Over the past three years, we have transformed Eni into a leaner and more resilient company. We have built a high margin portfolio consisting of a large number of mature projects, which will secure our production growth over the medium and long term, and a huge amount of reserves, which will give us flexibility and value. Looking to the future, exploration will remain the engine of our long-term organic growth, while we will continue to focus our energy on fast tracking the development of projects and maximizing cost efficiency. To capture all possible upside for our shareholders, we will maintain low cash neutrality. We believe in the future of gas and our ambition is to develop our upstream position to become a global integrated gas and LNG player.

Claudio Descalzi, Eni CEO

Our path to long term value

2017-2020 Strategic Plan

Upstream – CEO Descalzi: "*We have always considered Exploration to be the engine of our Upstream business, which is based on conventional and near-field plays. We operate the majority of our projects through high equity stakes, which enables us to farm down assets in advance to bring forward cash generation. The strong synergies between the Exploration and Development businesses guarantee organic production growth by quickly getting resources out of the ground and to market".*

- **Production CAGR 3% per year; approx. +5% in 2017 vs. 2016**
- **Upstream CAPEX -13% vs previous plan**

- **Exploration: 2-3 bln boe of new resources**

Mid-downstream – CEO Descalzi: "*We have almost completed the restructuring of the Gas & Power and Refining & Marketing businesses, increasing efficiency and maximizing equity returns. Although we are experiencing oversupply in the gas market, with prices expected to remain low until 2020, our midstream business will continue to benefit from the alignment of gas supply contracts to market prices and from the full recovery of take-or-pay contracts. In Refining & Marketing, we expect positive results over the course of the new plan as we further reduce our breakeven refining margin and enhance marketing results".*

- **G&P in structural breakeven from 2017; EBIT > €600 mln by 2020**
- **Refining breakeven at $3/bbl margin by 2018**
- **Chemicals: €1.2 bln of cumulative operative cash flow by 2020**

Financials – CEO Descalzi: "*After two years of lower investment and fragile confidence across the global oil industry, we are forecasting a slow increase in oil prices up to 70 $/b by 2020. Nonetheless, we will remain disciplined, maintaining our CAPEX cash neutrality below 45$/b, on average over the four year period. Financial flexibility will help secure the sustainability of our remuneration policy as oil prices remain lower and enable us to capture upside should the economic environment improve".*

- **Efficiency**
    - **Capex: -8% vs. previous plan**
    - **New projects average breakeven: 30$/bbl**
    - **New disposals target: €5-7 bln by 2020**
- **Cash Flow**
    - **Free Cash Flow > €20 bln**
    - **Cash Flow From Operations €47 bln**
    - **CAPEX Cash Neutrality < $45/bbl**

    - **Organic cash neutrality (CAPEX+dividend): in 2017 with $60/bbl, in 2018-20 < $60/bbl**

- **Shareholder remuneration**

    - **Confirmed 2017 dividend proposal of €0.8 per share full cash**

    - **Progressive distribution policy based on earnings growth and macro environment**

London, March 1, 2017 - Claudio Descalzi, Eni's CEO, presents today the company's 2017-2020 Strategic Plan to the financial community.

Eni is leveraging on its core strengths to build a broad portfolio of high margin opportunities, enabling it to capture upside as oil prices improve and defend value in future downturns.

Taking into account the Group's transformation process and the targets set out in the plan, Eni intends to confirm a **2017 dividend of €0.8/share full cash**. The distribution policy will be progressive based on underlying earnings growth and the macro environment.

Upstream

Hydrocarbon production is expected to grow by **3%** per year across the 2017-2020 period. This will be achieved primarily by the ramp-up and start-up of new projects and the production optimization, which are expected to contribute around **850 kboed** in 2020.

Exploration remains a fundamental value driver for the company. Throughout the plan, Eni expects to deliver **new discoveries of 2-3 billion boe**, almost two times the discoveries of the previous plan, by drilling around 120 wells in more than 20 countries. This will be achieved despite a 10% reduction in exploration CAPEX.

Eni’s portfolio flexibility, the success of its ongoing exploration strategy, synergies with existing assets and contract renegotiations will enable the average breakeven price of new projects **to be approximately $30/bbl**.

Gas and Power

Eni’s G&P business is expected to reach **breakeven in 2017 and positive later on** as it benefits from the alignment of gas supply contracts to market conditions and a reduction in logistics costs.

The G&P business has a new strategy: to go from being a leading European player to becoming the company’s global gas and LNG marketing arm, with a more integrated relationship with Upstream producing benefits.

G&P's new strategy will focus on:

- Maximising the return of equity gas
- Developing a competitive LNG portfolio
- Transforming the retail business into a subsidiary

The **EBIT** from 2019 is expected to be in excess of **€600 million**.

Refining & Marketing and Chemicals

In order to address the structural weaknesses in the Refining sector, Eni’s target is to reduce its **breakeven margin to around $3/bbl** by 2018. To do this, Eni will leverage on:

- Optimization in existing plans
- Ramp up of the green refinery in Venice and start up of Gela, targeting over **1 mln tons of production**

- Logistic rationalization

- Growth in marketing results through innovation and efficiency

This will generate a cumulative **€3.3 billion** contribution to **cash flow from operations** and an EBIT increase of **€300 mln over the plan period**, at a constant 2017 scenario.

In Chemicals, Eni plans to achieve an EBIT of around €300 mln per year and a cumulative operating cash flow of €1.2 bln thanks to:

- Greater integration, optimization and flexibility

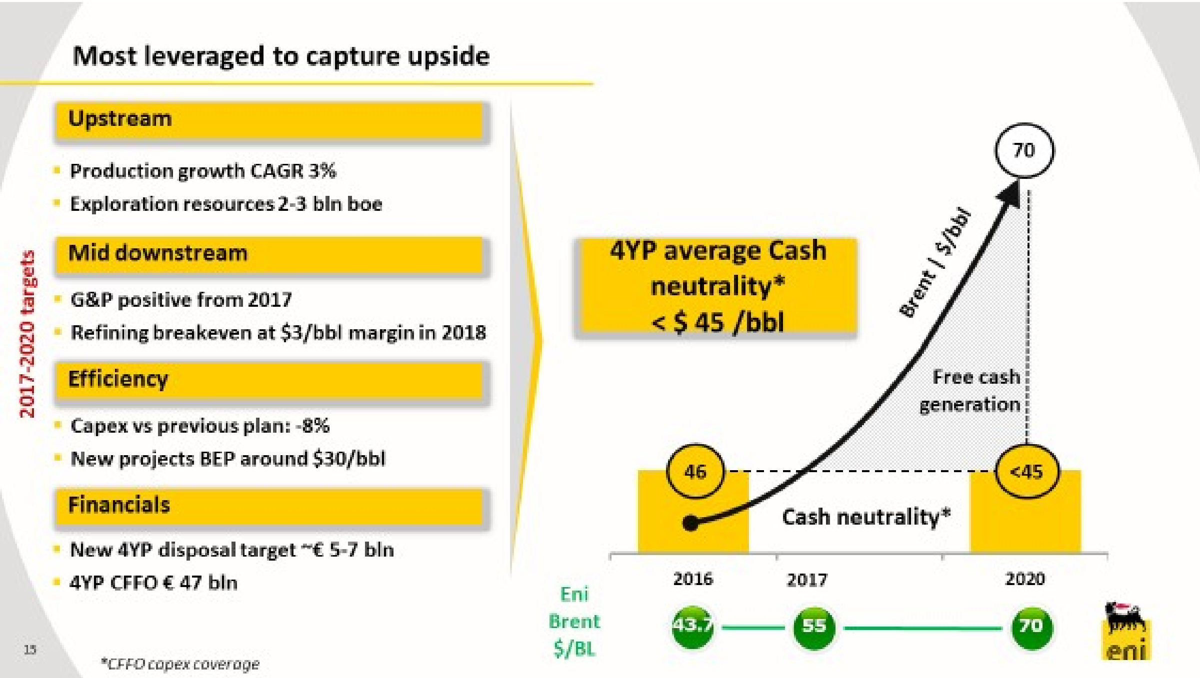
- Refocusing on high margin specialities

- Green chemicals and international expansion

Financial strategy

Investments over the four-year plan are focused on high value projects with accelerated returns and on the development of conventional assets. **CAPEX** of approximately **€31.6 billion** represents an **8% reduction** at constant foreign exchange rates versus the previous plan, mostly related to upstream portfolio, project activity rescheduling and contract re-negotiations. This has been partially offset by the increased effort of around €500 mln in other businesses, mainly renewable energy, a growing component of Eni's decarbonization strategy. Moreover, uncommitted CAPEX represents around 55% of total investments in 2019-2020, and gives Eni's portfolio significant flexibility should the oil price scenario turn negative again in the future. The new disposal program targets **€5-7 billion** of asset sales primarily through the dilution of exploration assets, in line with our "dual exploration" model.

In conclusion, this plan will enable Eni to achieve superior cash flow growth by building a <u>high margin portfolio</u> based on material and conventional resources, designed to cost operations and high value assets.



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