross recoverable resources

Russia



Sambursgkoye

- Project FID Q3 2011
- Start-up by 2012

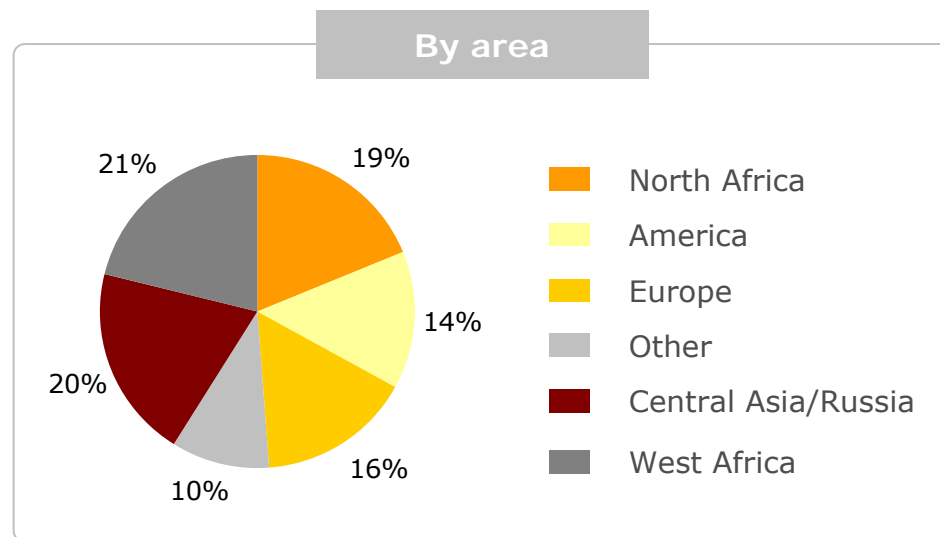
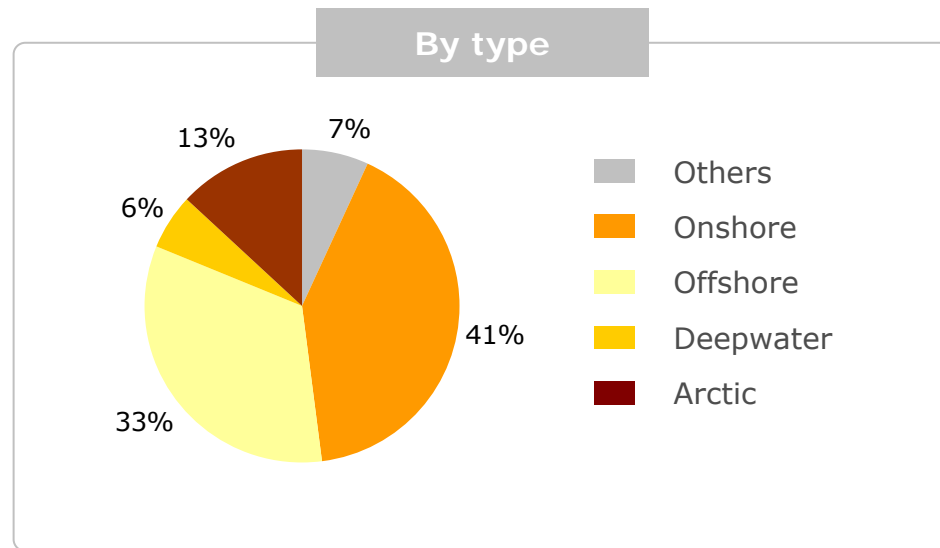
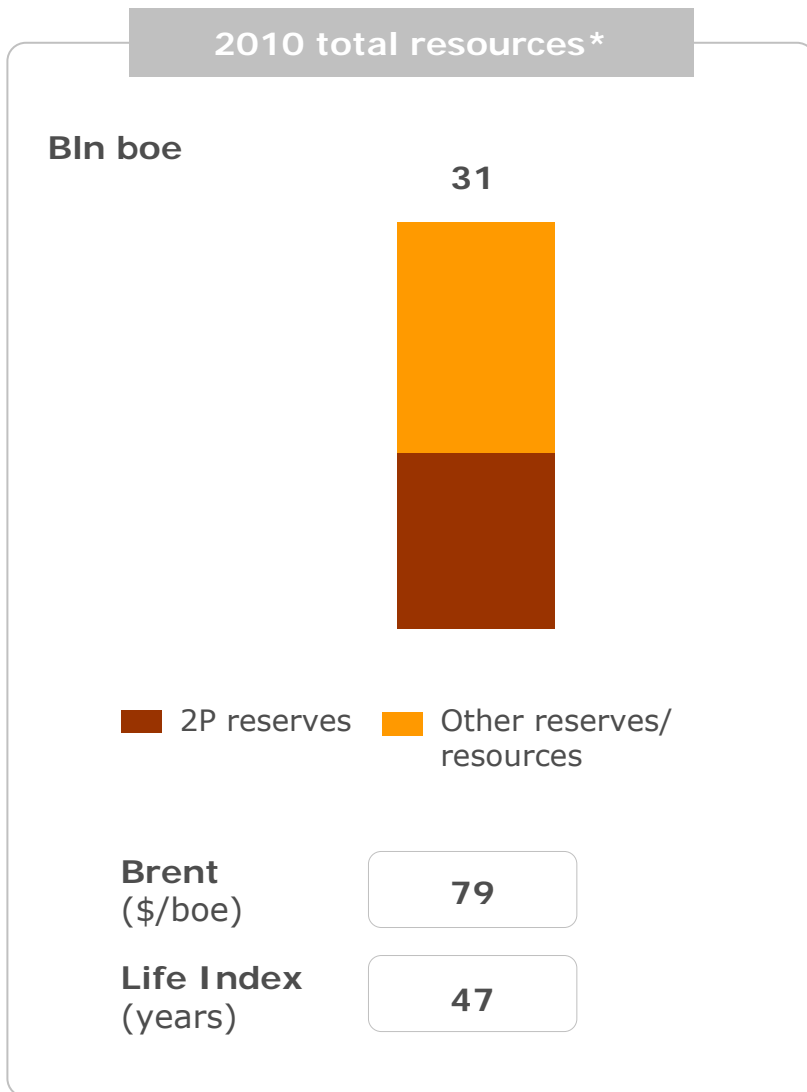
Yaro Yakhinsky

- Project FID Q1 2012



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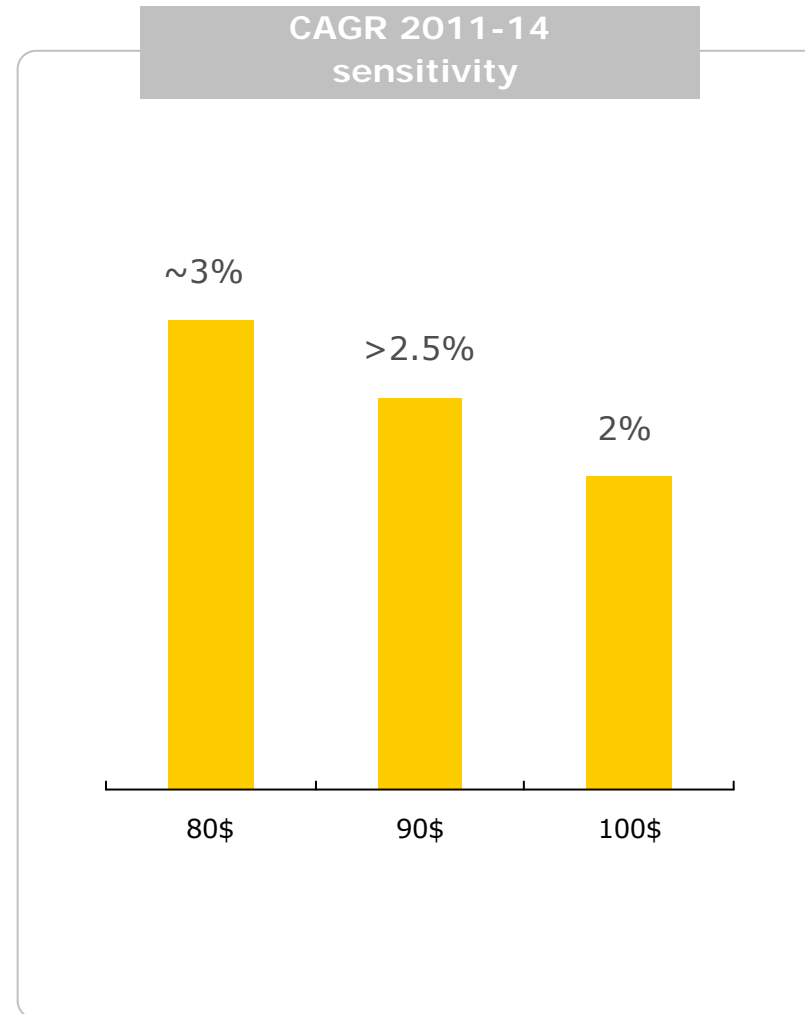
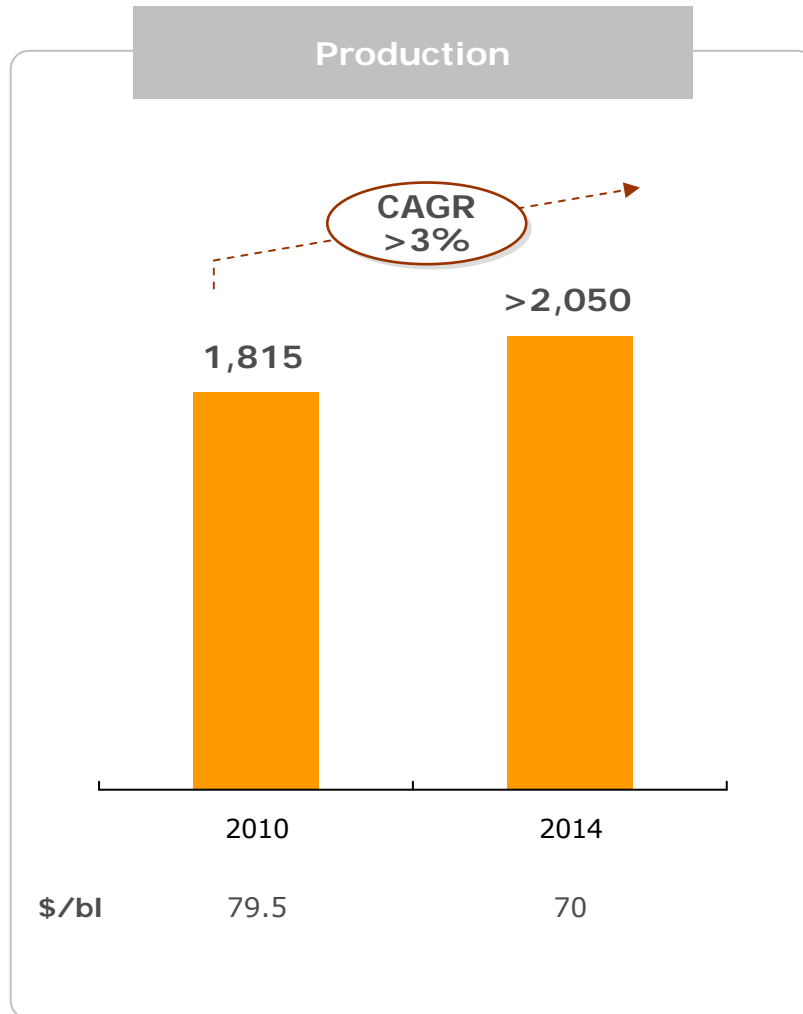
enhanced asset base: the foundation of long-term growth



* P1 + P2 + P3 + Contingent Resources + Risked exploration

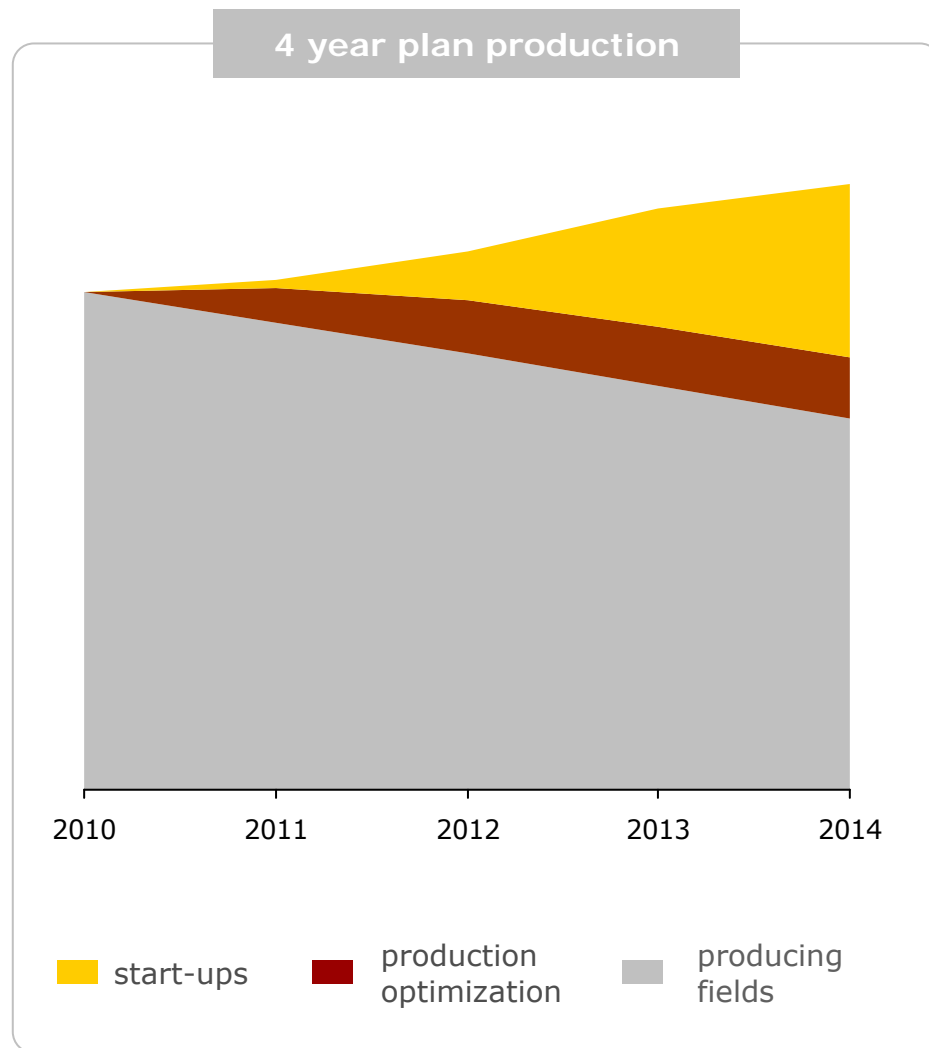


2011-2014: accelerating growth



price scenario 2011-14: 70\$/bbl flat

growth based on low decline rate....



Production optimization

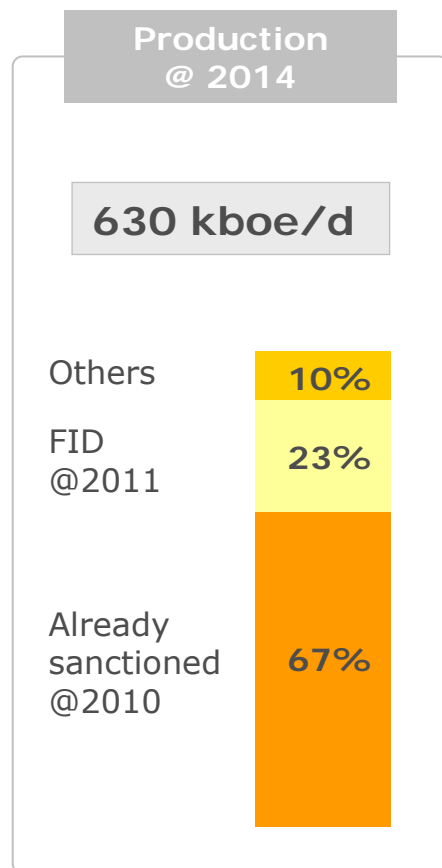
- 20% of total 4Y plan capex
- **1,300 actions in 4Y plan**
 - ~ 500 infilling & workover
 - ~ 800 facilities' upgrading

- ▼
- **reducing decline rate**
 - ~ 220 kboed @ 2014
 - **value generation**
 - IRR >40%
 - payback < 24 months



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... and a strong pipeline of new start-ups

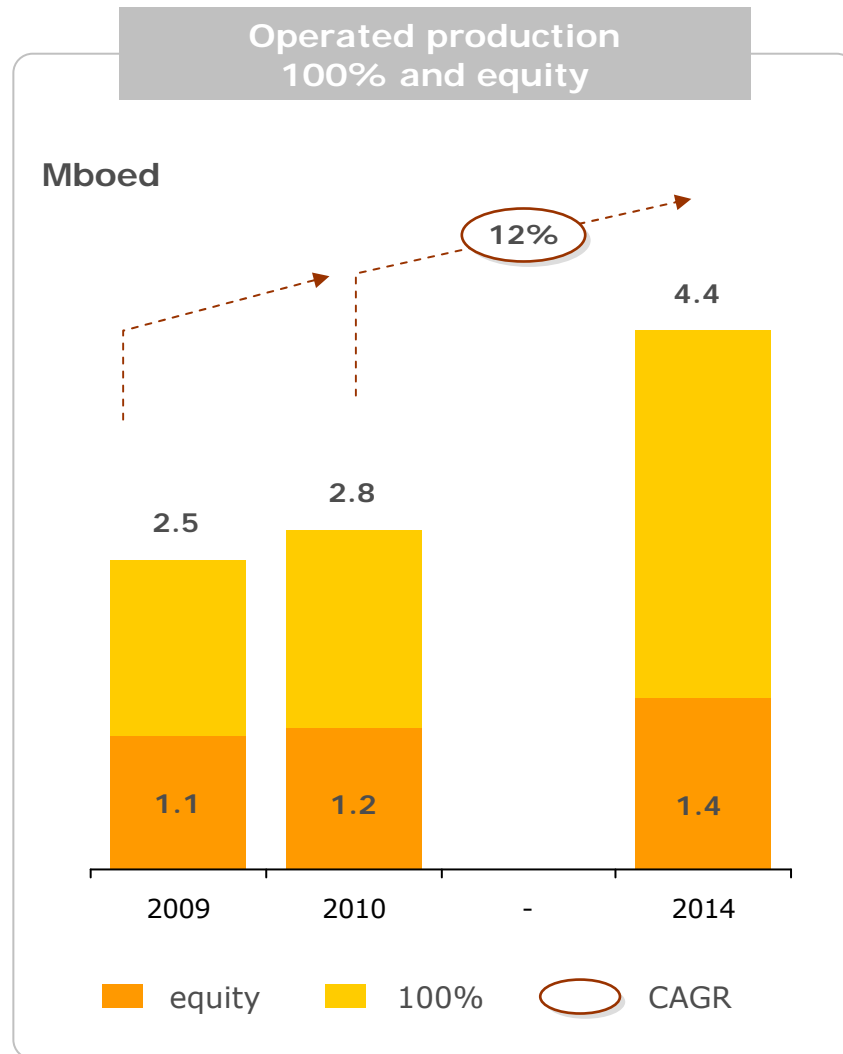


15 major projects for growth					
Fields	Country	Op.	FID	Start-up	2014 equity prod. (kboed)
▪ Nikaitchuq	USA	✓	✓	2011	22
▪ MLE	Algeria	✓	✓	2011	15
▪ CAFC	Algeria	✓	✓	2012	18
▪ El Merk	Algeria		✓	2012	15
▪ Kashagan EP	Kazakhstan		✓	2012	51
▪ Samburgskoye	Russia		FID 2011	2012	42
▪ Jasmine	UK		✓	2012	26
▪ Angola LNG	Angola		✓	2012	23
▪ Mavacola/Clochas	Angola		✓	2012	19
▪ Goliat	Norway	✓	✓	2013	58
▪ Bl. 15/06 East hub	Angola	✓	FID 2011	2013	35
▪ Junin 5	Venezuela	✓	✓	2013	28
▪ Bl. 15/06 West hub	Angola	✓	✓	2013	22
▪ Perla	Venezuela	✓	FID 2011	2013	18
▪ Burun Phase 2	Turkmenistan	✓	FID 2011	2014	19

Visible and diversified growth



more operatorship...



- Competences & know how
- Cost efficiency
- HSE rules
- Technical standards

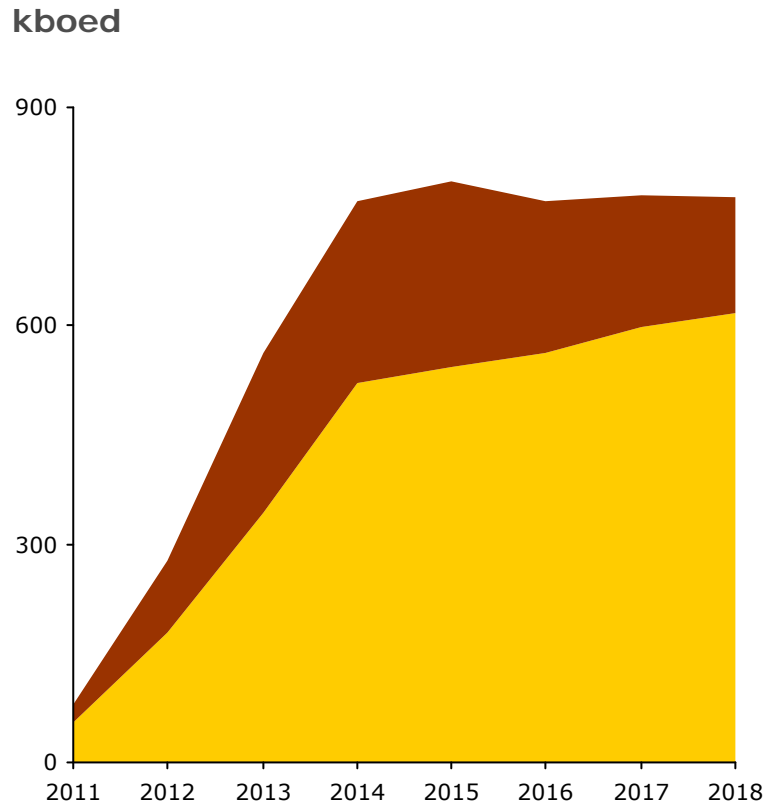
**Improved performance &
risk management**



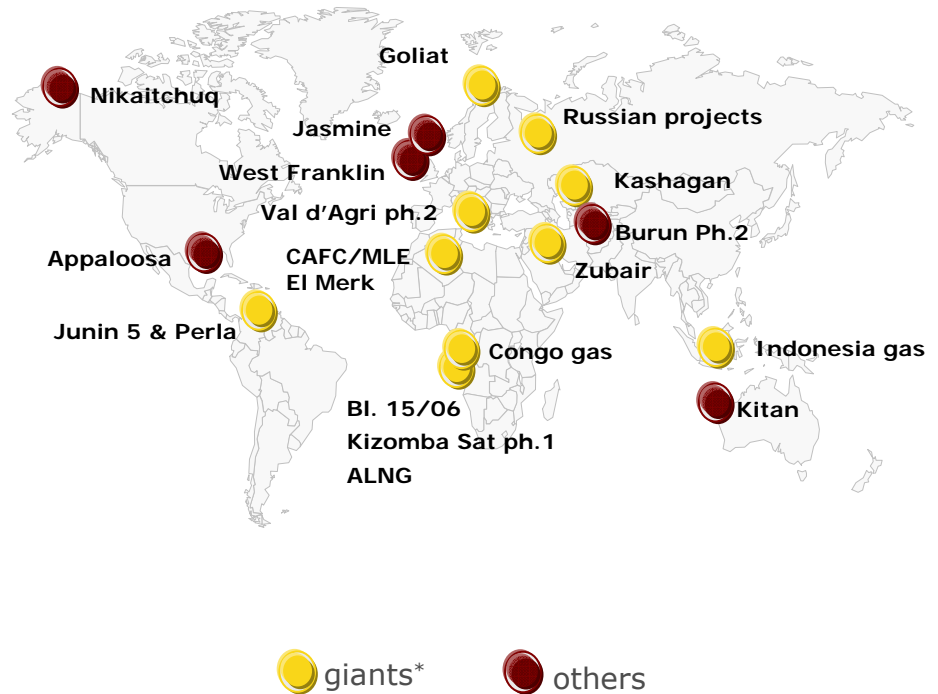
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... and more giant projects

Contribution from new giants



Main start-ups

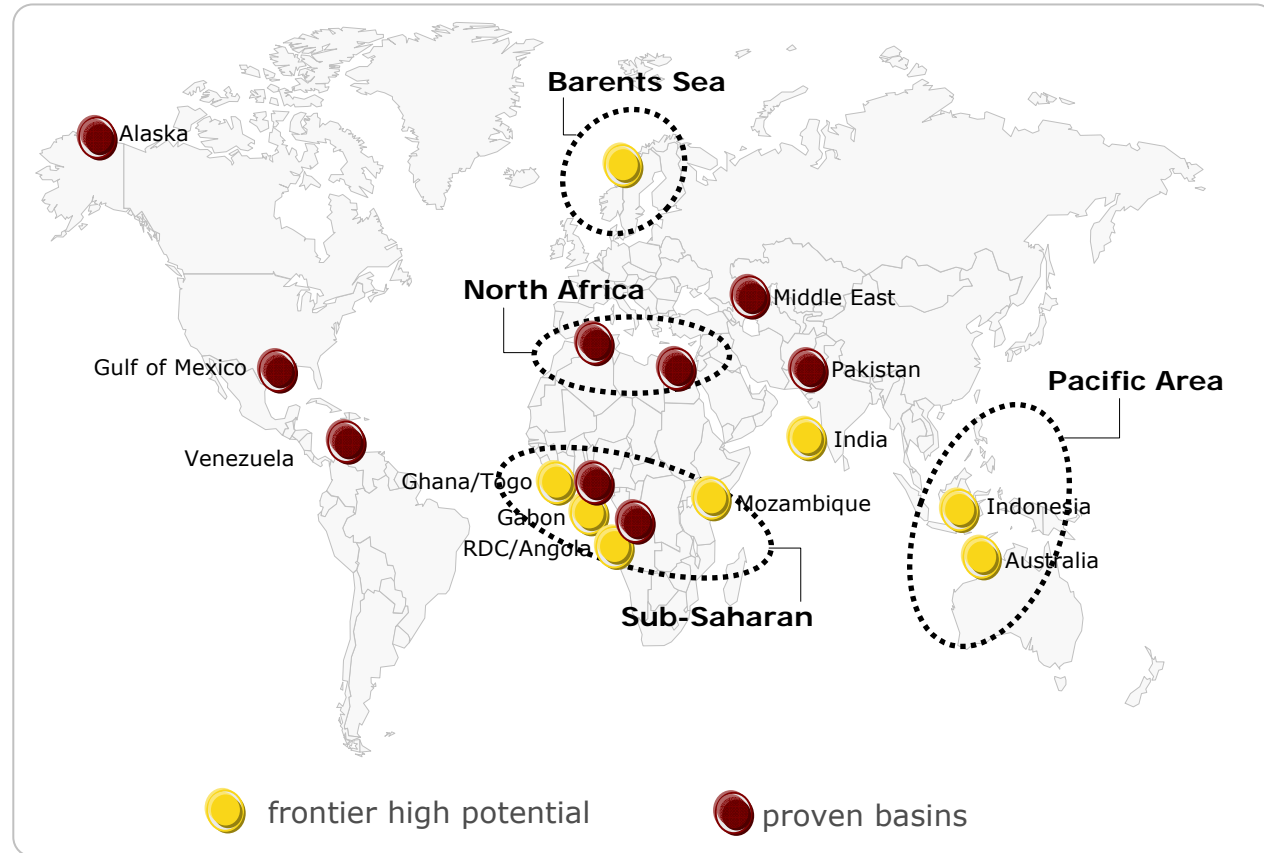


* gross reserves > 300 Mboe and material equity stake

long term growth: solid and balanced exploration portfolio

Capex 2011-14

~ 3.6 Bln €

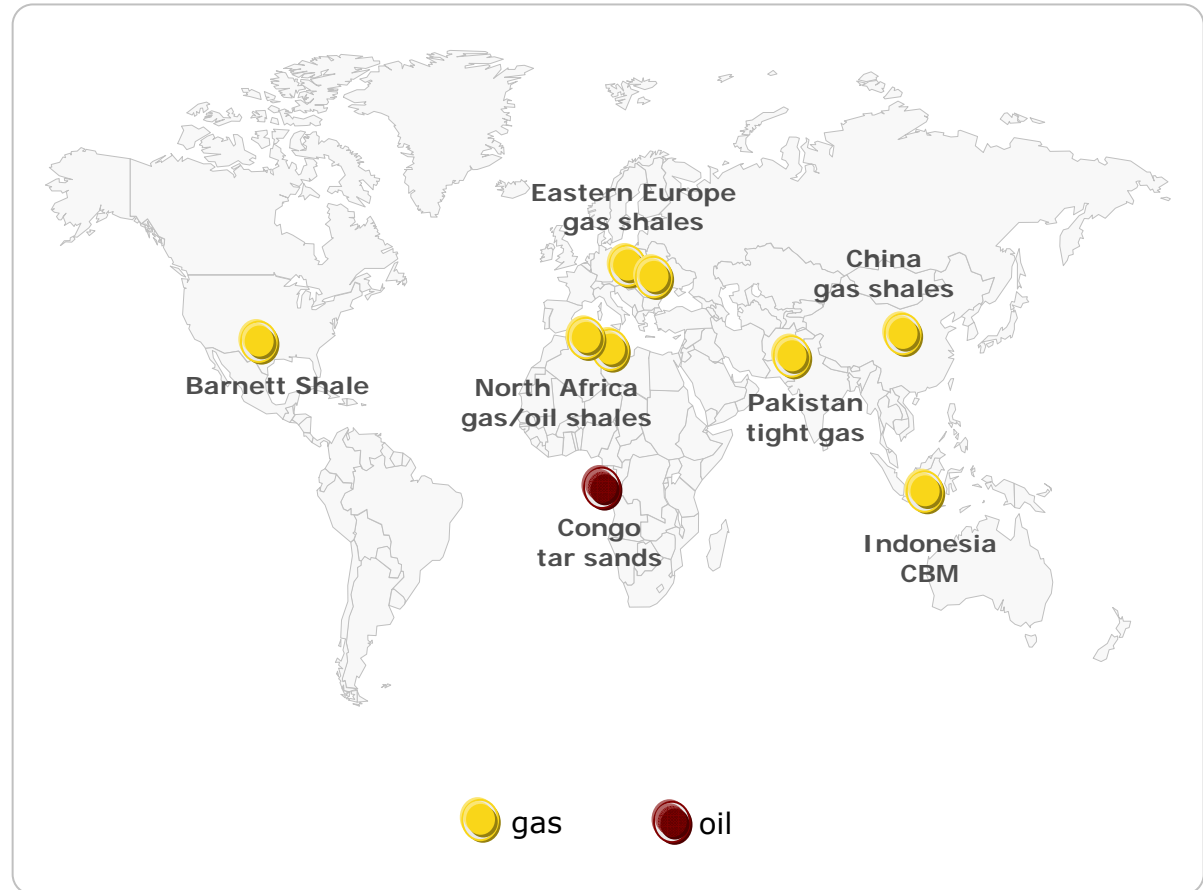


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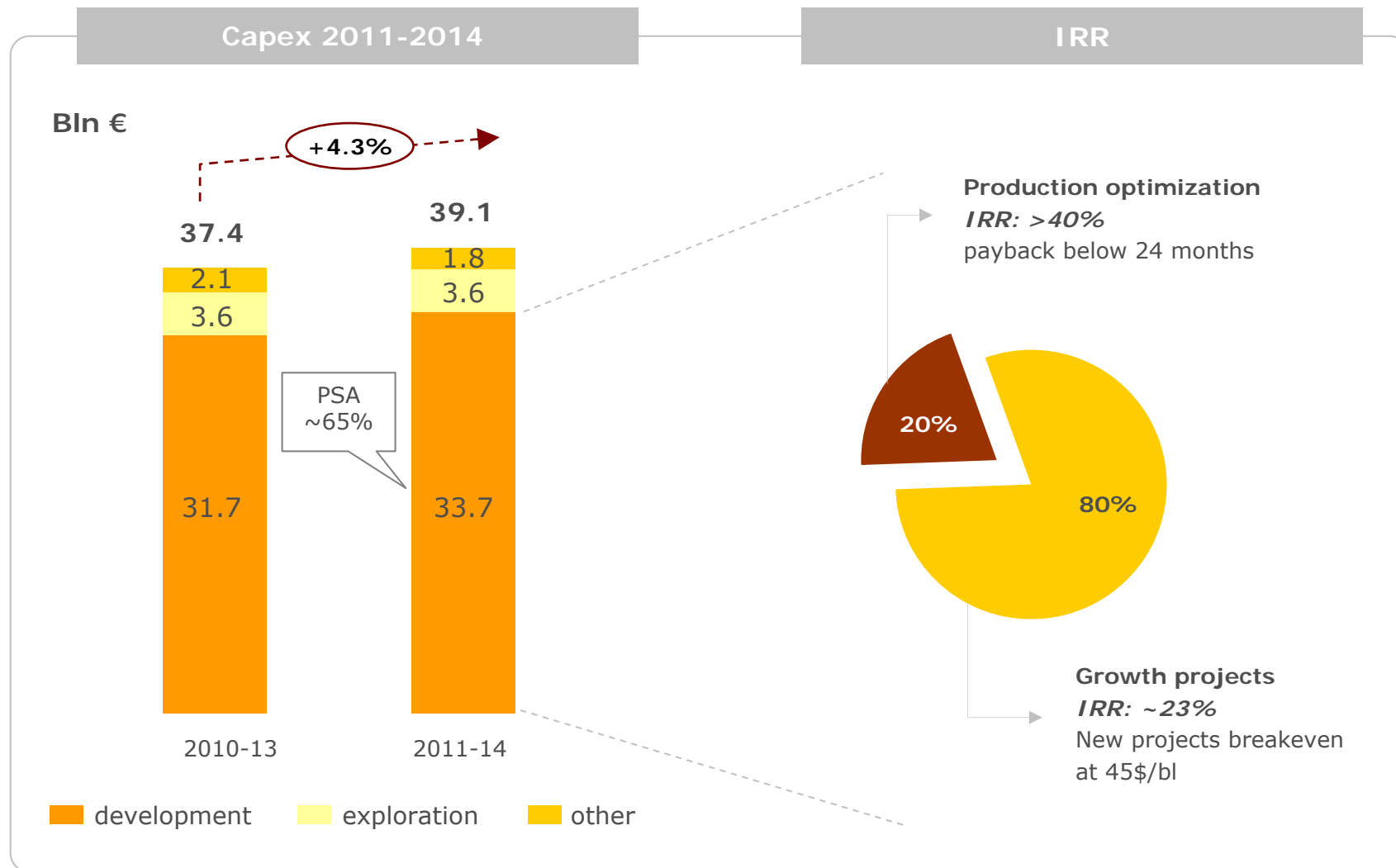
strategic position in unconventional projects

Exploration drivers

- Low entry costs
- Profitable gas market
- Developed infrastructures
- Technology transfer from US market



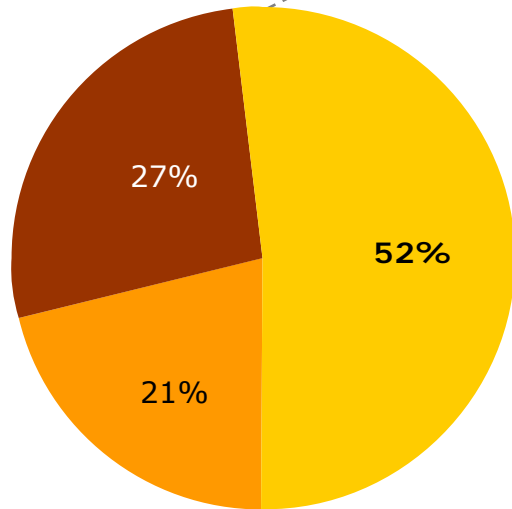
high-return capex plan



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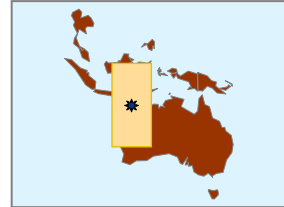
short time-to-market crucial for returns

Time-to-market of resources discovered in 2008-2010



- < 4 years
- 5-8 years
- > 8 years

Australia – Kitan



2.5 years

Discovery date: 2008

Start-up: 2011

Venezuela – Perla

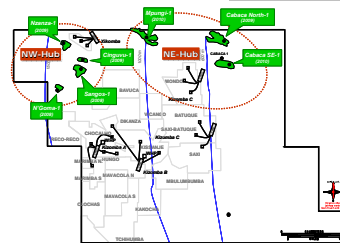


3 years

Discovery date: 2010

Start-up: 2013

Angola – Block 15/06



4 years

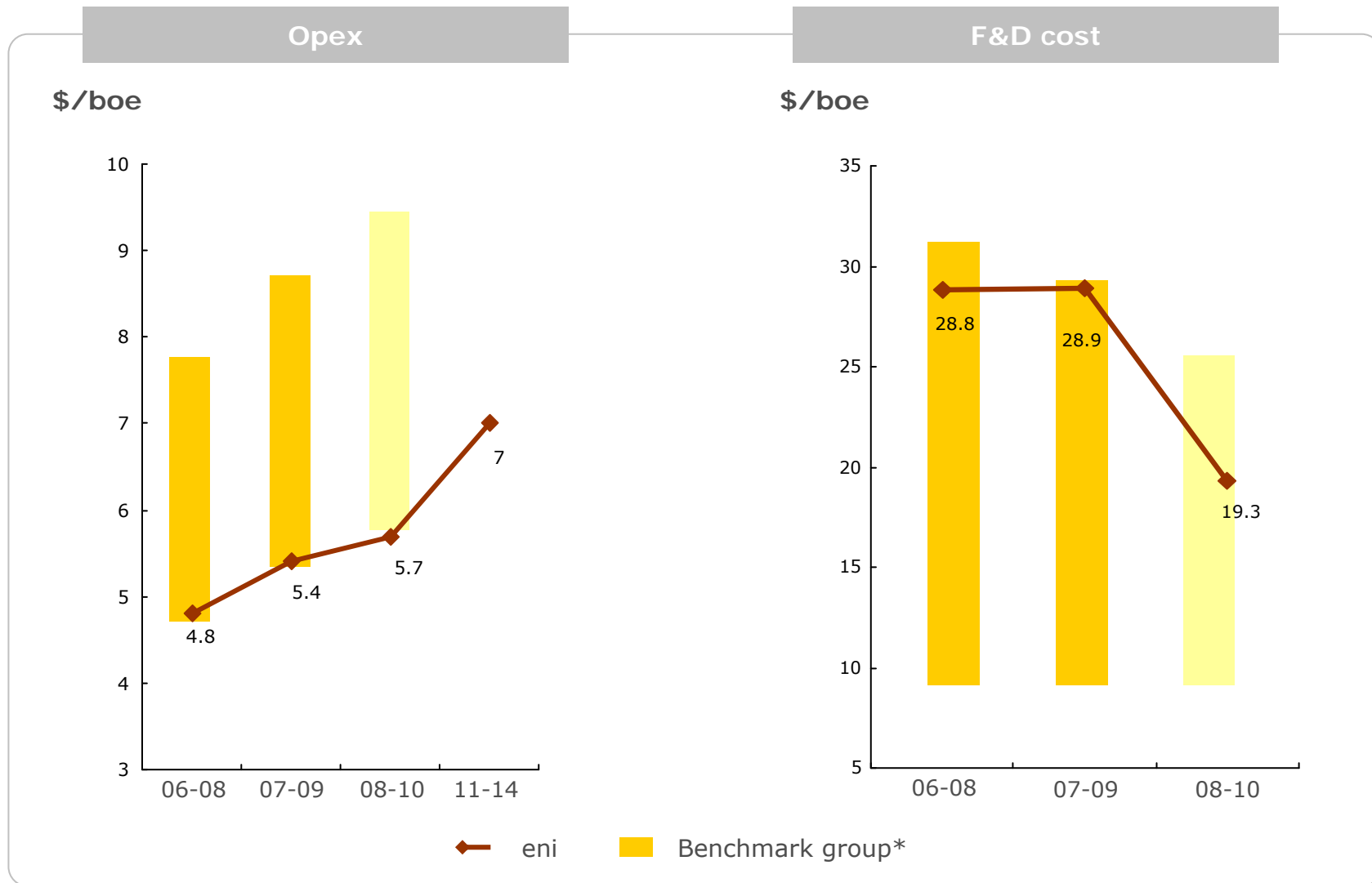
Discovery date: 2008-10

Start-up: 2013



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confirmed leadership in efficiency



* XOM, CVX, COP, BP, RDS, TOT, eni. (no RDS for 2010)

E&P operating model





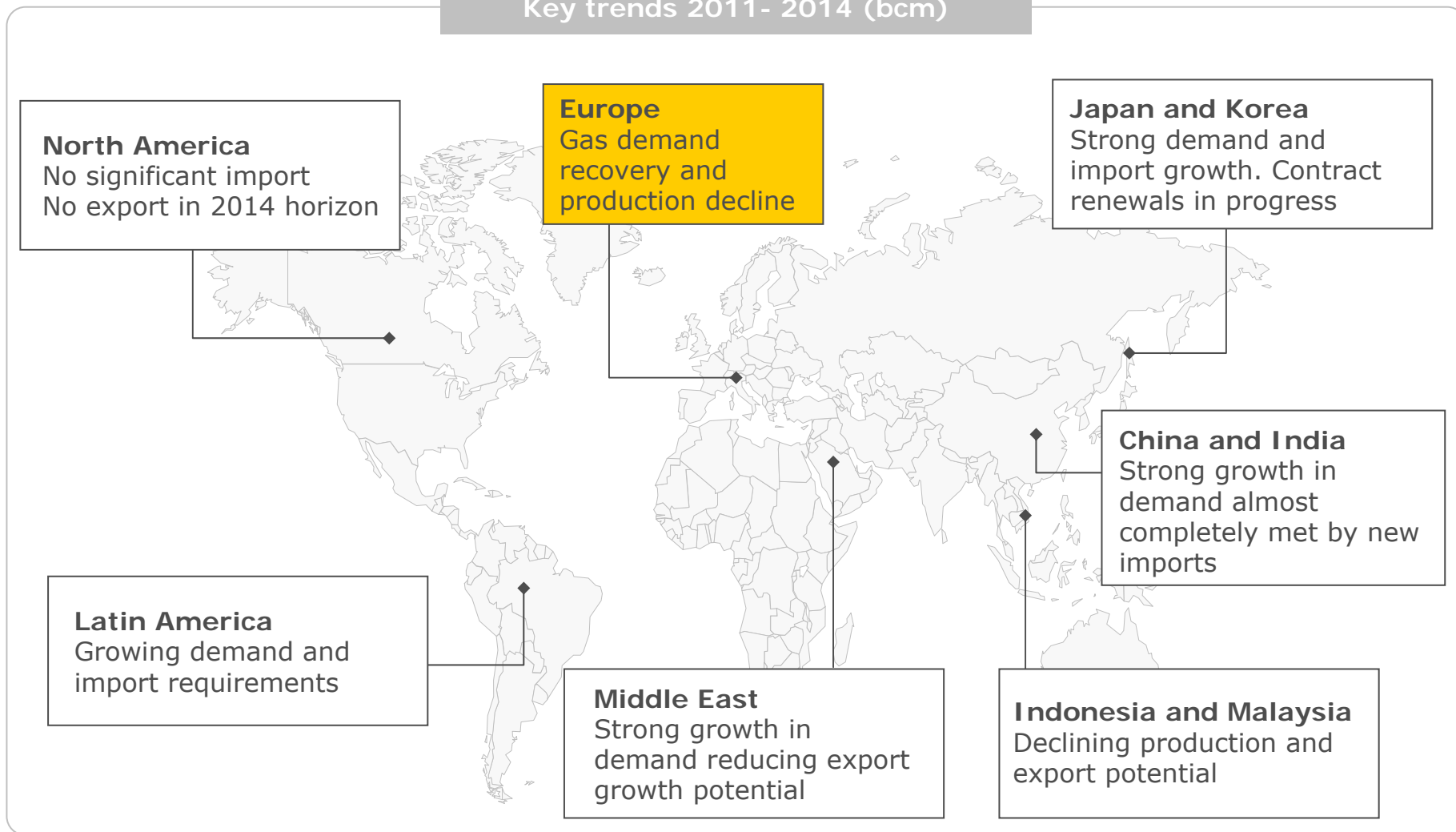
Gas & Power

Domenico Dispenza, COO

eni.com

European gas market 2011-2014: a gradual rebalancing

Key trends 2011- 2014 (bcm)



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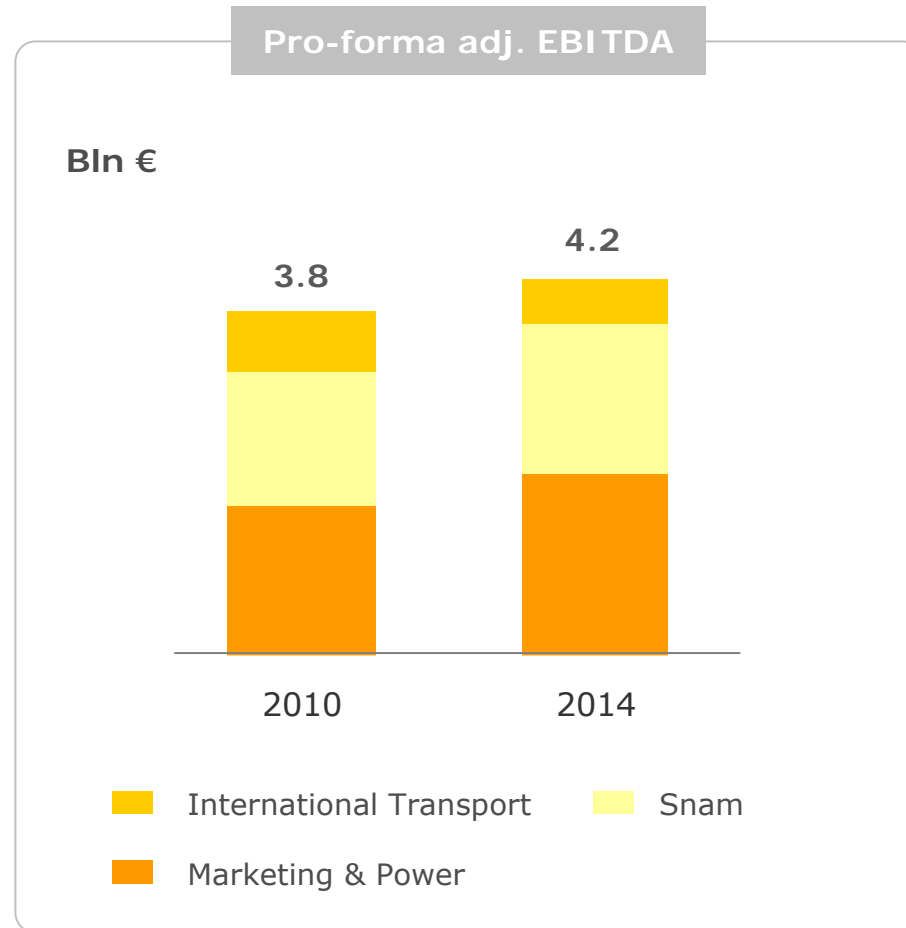
G&P targets 2011-2014: recovering profitability

Marketing & Power

- Supply cost improvement
- 5% CAGR of sales in Italy and key European markets
- Development of integrated trading activities
- Continuous attention to efficiency

Regulated business

- Resilient profitability despite disposal of European pipelines



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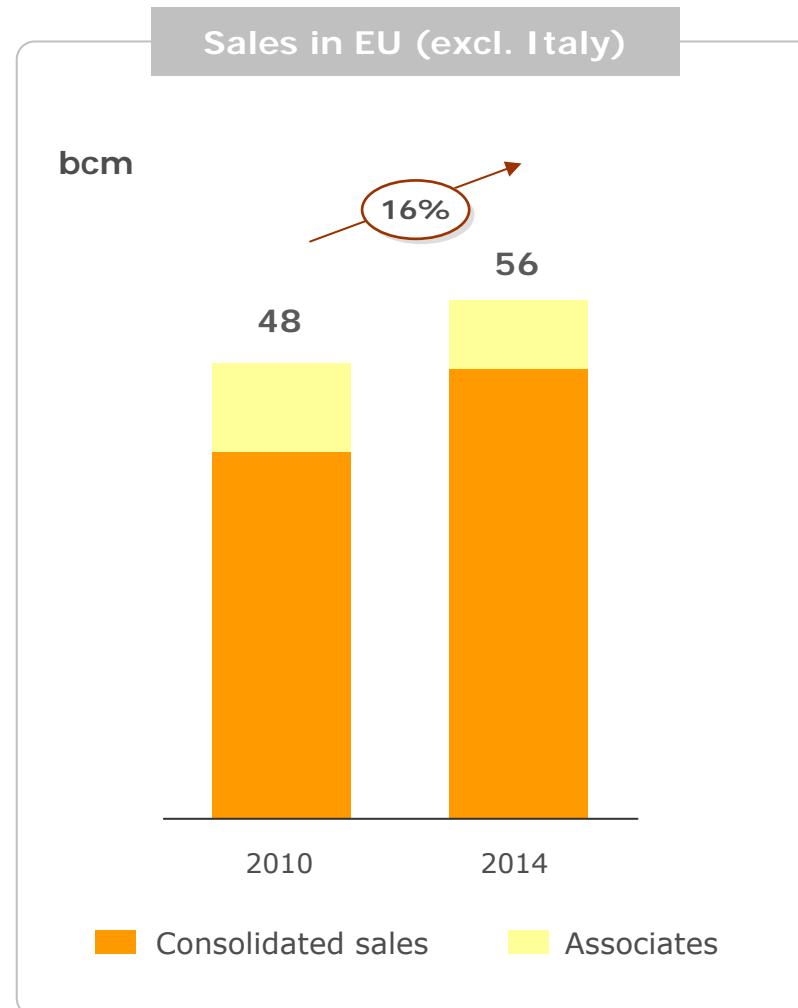
growth driven by international expansion ...

Sales driven by:

- integrated pan-European platform
- multi country offering
- development of new customised commercial offers

Expansion of direct sales in key markets (incl. France, Germany and Austria)

Maintain leadership position in Benelux



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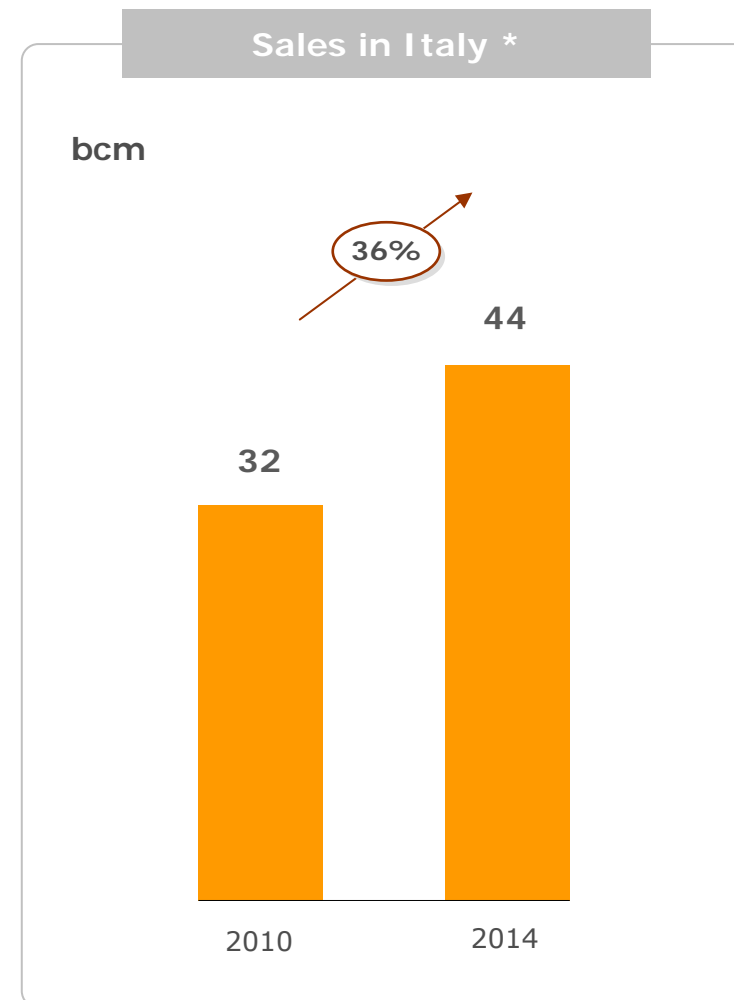
... and Italian market share recovery

Recovery in business segments:

- improved competitiveness of eni's offer
- tailored solutions and customized contracts

Expansion of retail customer base:

- new marketing initiatives (new advertising and commercial offer)
- *best-in-class* customer service
- full geographical coverage through integrated network of agencies and eni energy stores



* Sales to Italian shippers not included

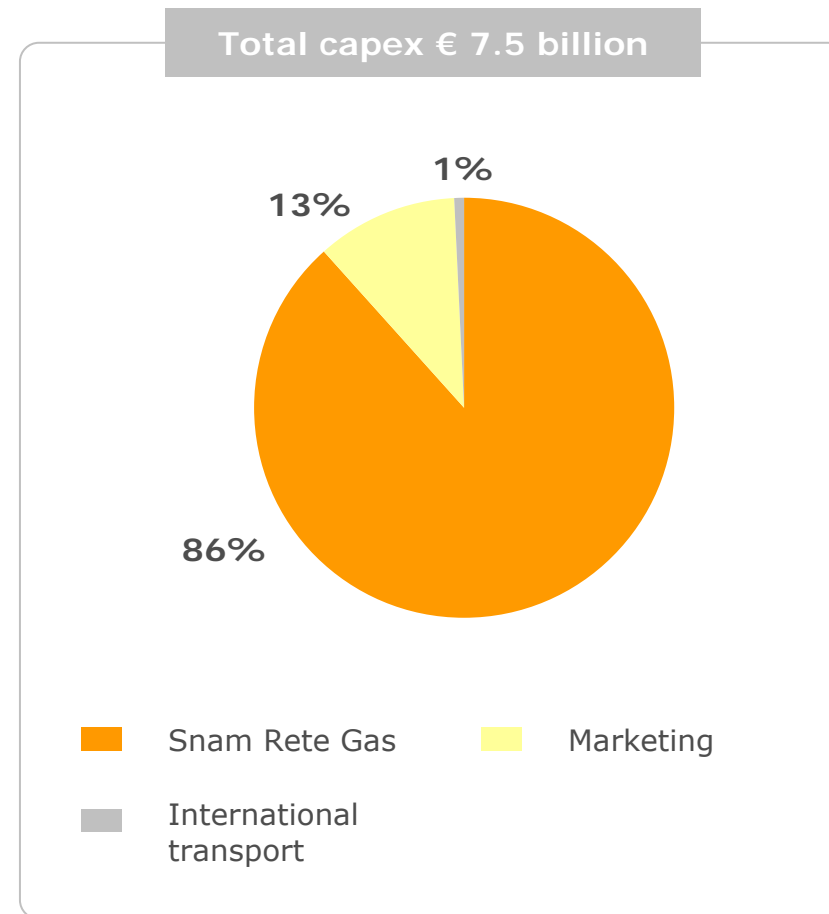
capex plan: increasing focus on regulated businesses

Regulated business

- € 6.4 billion with guaranteed returns
 - improvement of flexibility, reliability and quality of service
 - development of storage capacity, according to government guidelines

Merchant activities

- € 1 billion mainly for power generation
 - operating flexibility enhancement
 - maintenance
 - renewable initiative in Porto Torres



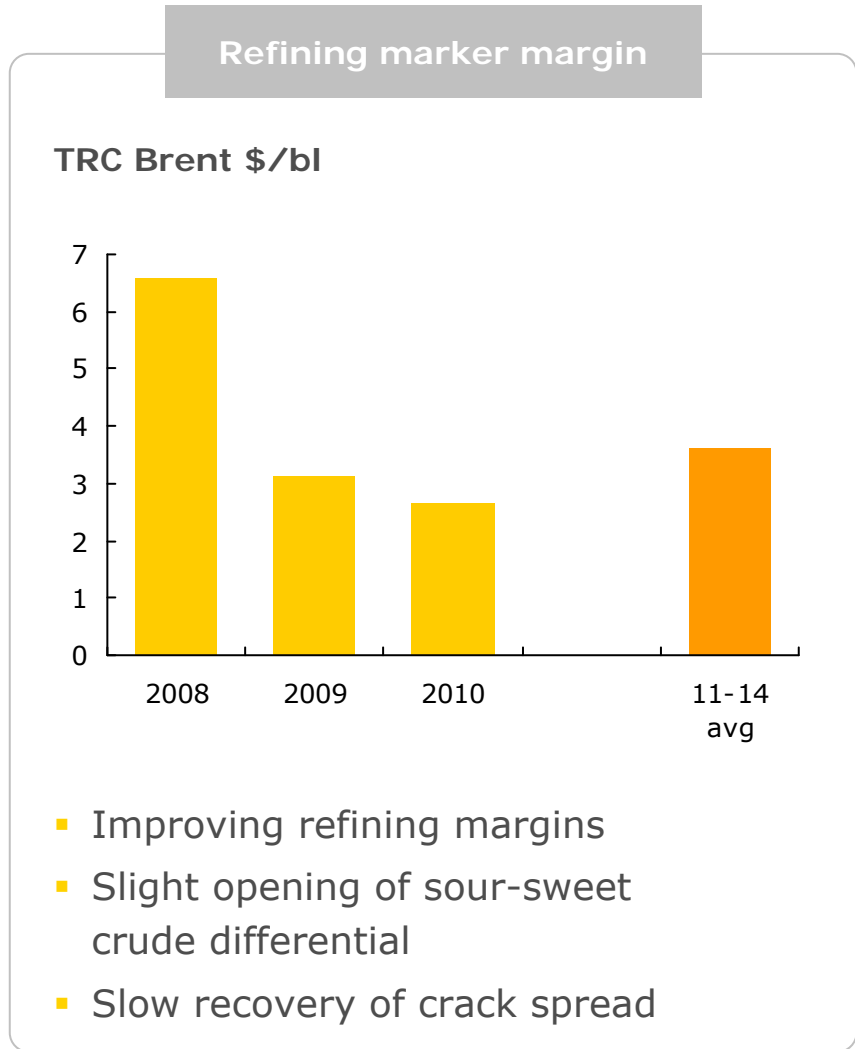
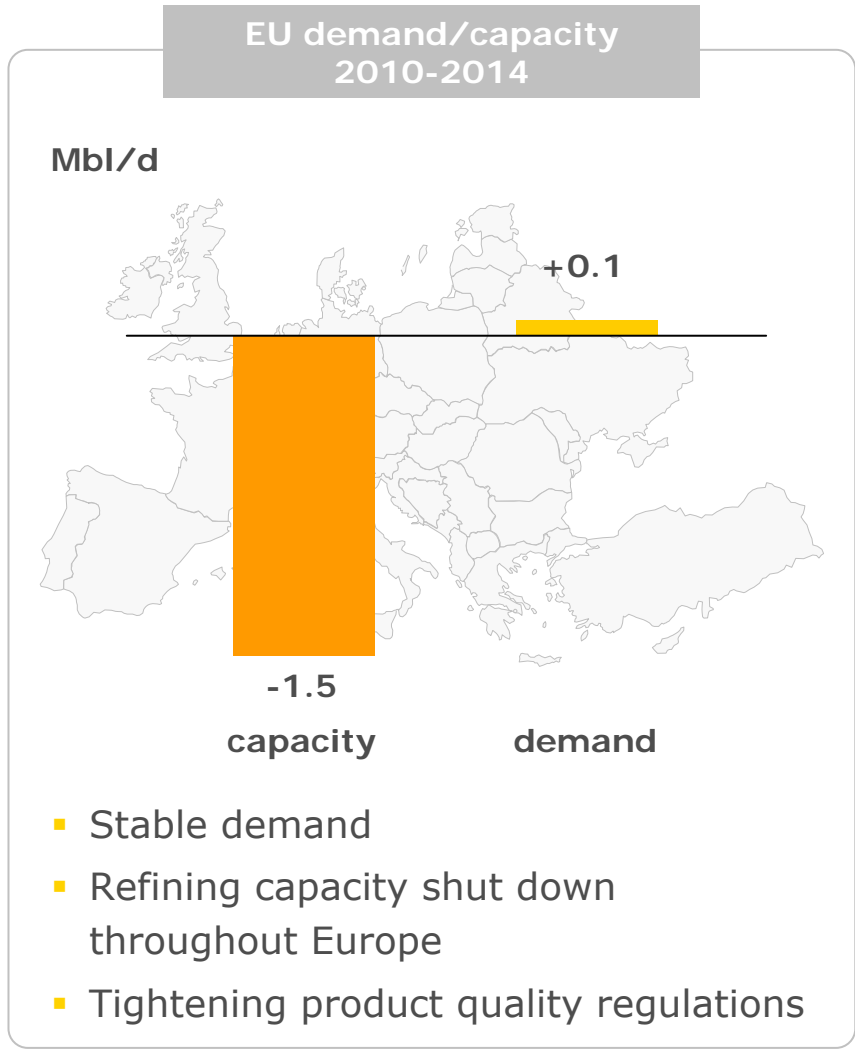


Refining & Marketing

Angelo Fanelli, COO

eni.com

weak scenario with limited improvements



R&M target: return to profitability

Refining

- Operational improvement
 - Integration of refining cycles
 - Energy saving: -6% consumption
 - Fuel mix optimizations: coke/natural gas vs fuel oil
 - Logistic rationalization
 - Headcount reduction
- Selective increase of complexity
 - EST project start-up by end-2012
 - Nelson index +0.5 points

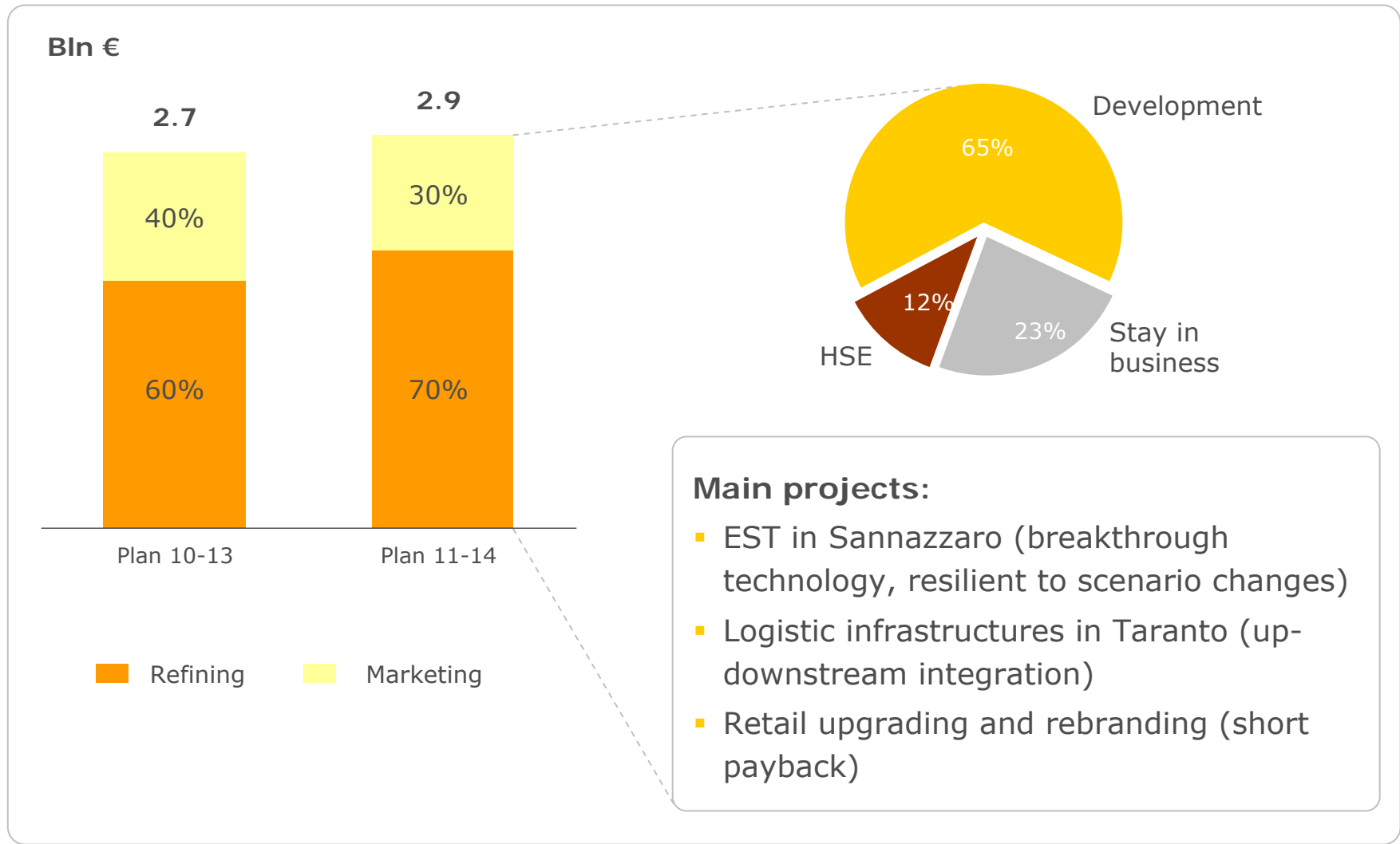
Marketing

- Retail network upgrading
 - New premium products
 - Rebranding
 - Non oil development
 - Improve customer service and quality
- Profitability enhancement
 - New pricing system
 - Efficiency gains

- Efficiency improvement: €200m
- EBIT at 2010 scenario:
 - breakeven in 2011
 - €200m in 2014



selective capex plan



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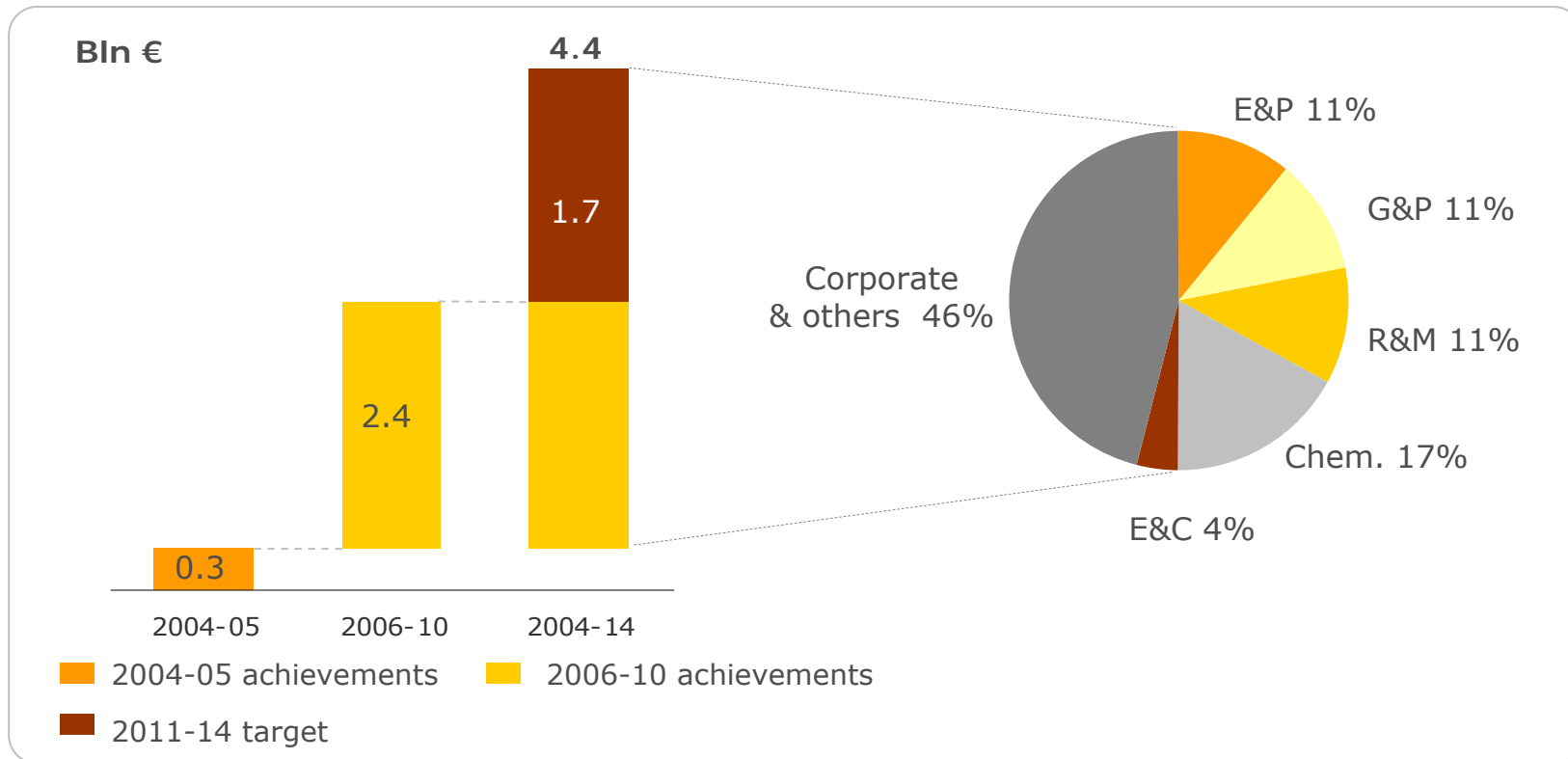


Financial Outlook

Alessandro Bernini, CFO

eni.com

efficiency programme



- Procurement optimization
- Technology improvements and operational excellence
- Downstream and logistics streamlining
- Labour efficiencies



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financial debt: low risk

2010 net debt

Snam Rete Gas € 10 billion	<ul style="list-style-type: none">▪ Lowest risk profile of eni's portfolio▪ Self financing
Saipem € 3 billion	<ul style="list-style-type: none">▪ Major vessels almost completed▪ Strong cash flow
eni € 13 billion	<ul style="list-style-type: none">▪ Mainly PSA exposure
Total € 26 billion	

2011 guidance (at 70\$/bl)

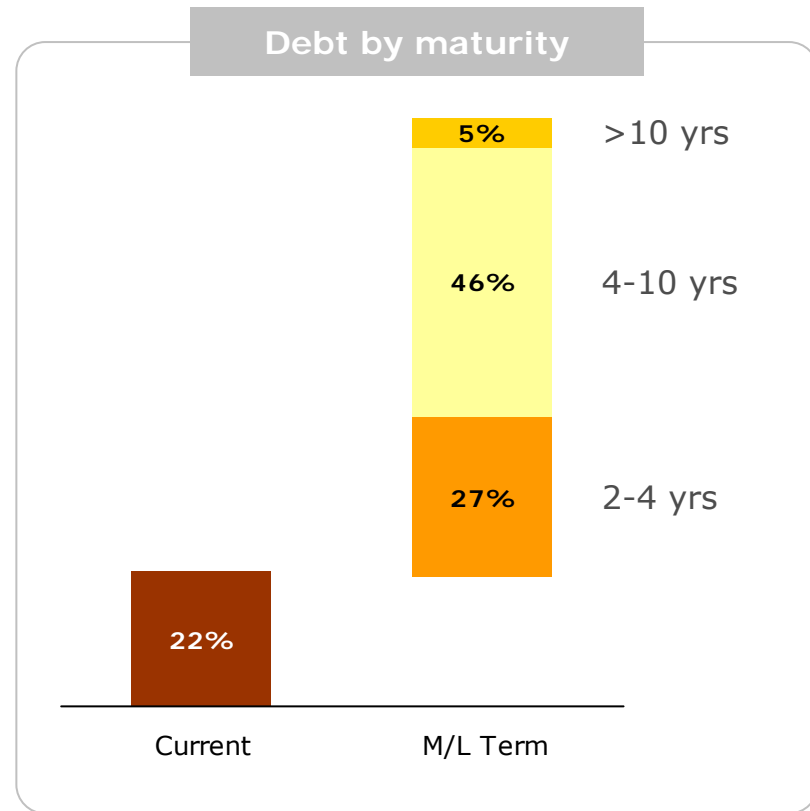
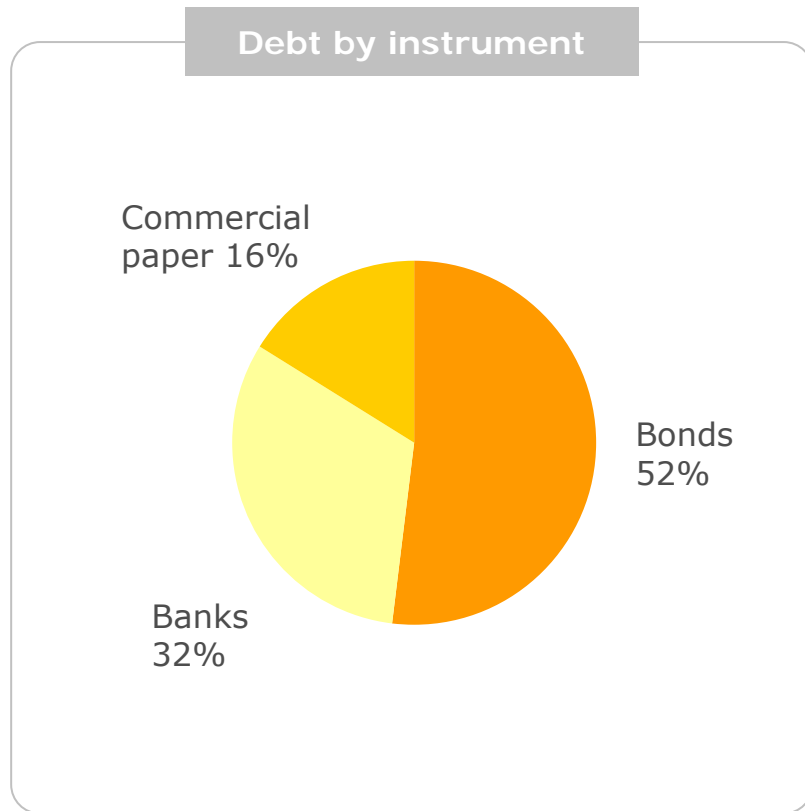
- Divestments ~€2 bln
- Net debt to equity down compared to 2010

Going forward

- Net debt to equity <40% within the plan period
- Cash neutrality at 40\$/boe by 2014



financial debt: high quality



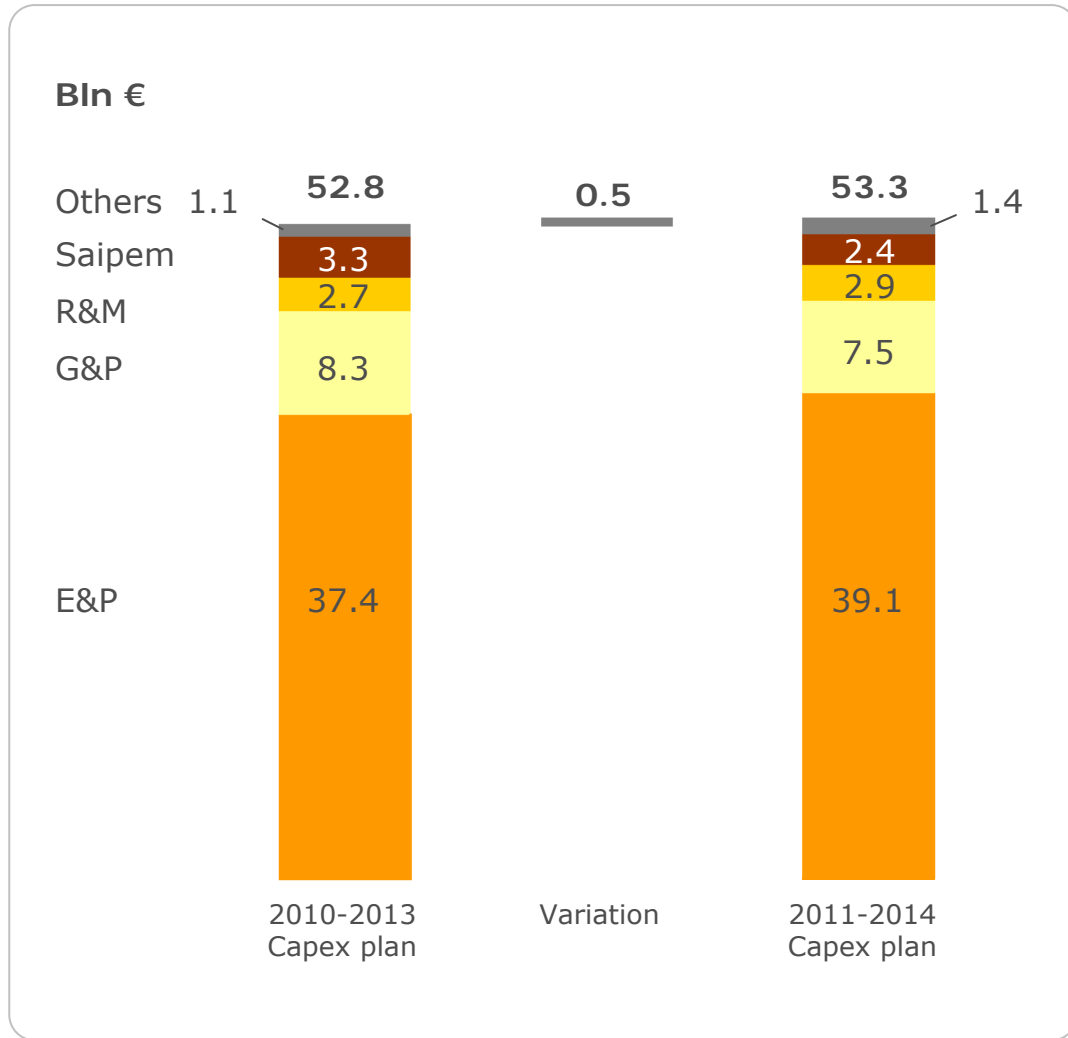
- Extension of debt maturity, privileging bond emissions
- Progressive diversification of holders/countries/currencies
- Fixed rate long-term debt: >70% over the plan period



Data @ year-end 2010

capex 2011-2014

- Upstream focus: >70%
- Selective G&P and downstream investment
- Completion of E&C investment cycle



a progressive dividend policy

- For 2010 we will propose a €1 a share dividend
- Under eni's four-year oil price assumption, we will increase our dividend in line with OECD inflation from 2011



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Closing remarks

Paolo Scaroni, CEO

eni.com

strategy 2011-2014: a strengthened growth profile

E&P: faster growth coming through

G&P: solid business with long term upside

R&M: enhanced efficiency in difficult market

