2015-2018 Strategy Presentation

Transforming eni, creating value

London, 13 March 2015

eni.com

2014 achievements

new organization

upstream production in line with guidance
RRR >100%

positive results in g&p

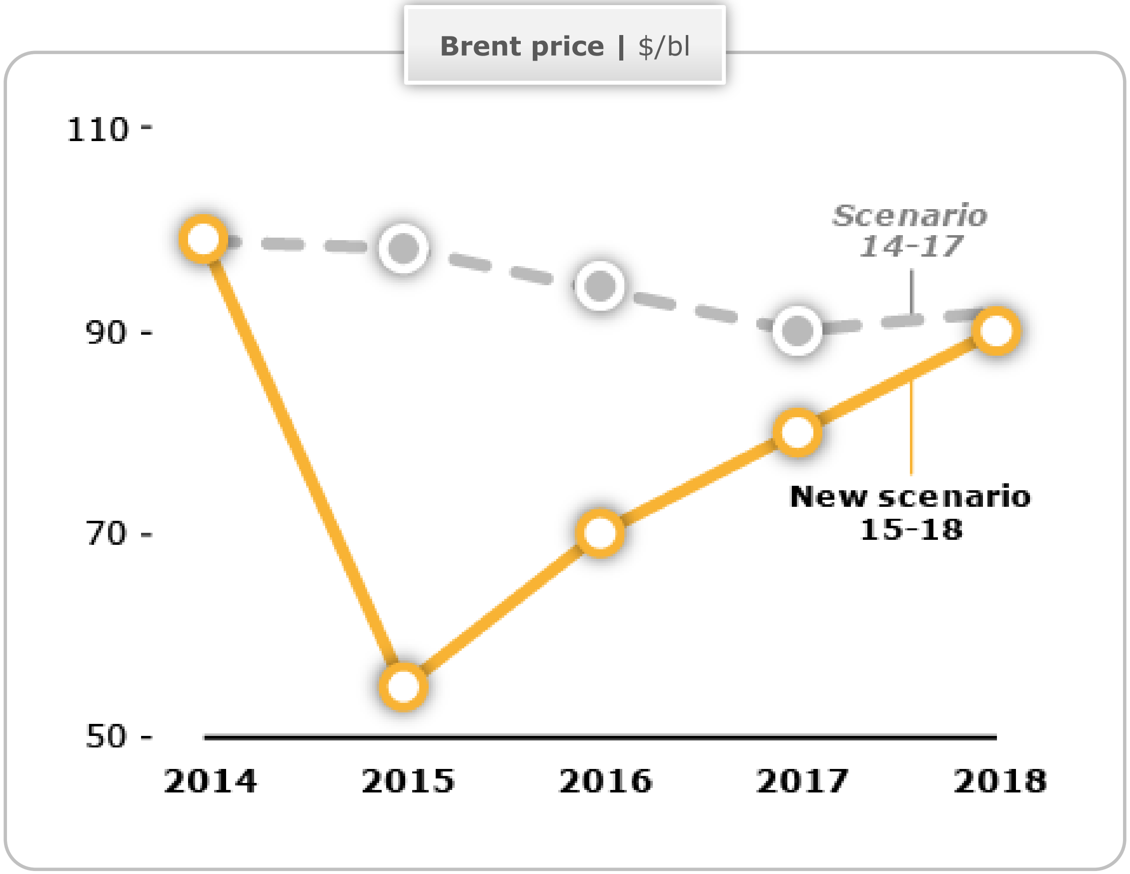
r&m >50% EBIT improvement

cash flow from operations +40%

capex -5%

leverage reduced to 22%

a challenging scenario ahead



completing eni's transformation

strategic objectives	actions
cash and value growth	exploring for near and long term value
sustainable shareholder distribution	faster time to market projects
robust balance sheet	strict capex and cost control
	restructuring mid-downstream
	re-basing of dividend

main operating targets

e&p

production **CAGR 3.5%**
exploration: 2 bln boe @ **2,6 $ UEC**
avg 2017-2018 **self financing ratio at ~140%**

g&p

supply 100% aligned to **market by 2016**
~100% recovery of **ToP**
cumulative CFFO: 3 bn €

r&m

50% capacity cut vs 2012
R&M **CFFO and EBIT break-even in 2015**
refining EBIT breakeven in 2017

chemicals

30% capacity cut vs 2012
specialties capacity at 50%
CFFO and **EBIT break-even in 2016**

costs

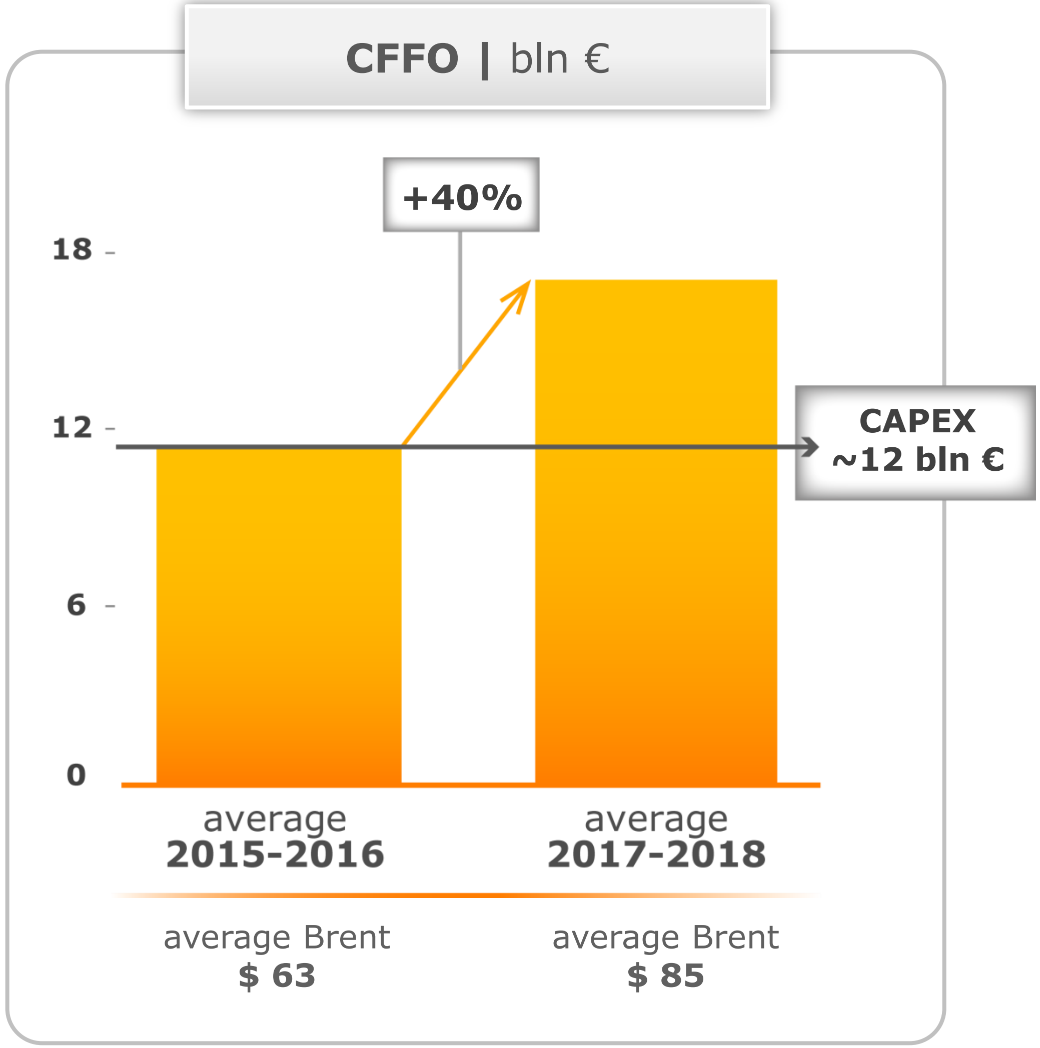
CAPEX reduced by 17%
Upstream unitary **opex** -7%
g&a saving 2 bn €

EBIT refers to adjusted figures

strong cash flow generation

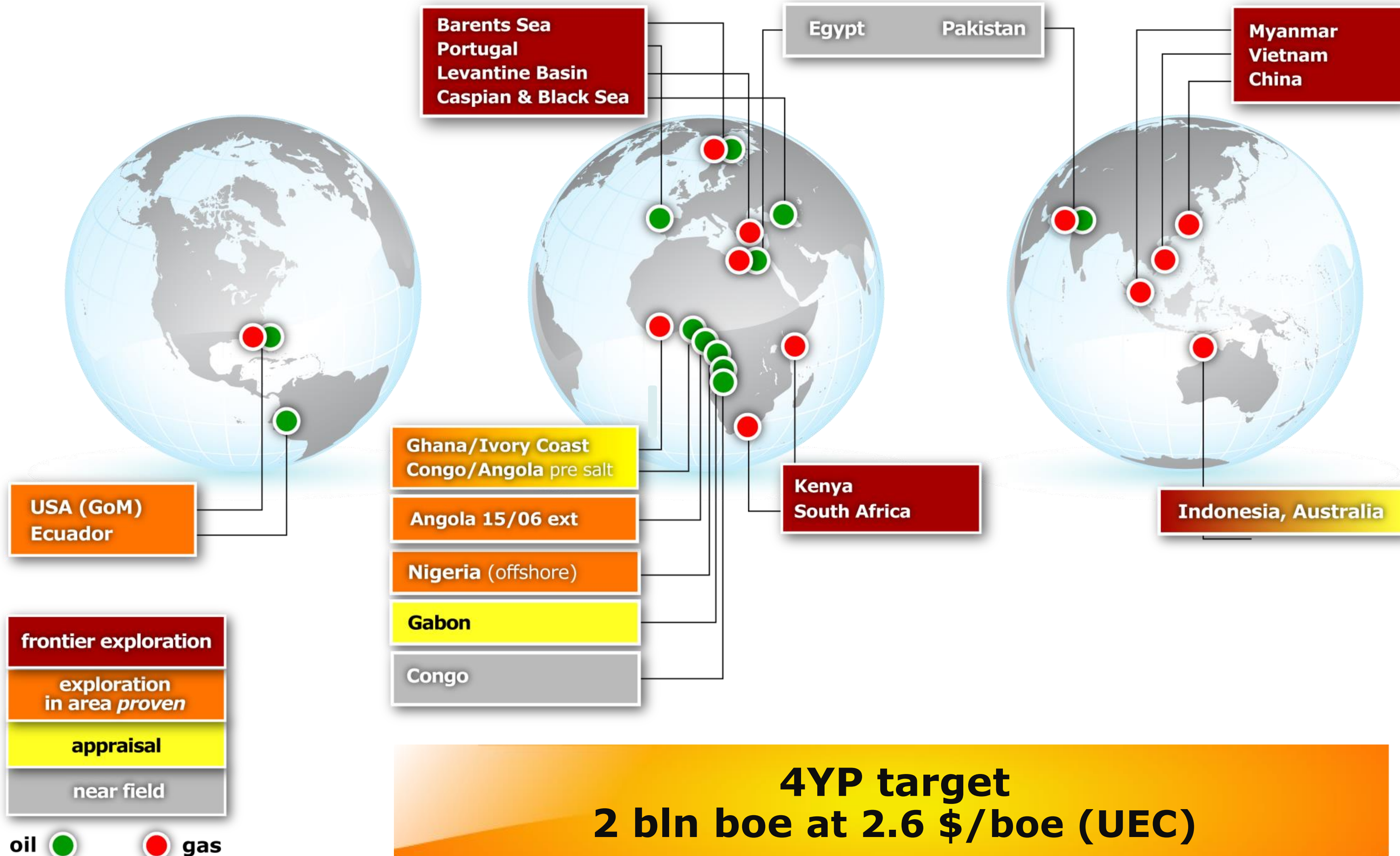
2015 action plan

- **capex cut -14%***
- **unitary OPEX -7%**
- **g&a saving 500 mln €**



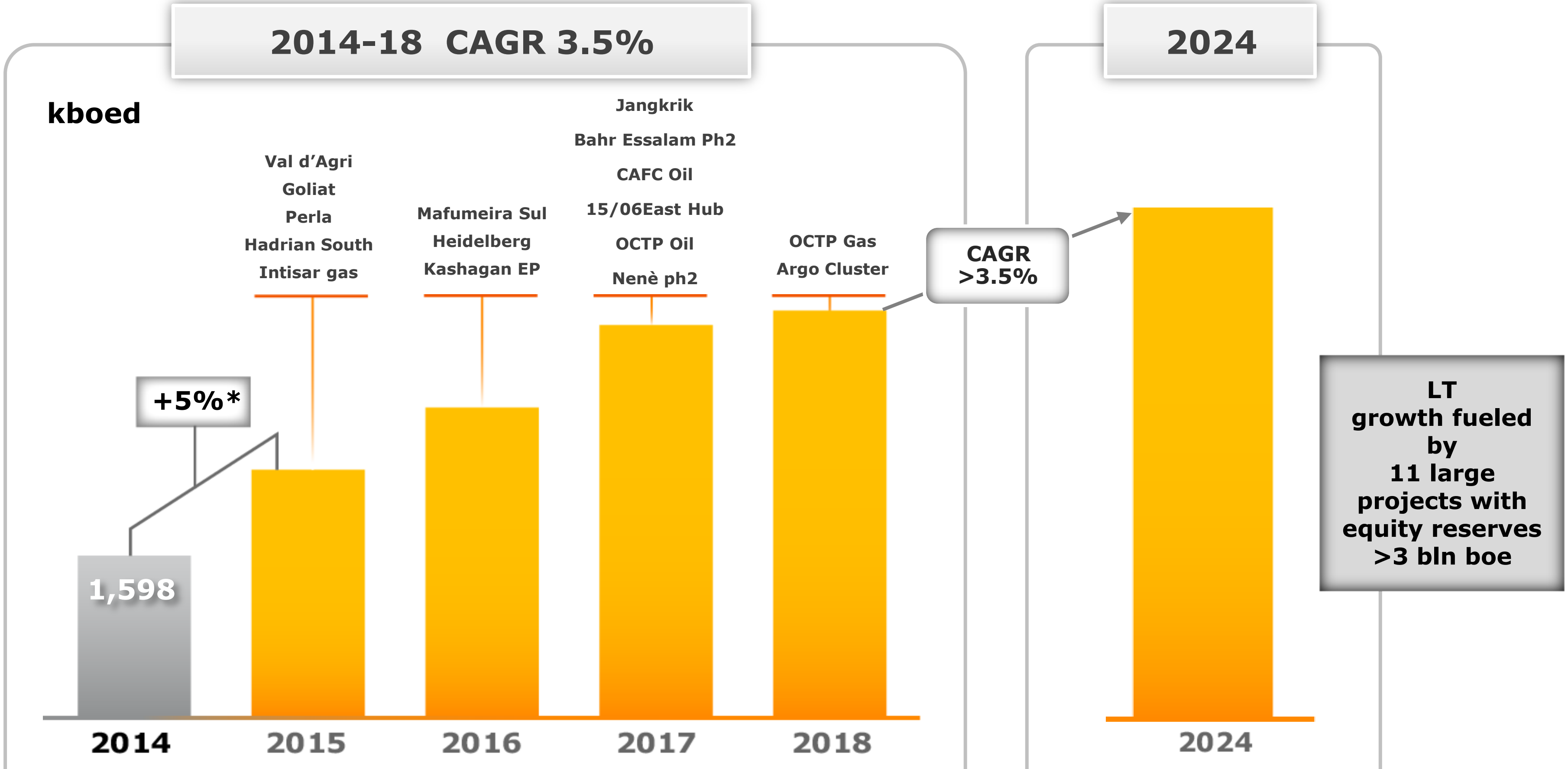
* Assuming 2014 capex at 2015 FX rate (1.17€/$)

e&p– building on our exploration success



4YP target
2 bln boe at 2.6 $/boe (UEC)

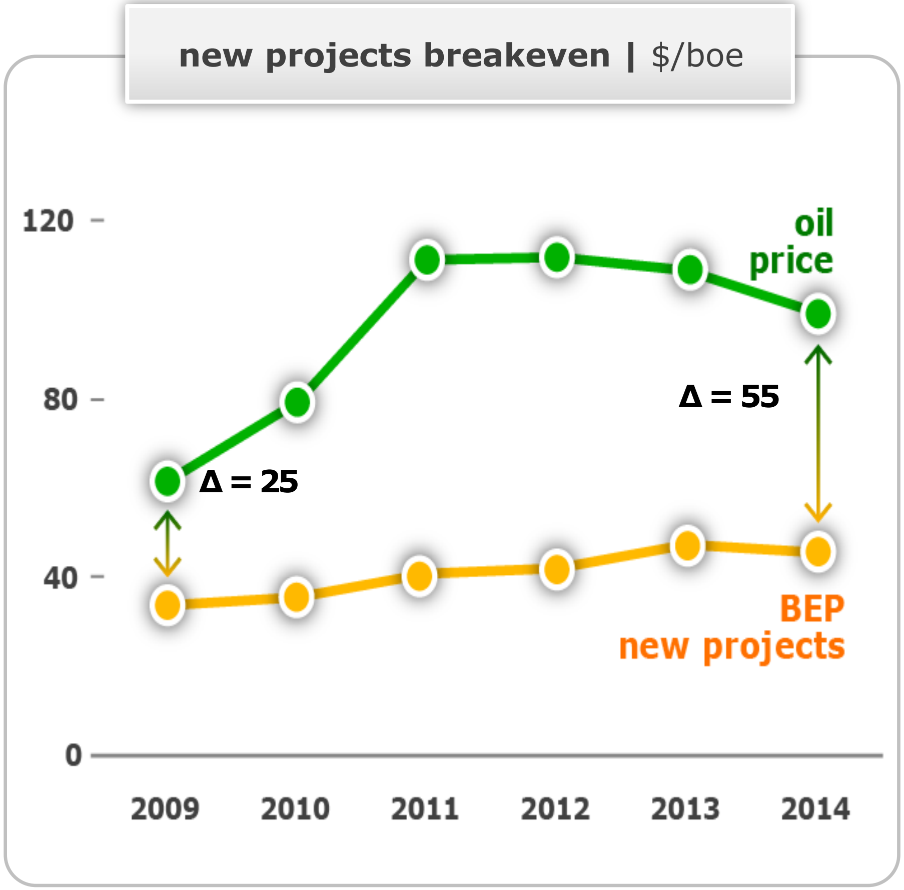
e&p– long term production growth

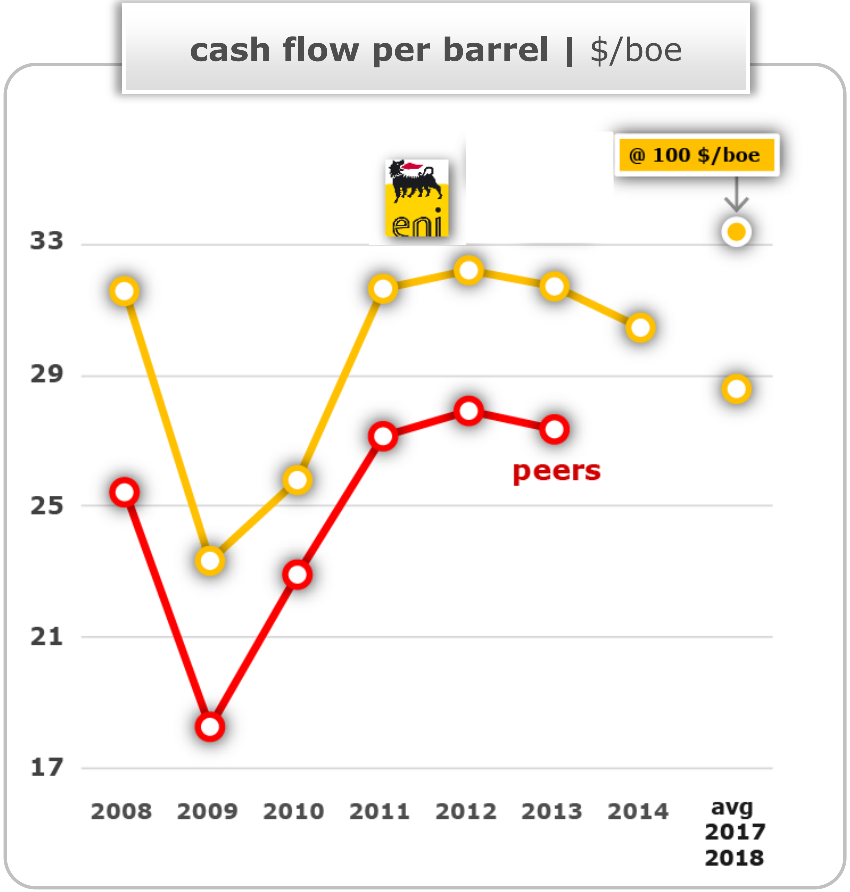


start up/ramp up >650 kboed in 2018
19 bn € cumulative CFFO

* 3% at 100 $/bl

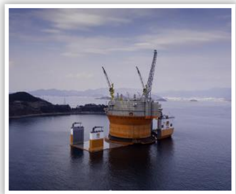
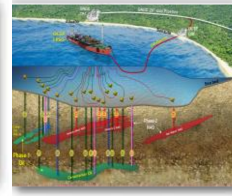
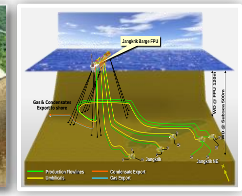
e&p - a valuable and resilient portfolio of new projects





self financing ratio ~140% in 2017-18

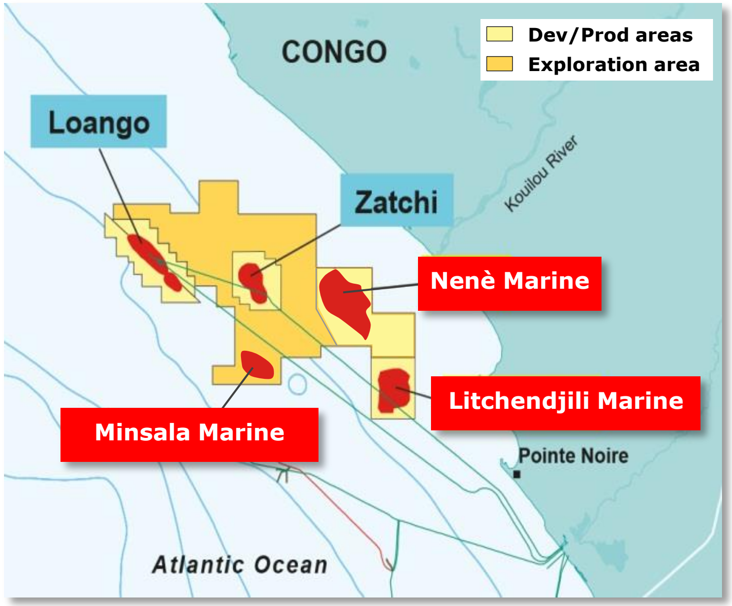
e&p– start ups underpinning growth

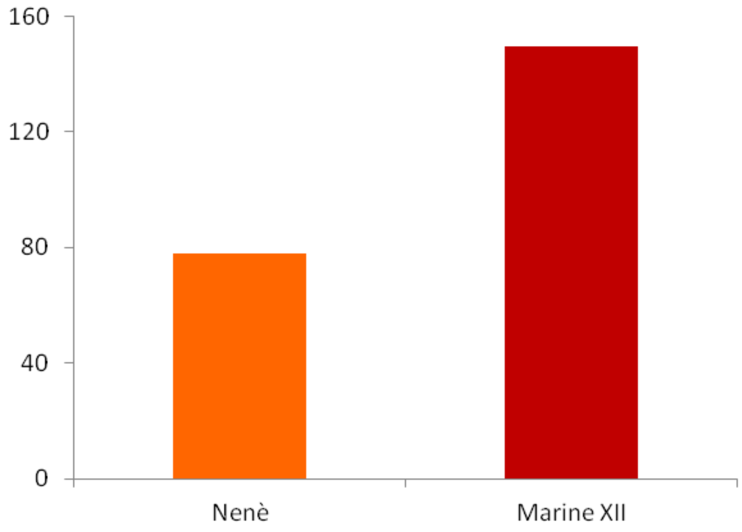
	GOLIAT *Norway*	**PERLA** *Venezuela*	**15/06** *Angola*	**OCTP** *Ghana*	**JANGKRIK** *Indonesia*	**KASHAGAN** *Kazakhstan*
eni operator	✓	✓	✓	✓	✓	
start up	**2H15**	**1H15**	***dec-2014**** **2H2017**	**2H17**	**1H17**	**2H16**
plateau eq. kboed	**65**	**75**	**45**	**40**	**40**	**65**

*already in production from 4 wells

Marine XII



equity production | kboed



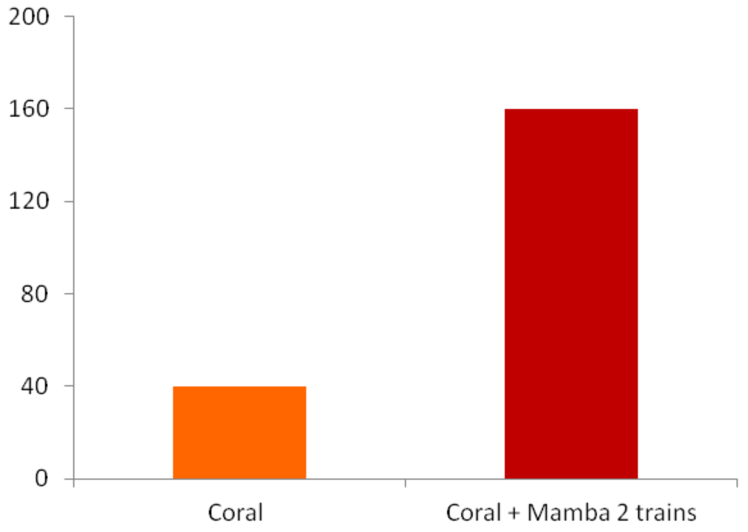
Plateau at 150 kboed

e&p - sanctioning the 1st LNG in Mozambique

MOZAMBIQUE

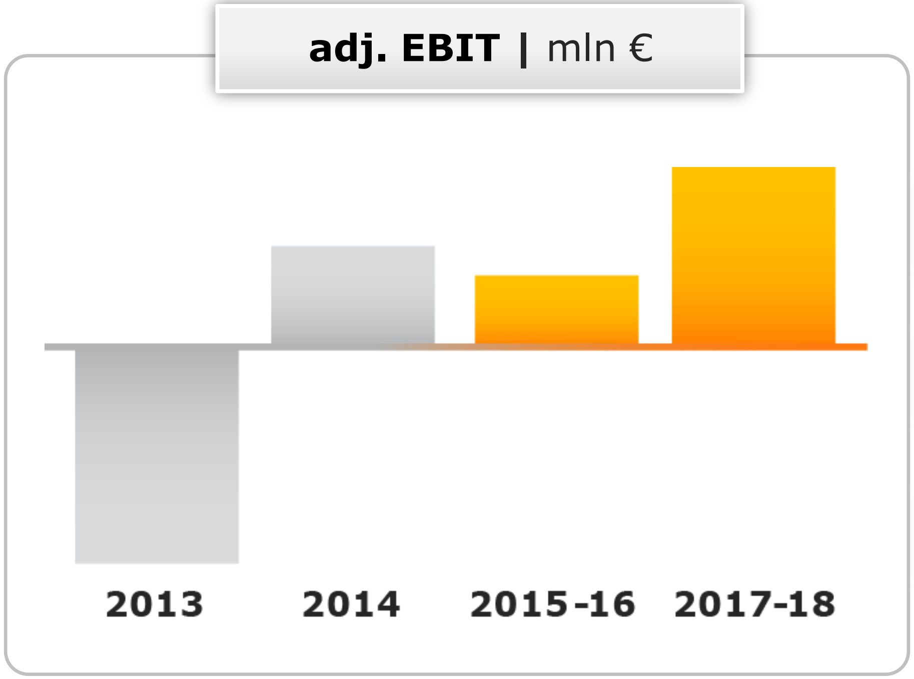
Coral

equity production | kboed



Plateau at 160 kboed

g&p – successful turnaround



complete gas supply renegotiation round

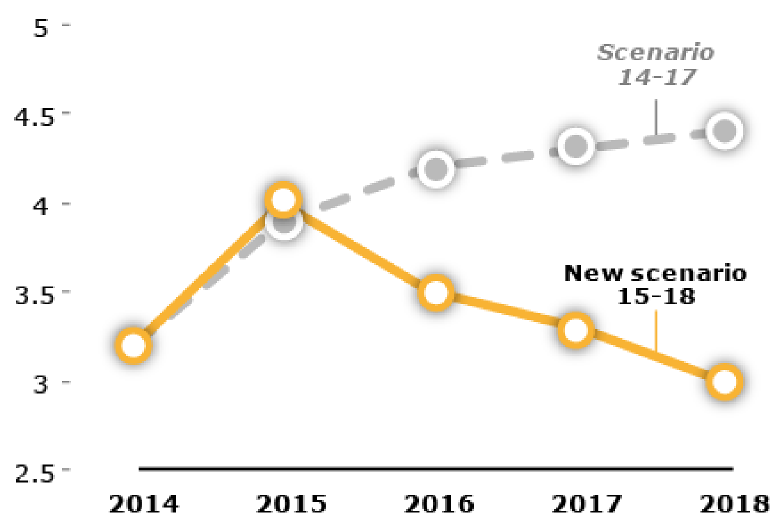
reduce operating and logistic costs by €300m

continue to deliver robust results in high value segments

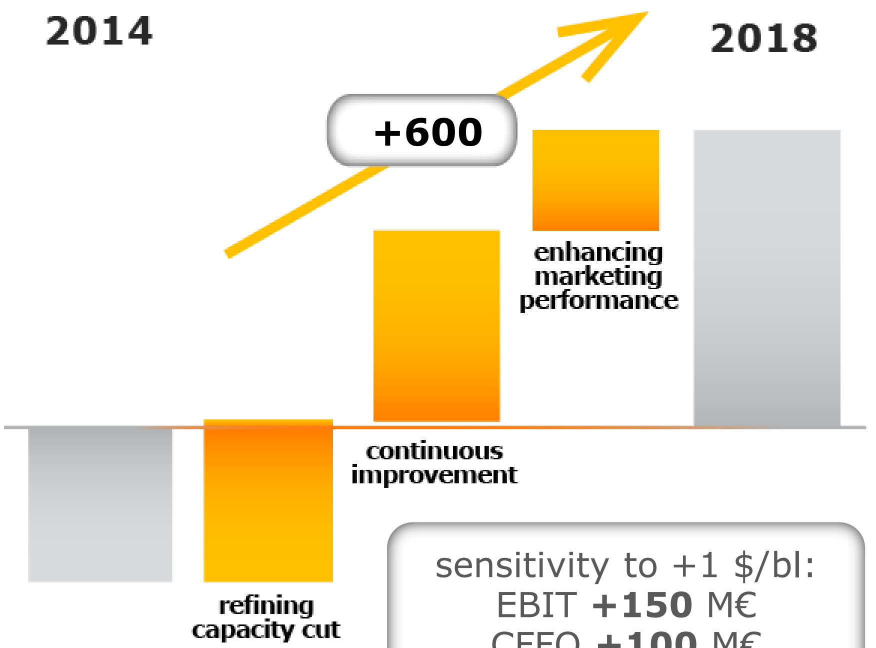
CFFO €3 bln in 2015 - 2018

r&m – return to a stable and profitable performance

refining margin SERM | $/bl



adj. EBIT | mln €



sensitivity to +1 $/bl:
EBIT **+150** M€
CFFO **+100** M€

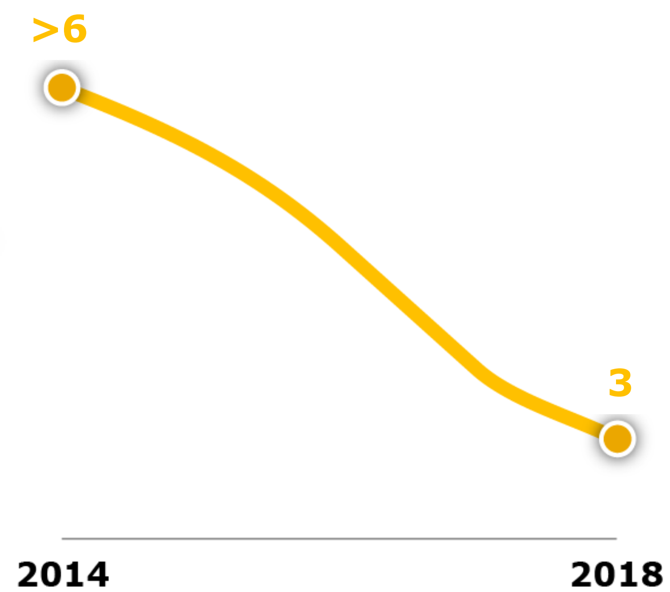
EBIT adj breakeven anticipated to 2015
CFFO >€1.5 bln in 2015 - 2018

refining - increasing resilience at lower margin

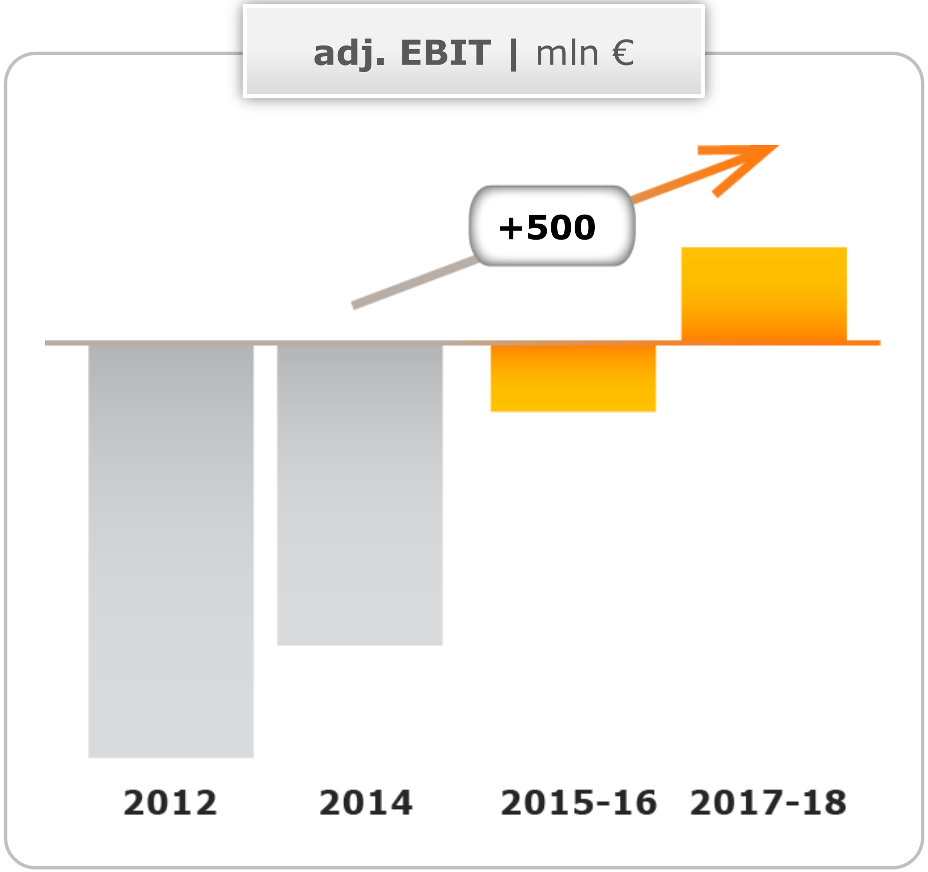
action plan

- **ongoing projects**
  Venice green fully on stream
  EST ramp up
  Gela refinery closure
  CRC stakeholding sale
- **further restructuring**
  Gela conversion into green
  rationalizing weaker assets in Italy
  reducing international presence
- **efficiency and optimizations**
  fixed cost reduction + energy saving

break-even margin EBIT adj | $/bl



chemicals - refocusing on specialties and green products



optimization and reconversion opportunities

>30% reduction of commodity capacity

portfolio differentiation on specialties and bio-products

international development

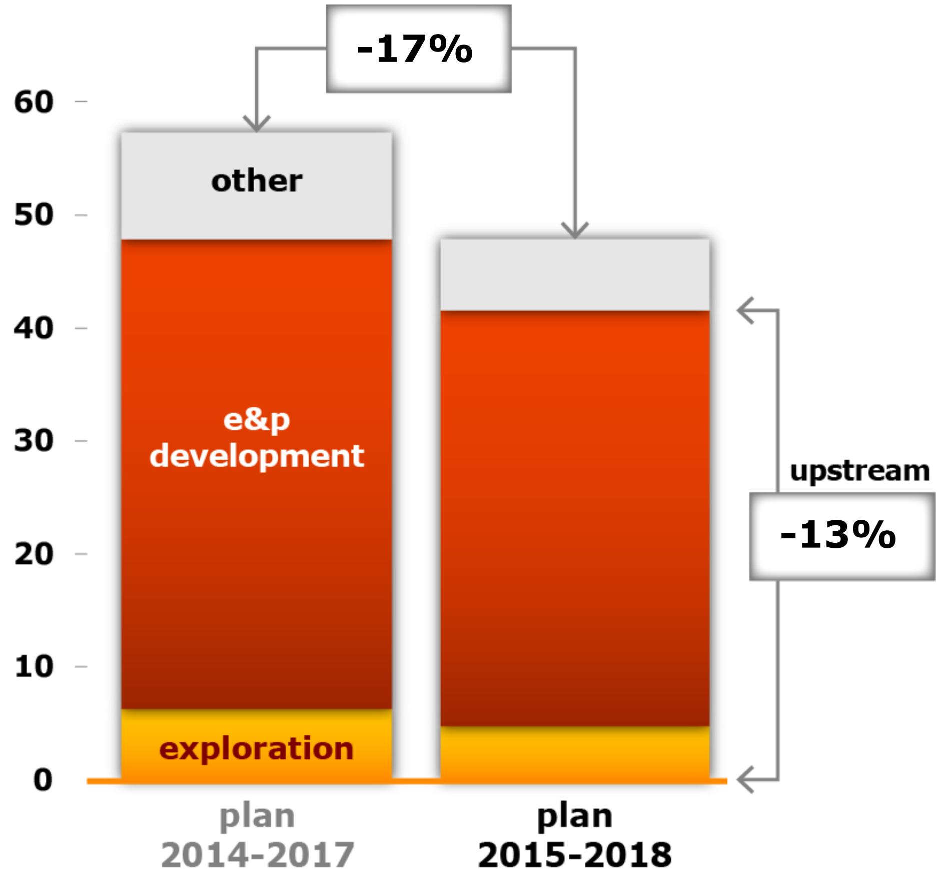
€ 400 mln CFFO in 2015 - 2018

Key pillars of financial strategy

disciplined CAPEX plan	**17% reduction vs. prior plan** **45% unsanctioned capex**
cost efficiency (new vs. old plan)	**g&a reduced by 25% with savings of ~€2bn** **unitary opex reduced by 7%**
assets disposals	**€ 8bn disposal plan**
robust balance sheet	**30% leverage threshold** **commitment to "A" category credit rating**
dividend policy	**competitive & sustainable**

capex – flexible and focused capex plan

four year plan capex | bln €

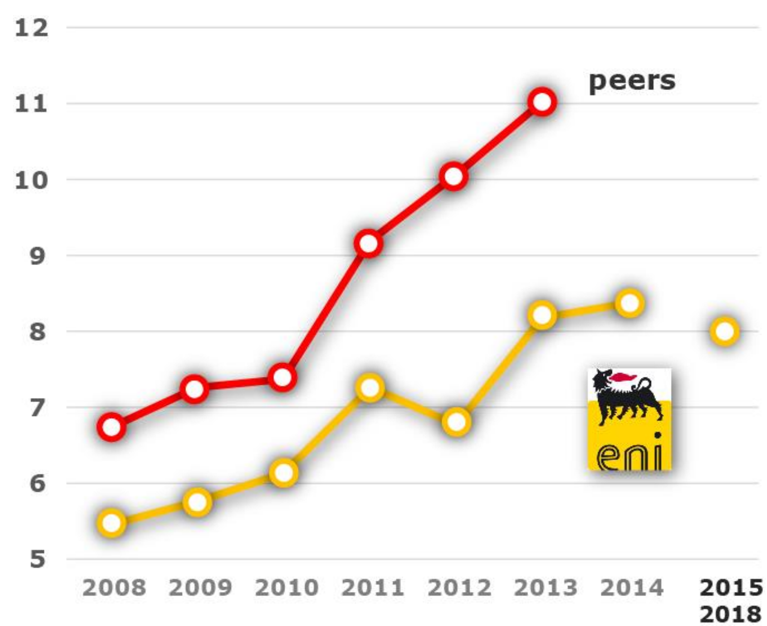


flexible spending | (%)

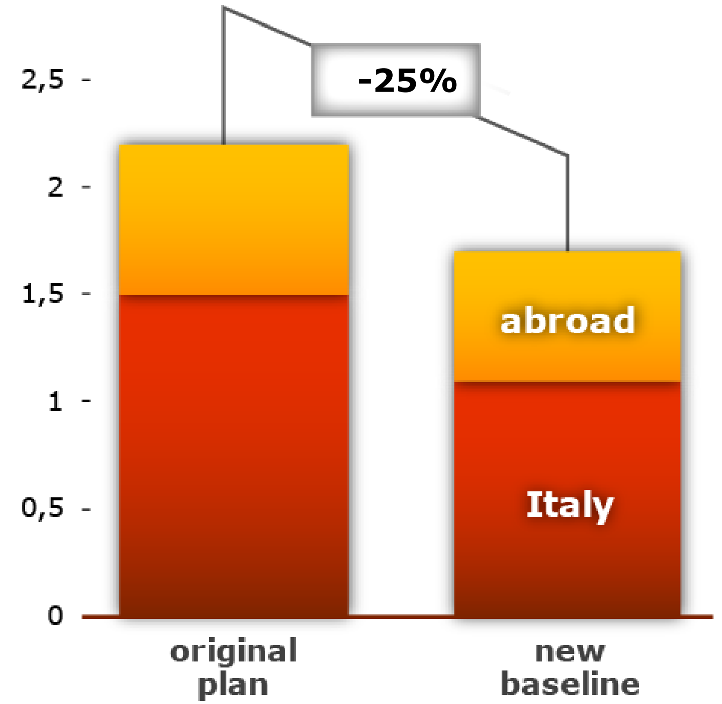
2014-17 capex plan assuming 2015-2018 FX rate

costs - enhanced efficiency in opex and G&A

upstream opex | $/boe

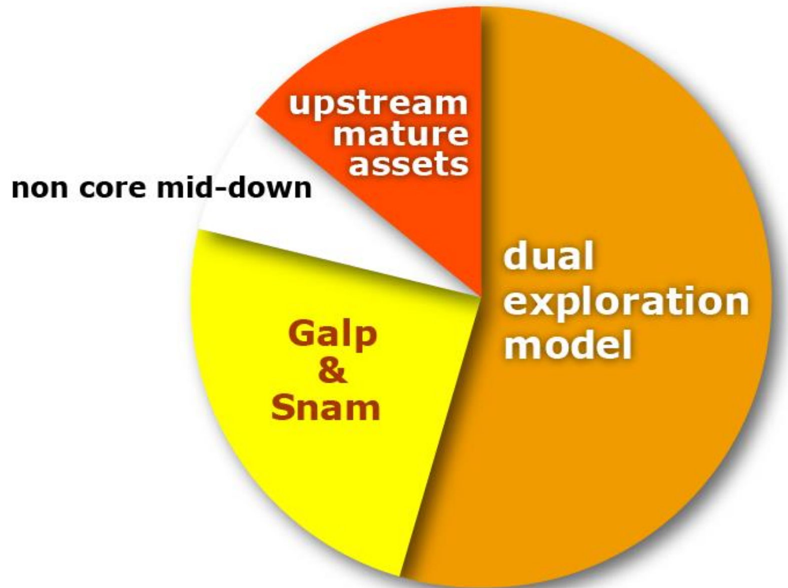


G&A costs | bln €/year



disposal – active portfolio management

disposal programme



- excess stake in discoveries
- Galp & Snam
- upstream mature assets
- non core mid-downstream assets

8 billion € in the 4YP

cash flow - robust generation through the cycle

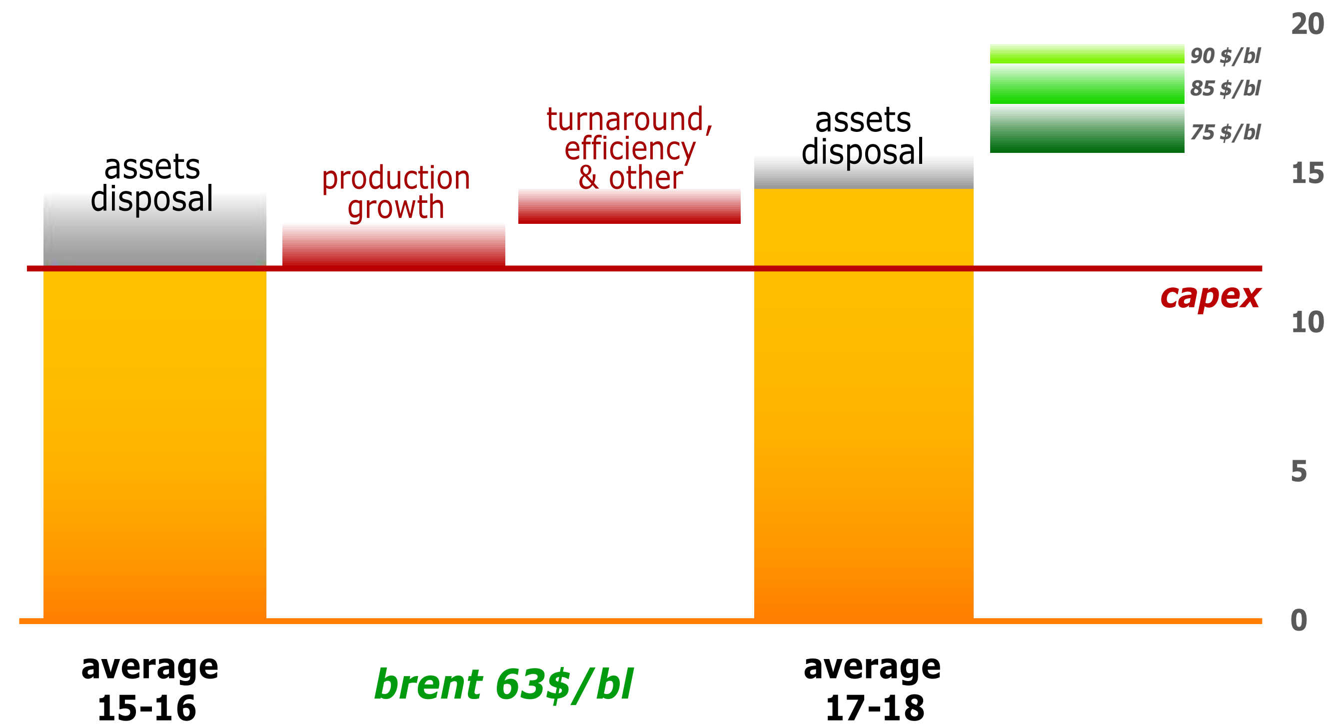
solid self financing ratio ~100% in 2015-16

strong cash growth from industrial improvement (+25%)

continuous portfolio optimisation

significant upside on scenario

Cash flow bln €



Significant financial flexibility even in prolonged low oil price environment

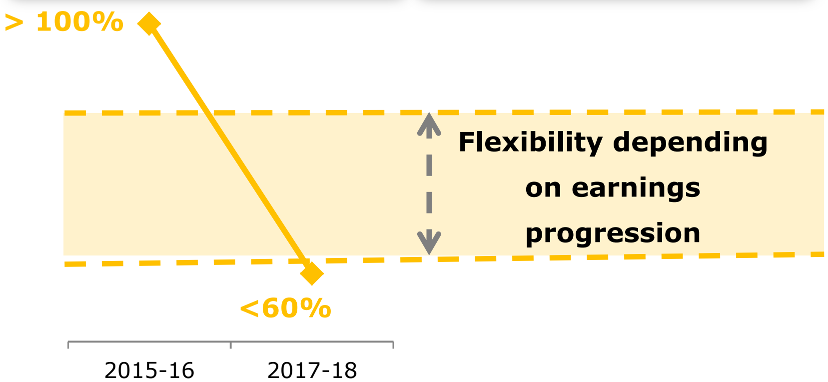
shareholder remuneration – rebasing the dividend

competitive distribution policy
progressive with the growth of underlying earnings

earnings pay out

Earnings pay out (floor dividend)

Progressive dividend policy



floor dividend cash sustainability

cash neutrality

- $60/bl including disposals in 2016
- < $75/bl organic from 2017

additional financial flexibility

2015 Dividend €0.8/share

Transforming eni, creating value

3.5% CAGR production growth

mid-downstream back to profit

+40% cash flow from operations

a stronger and more resilient company

appendix

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assumptions and sensitivity

4YP Scenario	2015	2016	2017	2018
Brent dated ($/bl)	55	70	80	90
FX avg (€/$)	1.17	1.17	1.20	1.20
Std. Eni Refining Margin ($/bl)	4.0	3.5	3.3	3.0
Henry Hub ($/mmbtu)	3.0	3.4	3.6	3.9
NBP ($/mmbtu)	6.8	7.1	7.3	7.4

4YP sensitivity*	Ebit adj (bln €)	Net adj (bln €)	FCF (bln €)
Brent (-1$/bl)	-0.3	-0.15	-0.15
Std. Eni Refining Margin (-1$/bl)	-0.15	-0.1	-0.1
Exchange rate €/$ (+0.05 $/euro)	-0.3	-0.1	-0.05

*average sensitivity in the 4YP. Sensitivity is applicable for limited variations of prices

key start-ups

project	country	op	start up	Equity (kboed)
West Franklin	UK	no	Jan15	7
Eldfisk	Norway	no	Jan15	10
Hadrian South	USA	no	1H15	15
Perla	Venezuela	yes	1H15	75
Goliat	Norway	yes	2H15	65
Val d'Agri PSV	Italy	yes	1H 15	30
Litchendjili gas	Congo	yes	2H15	15
Junin 5 EP	Venezuela	yes	2H15	15
Kizomba Sat Ph2	Angola	no	2H15	10
Asgard & Mikkel	Norway	no	2H15	10
West Hub Ph2+ph3	Angola	yes	2H15/1H18	20
Mafumeira Sul	Angola	no	1H16	10
Kashagan EP	Kazakhstan	no	2H16	65
Nenè phase II	Congo	yes	2H16	40
CAFC oil	Algeria	yes	1H17	30
Bahr Essalam Ph2	Libya	yes	2H17	85
Wafa compression	Libya	yes	1H 16	60
Jangkrik	Indonesia	yes	1H17	40
Block 15-16 East Hub	Angola	yes	2H17	15
OCTP (oil and gas)	Ghana	yes	2H17	40
Argo cluster	Italy	yes	2H 18	15