

The background consists of faint, light gray line art. On the right side, there is a large, stylized profile of a human face looking to the left. In the center-left area, there is a circular technical drawing of a mechanical component, possibly a valve or a wellhead, with various concentric rings and internal details.

# NEW YORK INVESTOR DAY

10 April 2018

# Disclaimer

*This document contains forward-looking statements regarding future events and the future results of Eni that are based on current expectations, estimates, forecasts, and projections about the industries in which Eni operates and the beliefs and assumptions of the management of Eni. In addition, Eni's management may make forward-looking statements orally to analysts, investors, representatives of the media and others. In particular, among other statements, certain statements with regard to management objectives, trends in results of operations, margins, costs, return on capital, risk management and competition are forward looking in nature. Words such as 'expects', 'anticipates', 'targets', 'goals', 'projects', 'intends', 'plans', 'believes', 'seeks', 'estimates', variations of such words, and similar expressions are intended to identify such forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, and assumptions that are difficult to predict because they relate to events and depend on circumstances that will occur in the future. Therefore, Eni's actual results may differ materially and adversely from those expressed or implied in any forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, those discussed in Eni's Annual Reports on Form 20-F filed with the U.S. Securities and Exchange Commission (the "SEC") under the section entitled "Risk factors" and in other sections. These factors include but are not limited to:*

*Fluctuations in the prices of crude oil, natural gas, oil products and chemicals;*

- Strong competition worldwide to supply energy to the industrial, commercial and residential energy markets;*
- Safety, security, environmental and other operational risks, and the costs and risks associated with the requirement to comply with related regulation, including regulation on GHG emissions;*
- Risks associated with the exploration and production of oil and natural gas, including the risk that exploration efforts may be unsuccessful and the operational risks associated with development projects;*
- Uncertainties in the estimates of natural gas reserves;*
- The time and expense required to develop reserves;*
- Material disruptions arising from political, social and economic instability, particularly in light of the areas in which Eni operates;*
- Risks associated with the trading environment, competition, and demand and supply dynamics in the natural gas market, including the impact under Eni take-or-pay long-term gas supply contracts;*
- Laws and regulations related to climate change;*
- Risks related to legal proceedings and compliance with anti-corruption legislation;*
- Risks arising from potential future acquisitions; and*
- Exposure to exchange rate, interest rate and credit risks.*

*Any forward-looking statements made by or on behalf of Eni speak only as of the date they are made. Eni does not undertake to update forward-looking statements to reflect any changes in Eni's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any further disclosures Eni may make in documents it files with or furnishes to the SEC and Consob.*



# Eni Investor day New York

---



1

2014-17 COMPANY POSITIONED FOR A LOWER SCENARIO

2

2018-21 VALUE EXPANSION IN ALL BUSINESSES

3

FINANCIAL PLAN AND DISTRIBUTION POLICY

### COMPANY POSITIONED FOR A LOWER SCENARIO



**TRANSFORMATION**  
into a fully integrated O&G



**UPSTREAM**  
enhancement



**MID-DOWNSTREAM**  
restructuring



**FINANCIAL**  
resilience



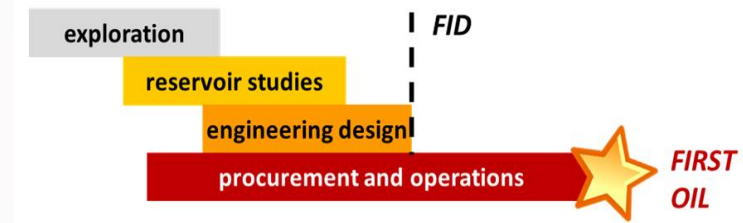
**FIT to GROW**

# UPSTREAM enhancement

Dual  
**EXPLORATION**

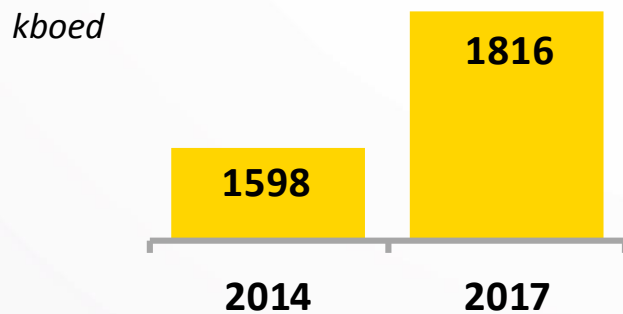
Cash in from disposal  
*since 2013* **\$ 10.3 bln**

Integrated  
**MODEL**

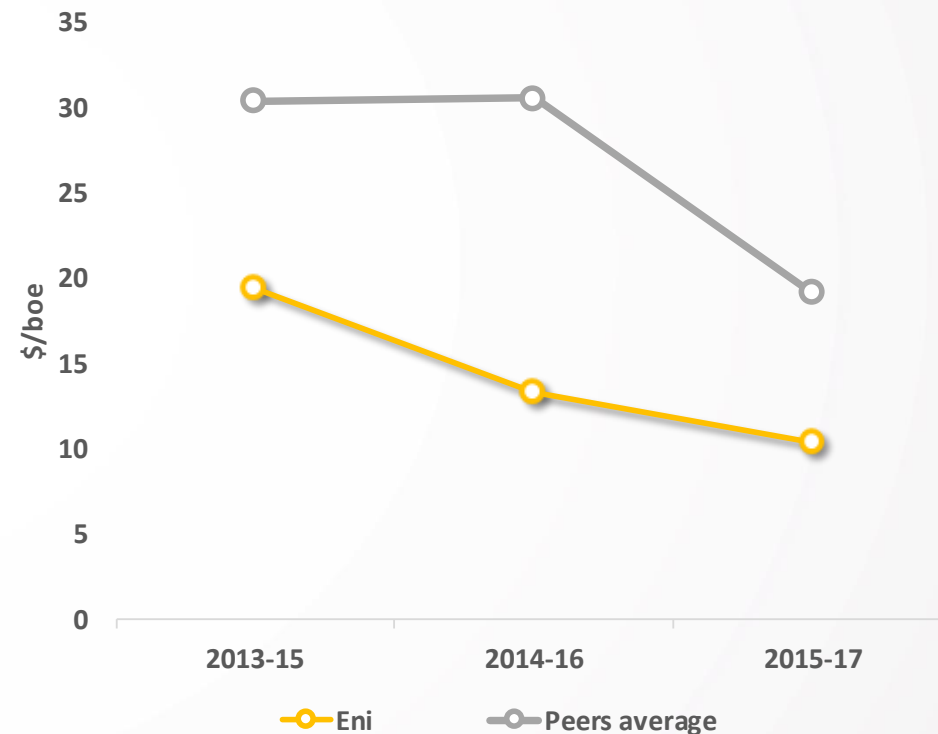


NPV of Projects  
*from exploration since 2014* **\$ 8.8 bln**

Production  
**RECORD**



## F&D Costs | \$/boe



Peers: BP, RDS, CVX, TOT, STO, APC, MRO

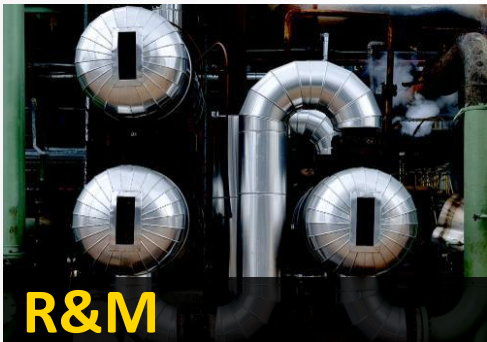




# MID-DOWNSTREAM restructuring



- Structurally underlying positive
- Long-term contracts alignment to market level
- Take or Pay recovery
- Cost reduction

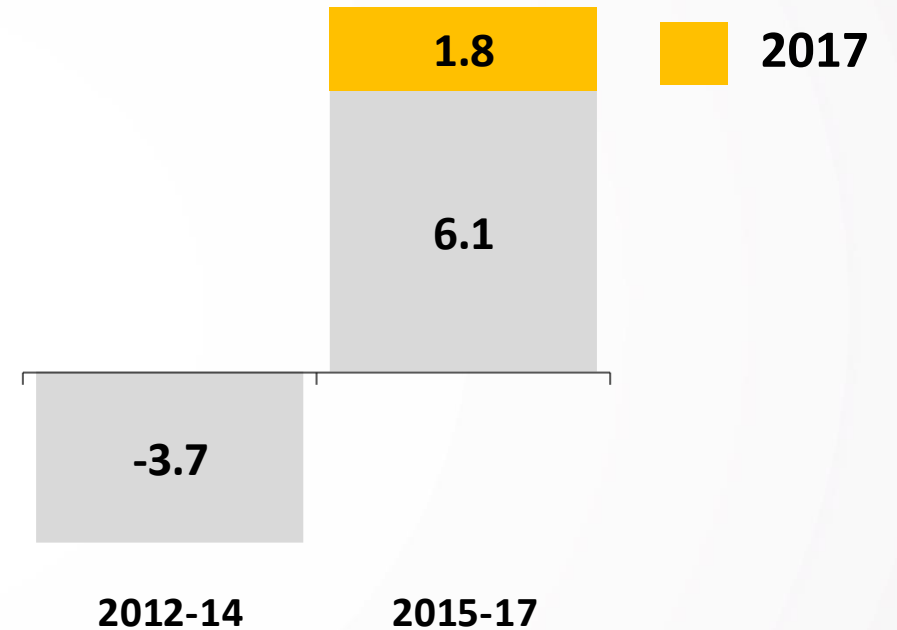


- Production efficiency
- Logistics rationalization
- 2 sites converted to bio- plants
- Halved refining breakeven



- Consolidation of industrial footprint
- Focus on differentiated products
- International development

## Cumulative CFO | € bln



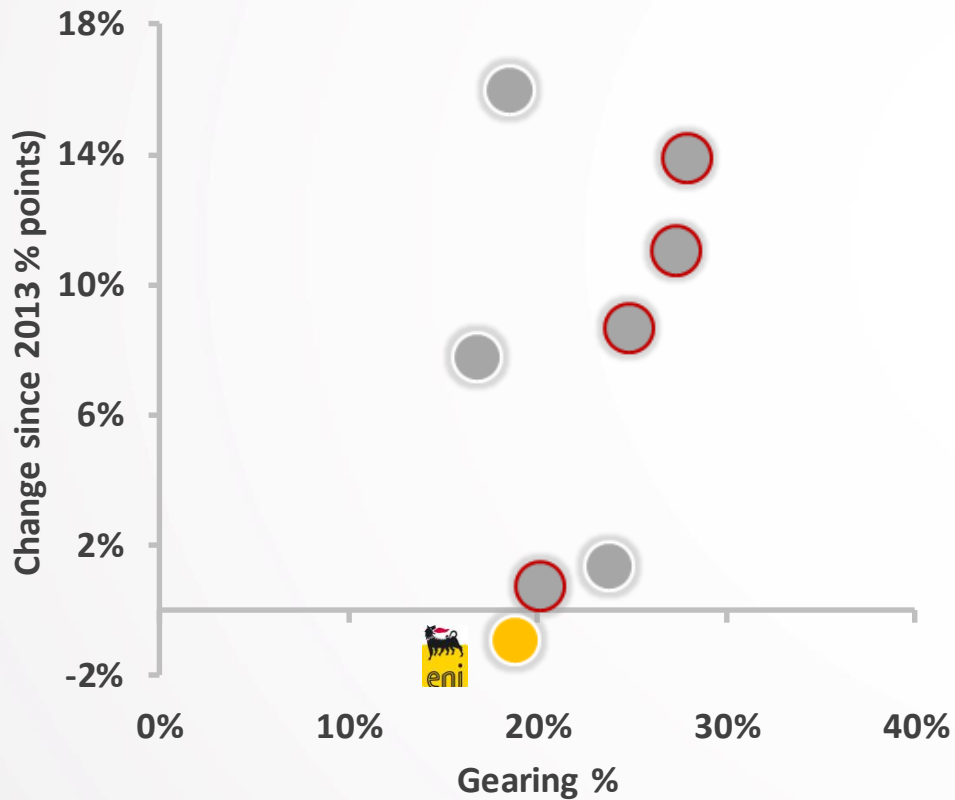
**Δ CFO 2015-2017 vs 2012-2014** **~€ 12 bln**



# FINANCIAL discipline

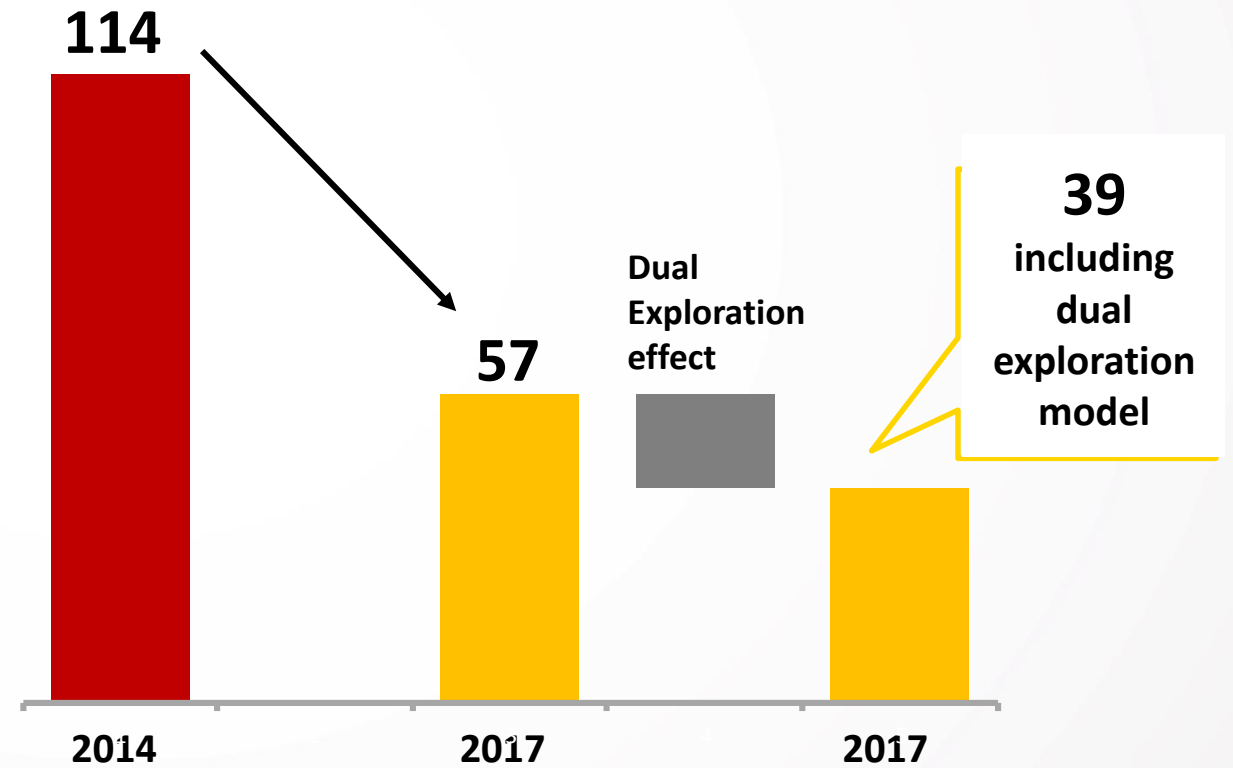
## GEARING

● Peers adopting scrip dividend



## DIVIDEND CASH NEUTRALITY\* | \$/bbl

WHILE PRESERVING BUSINESS GROWTH



Peers: Total, Chevron, Statoil, BP, Shell, ConocoPhillips, Exxon

\* Organic coverage of Capex and Dividend through CFFO





# 2018-21 VALUE EXPANSION IN ALL BUSINESSES

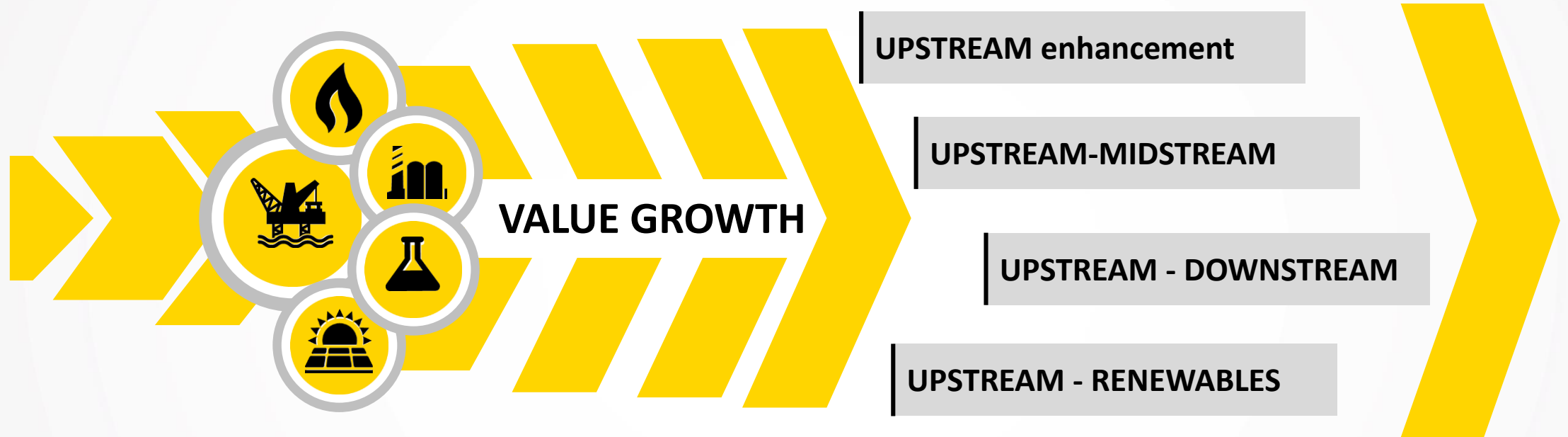
3

FINANCIAL PLAN AND DISTRIBUTION POLICY



# Eni strategic evolution

## BUSINESS INTEGRATION along the value chain



## EFFICIENCY



FINANCIAL DISCIPLINE



DECARBONIZATION PATH  
& GREEN ENERGIES



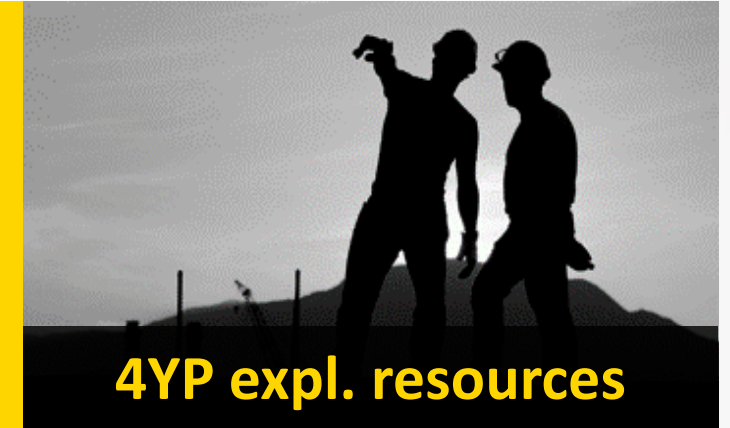
DIGITALIZATION &  
INNOVATION

## Upstream key targets in the 4YP



**3.5%**  
organic

**2 bln**  
boe

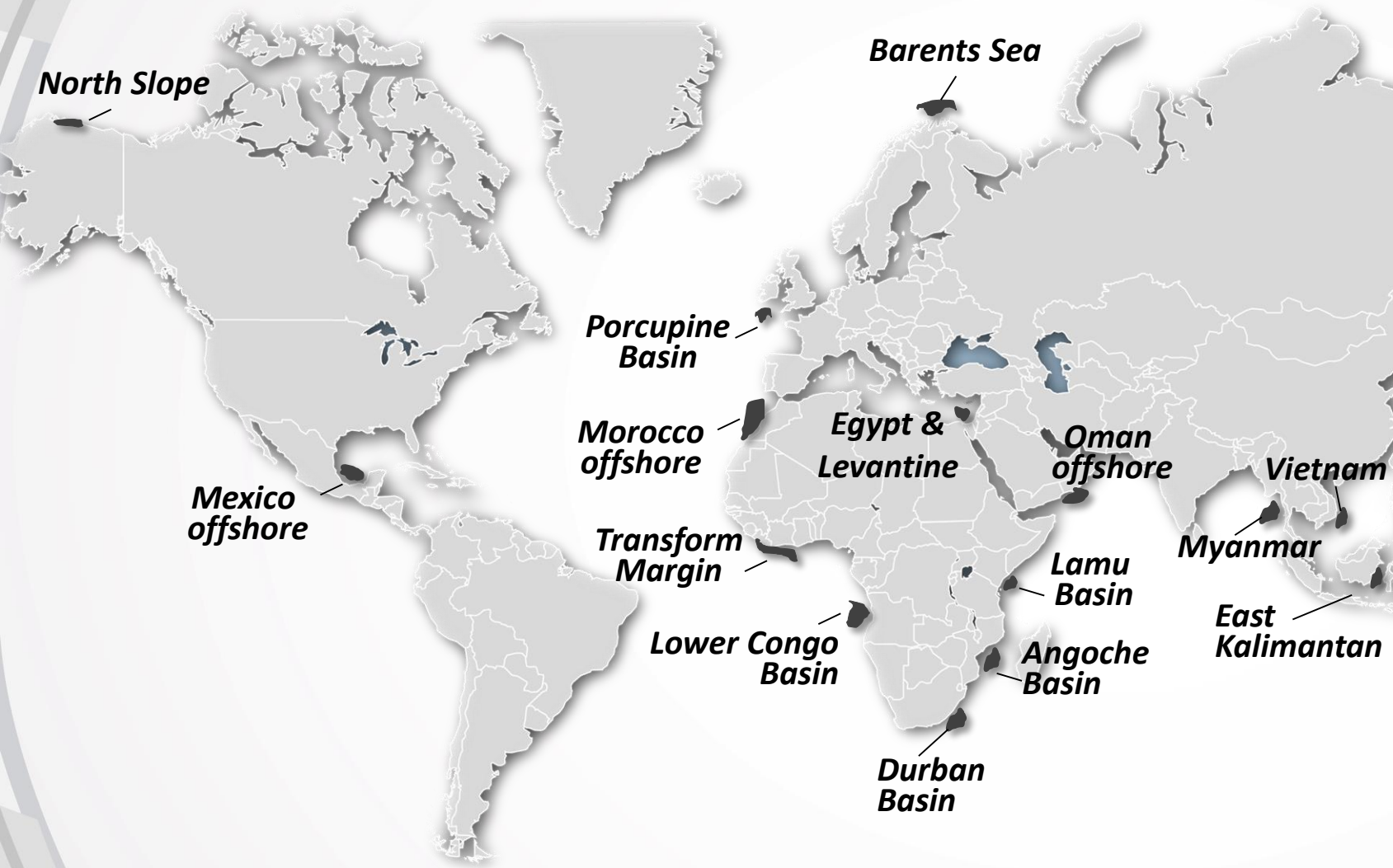


**~40**  
\$/bbl

**22**  
€ bln



# A global range of exploration opportunities




**Net Acreage**



**100**  
Mln acres  
at YE 2017

**Equity Risked Potential**



**10**  
bln boe

**4YP Spending \***



**3.5**  
€ bln

\* Including G&G costs

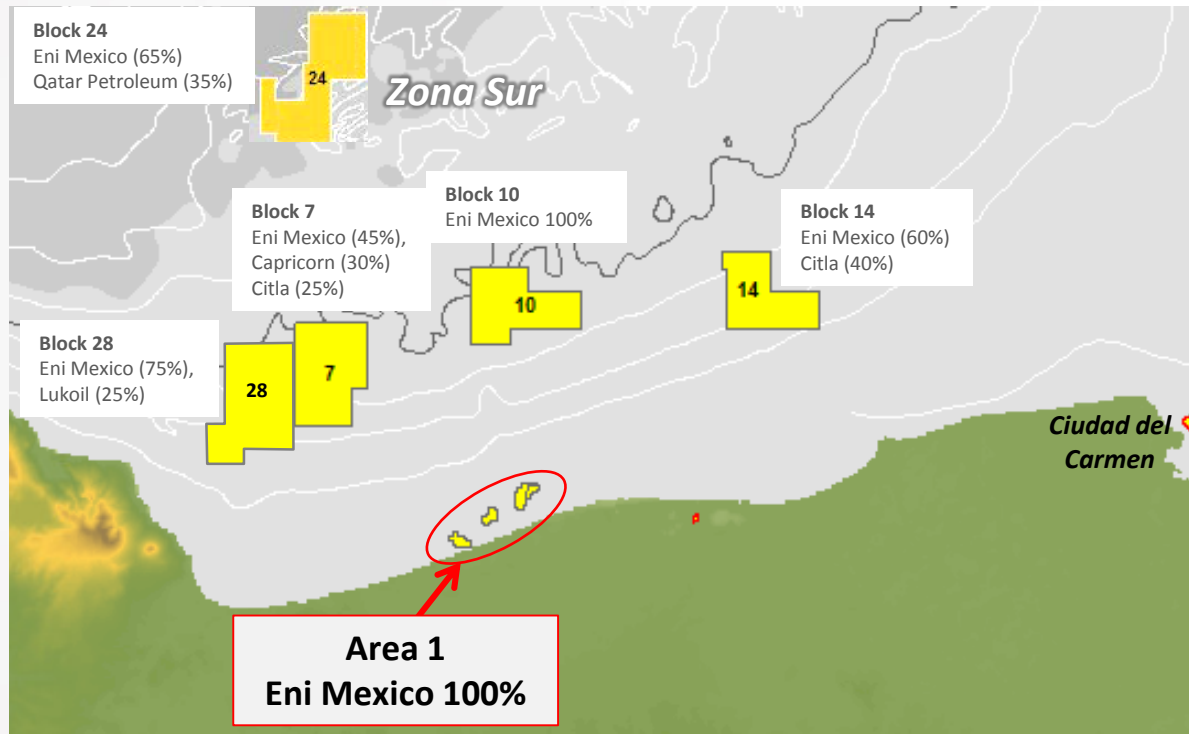
**4YP EXPLORATION TARGET**

**2 BILLION BOE EQUITY**



# Mexico: the power of exploration

A rapidly-growing / high-quality portfolio, coupled with a fast track development of material resources



## Area 1

- Eni Operator with 100% working interest
- Fields: Amoca, Miztón, Tecoalli
- Shallow water
- 2 Billion boe OHIP (+ 1.2 vs original estimate)
- Progress: PoD under authorization
- Production start-up: 1H 2019
- Plateau 100%: 90 kboed @2022

## New blocks recently acquired in Sureste – Cuenca Salina Basin

- Operator of **Blocks 7, 10, 14, 28** in Campeche Bay
- Operator of Deep Water **Block 24**
- Two exploration wells planned in 1H 2019 in the new blocks

High Prospectivity

Low cost development

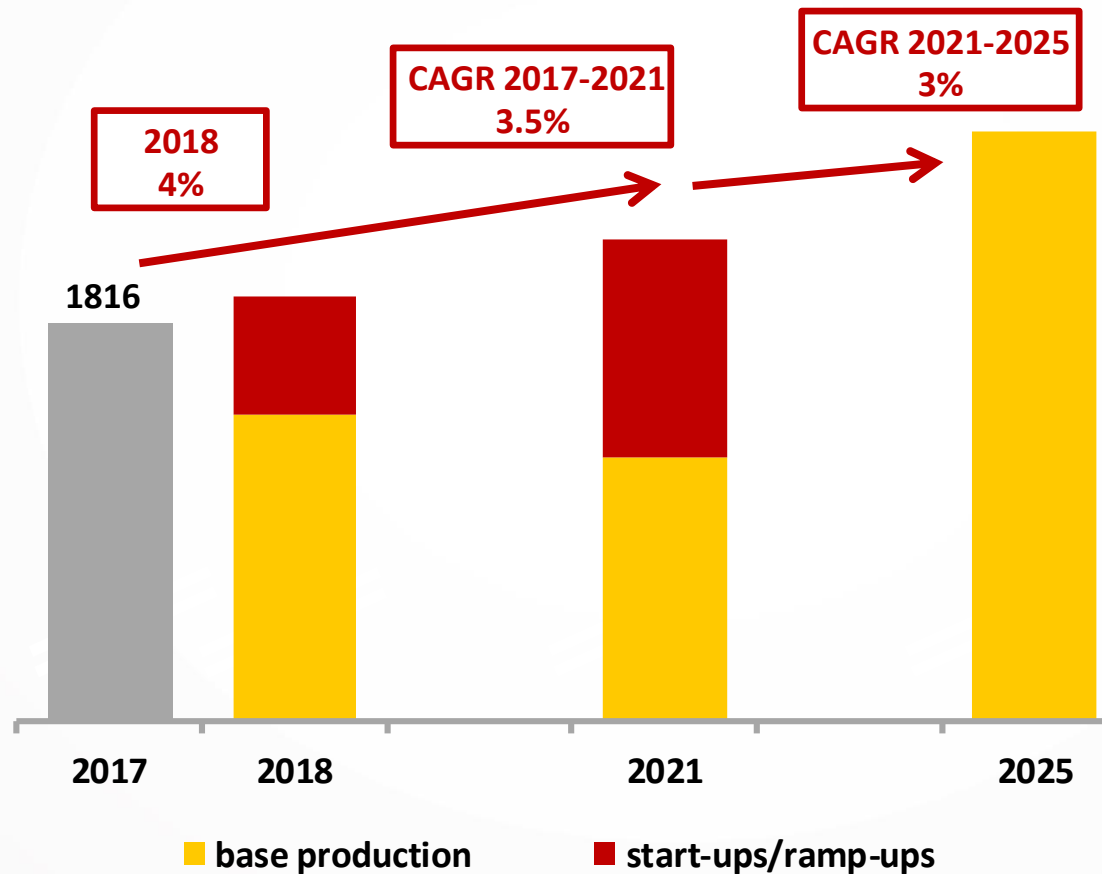


# Ramp-ups and start-ups driving growth

## MAIN ONSTREAM PROJECTS

- Zohr
- Jangkrik Complex
- Nidoco Ph. 2/3
- East Hub
- OCTP Oil
- Nenè Ph. 2A
- CAFC
- Abu Dhabi fields

## OIL & GAS PRODUCTION | kboed



## 15 MAJOR START-UPS

2018

- OCTP Gas
- West Hub - Ochigufu
- Bahr Essalam Ph.2
- Wafa Compression

2019

- Area 1 Mexico
- Baltim SW (Barakish)
- West Hub - Vandumbu
- Trestakk

2020

- Nenè ph. 2B
- Smorbukk North
- Cassiopea
- KPC Debottlenecking
- BRN New Pipeline
- Merakes

2021

- Melehia deep Ph. 2

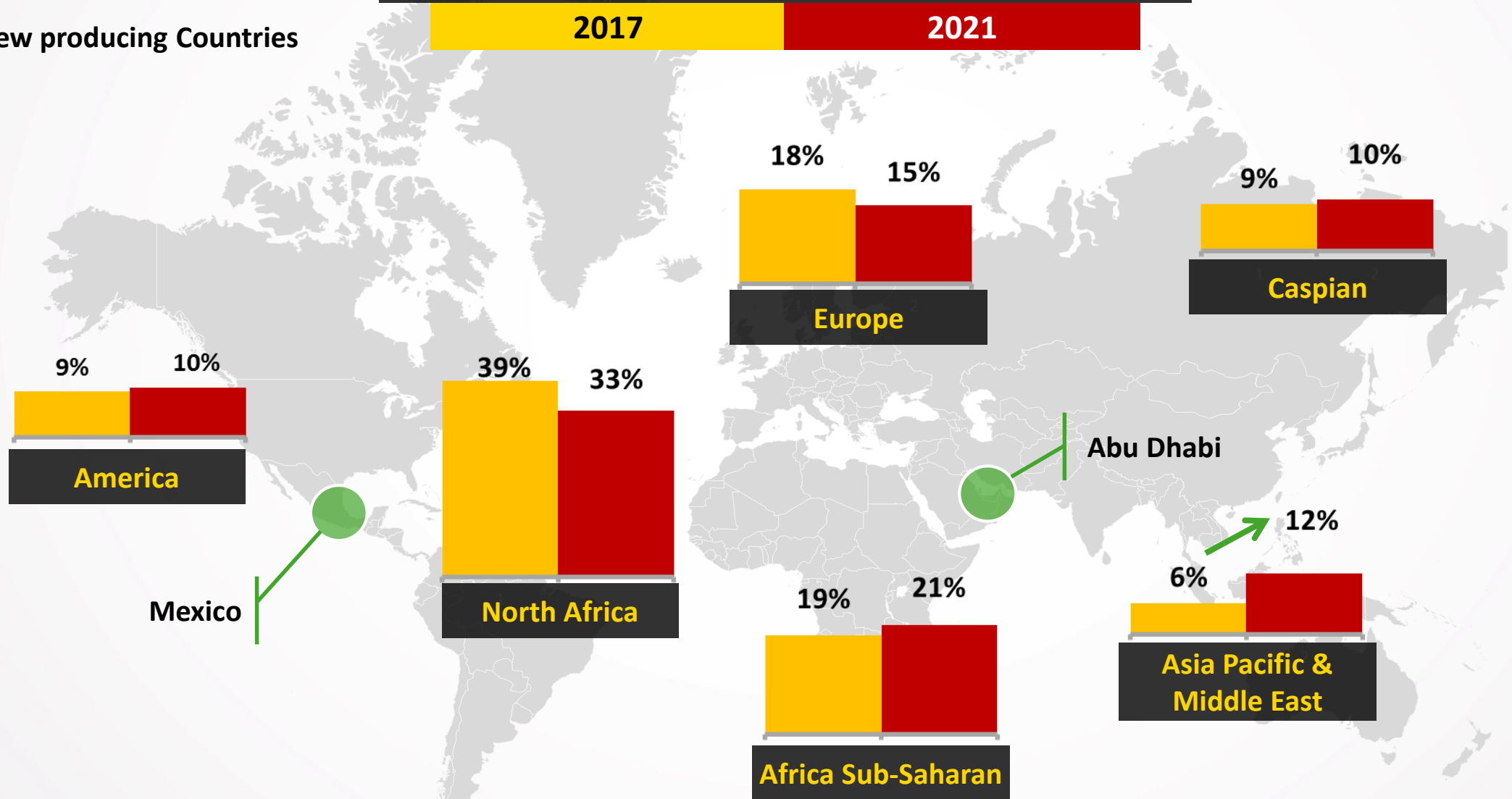




# Production trends

 New producing Countries

## GEOGRAPHICAL SPLIT %



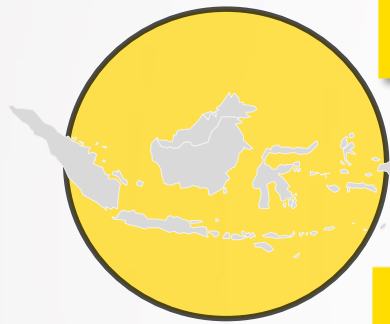


# Asia Pacific & Middle East: an expanding high-potential area

Asia Pacific and Middle East  
Production contribution @ 2021

>250 kboed

Exploration activity



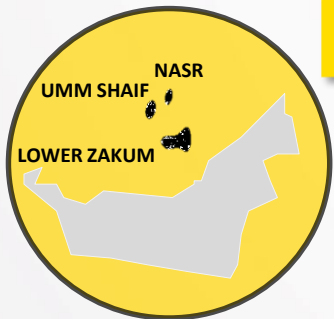
JANGKRIK

2017



MERAKES

2H 2020



ABU DHABI

1Q 2018



Oman  
offshore

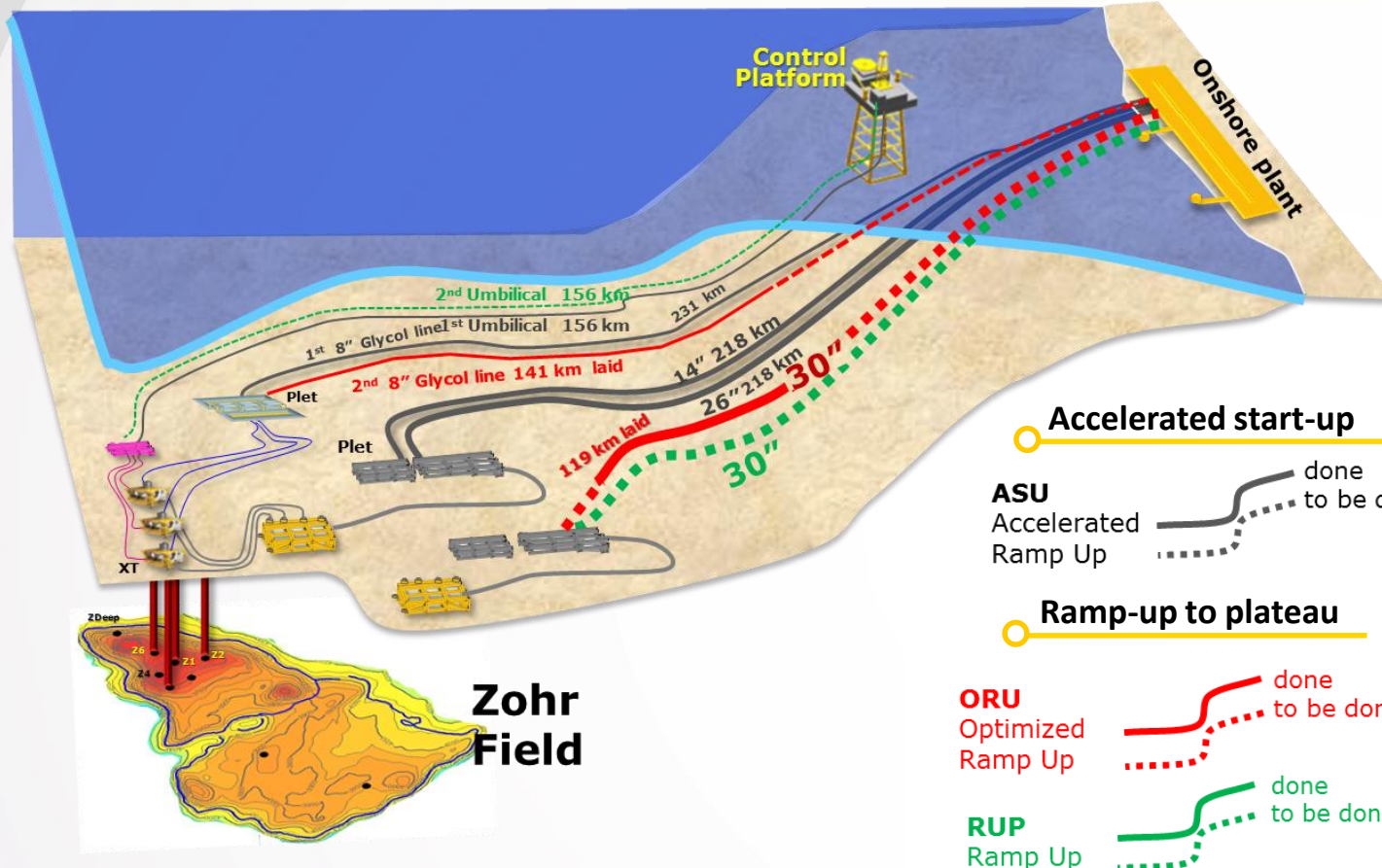
Vietnam

Myanmar

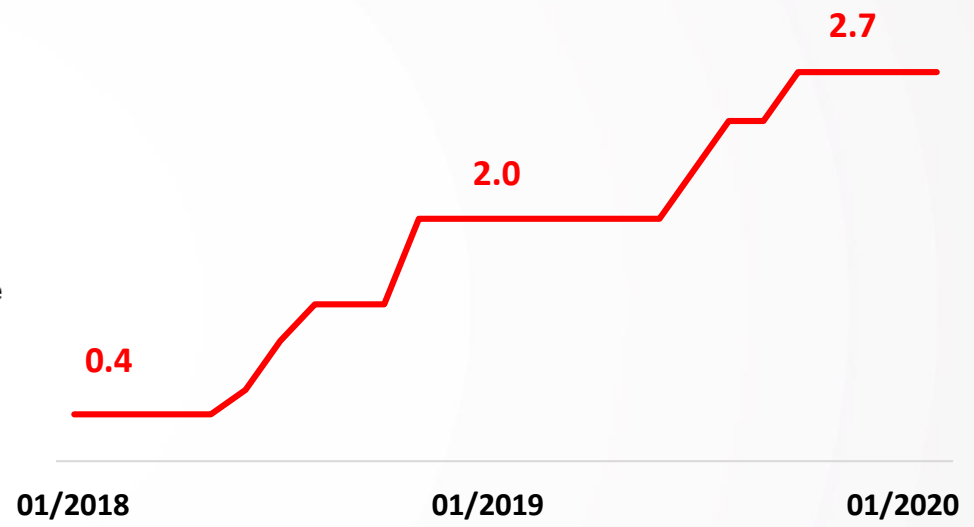
East  
Kalimantan



# Zohr is ramping up



## RAMP UP BCF/D



### Accelerated start-up

- 6 wells + 26" line + 14" line
- 1 control platform + 1 umbilical
- New onshore plant (EPF + 3 trains)
- Current gross production: 400 Mcfd

### Ramp-up to plateau

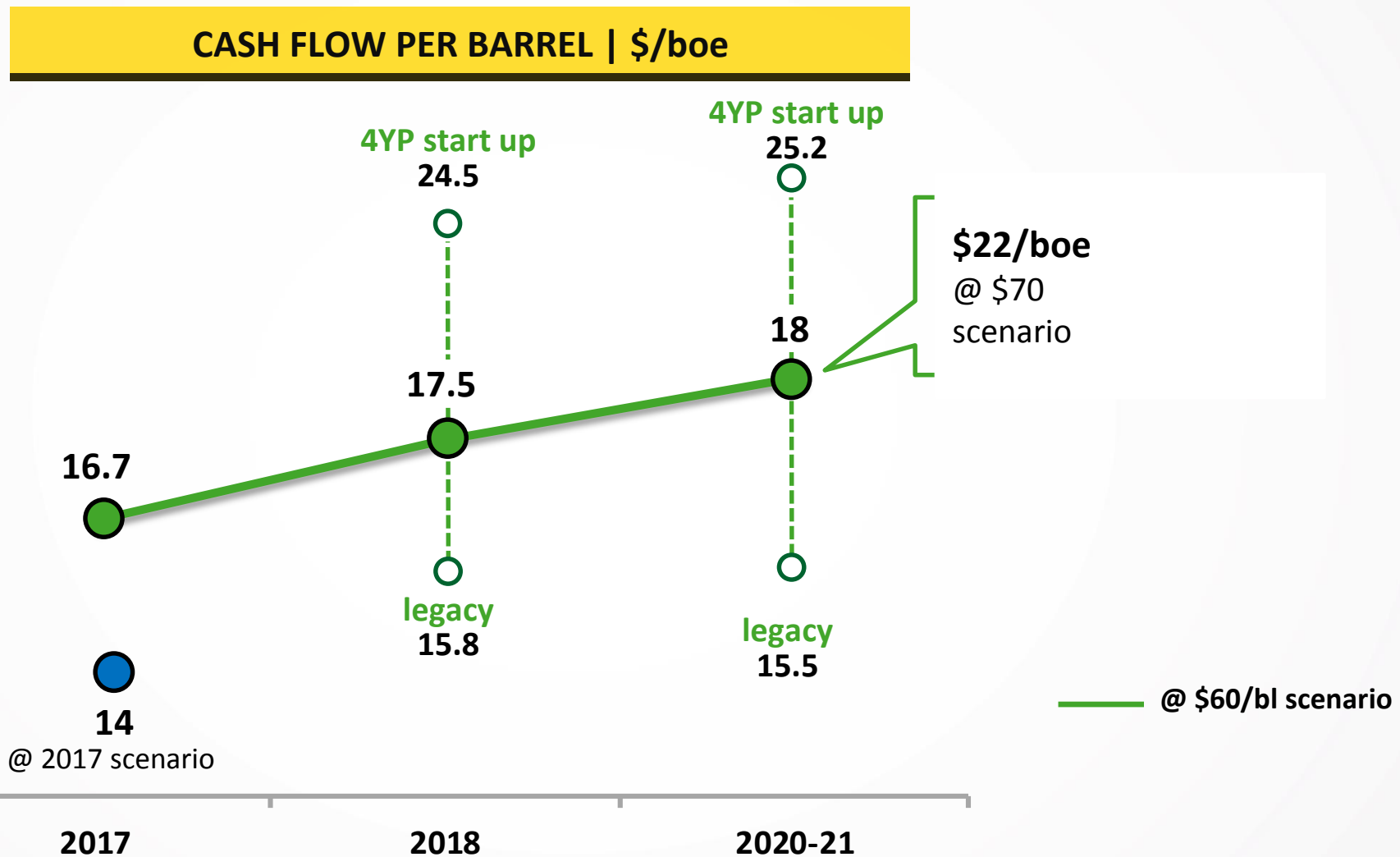
- 14 additional wells + 2x30" export lines
- 1 umbilical
- Onshore plant extension (4 trains)
- Gross Plateau 2.7 Bcfd by 2019

### Plateau Extension

- 5 additional wells + 2x30" export lines
- 1 umbilical
- Onshore compression
- Total of 8 gas treatment trains



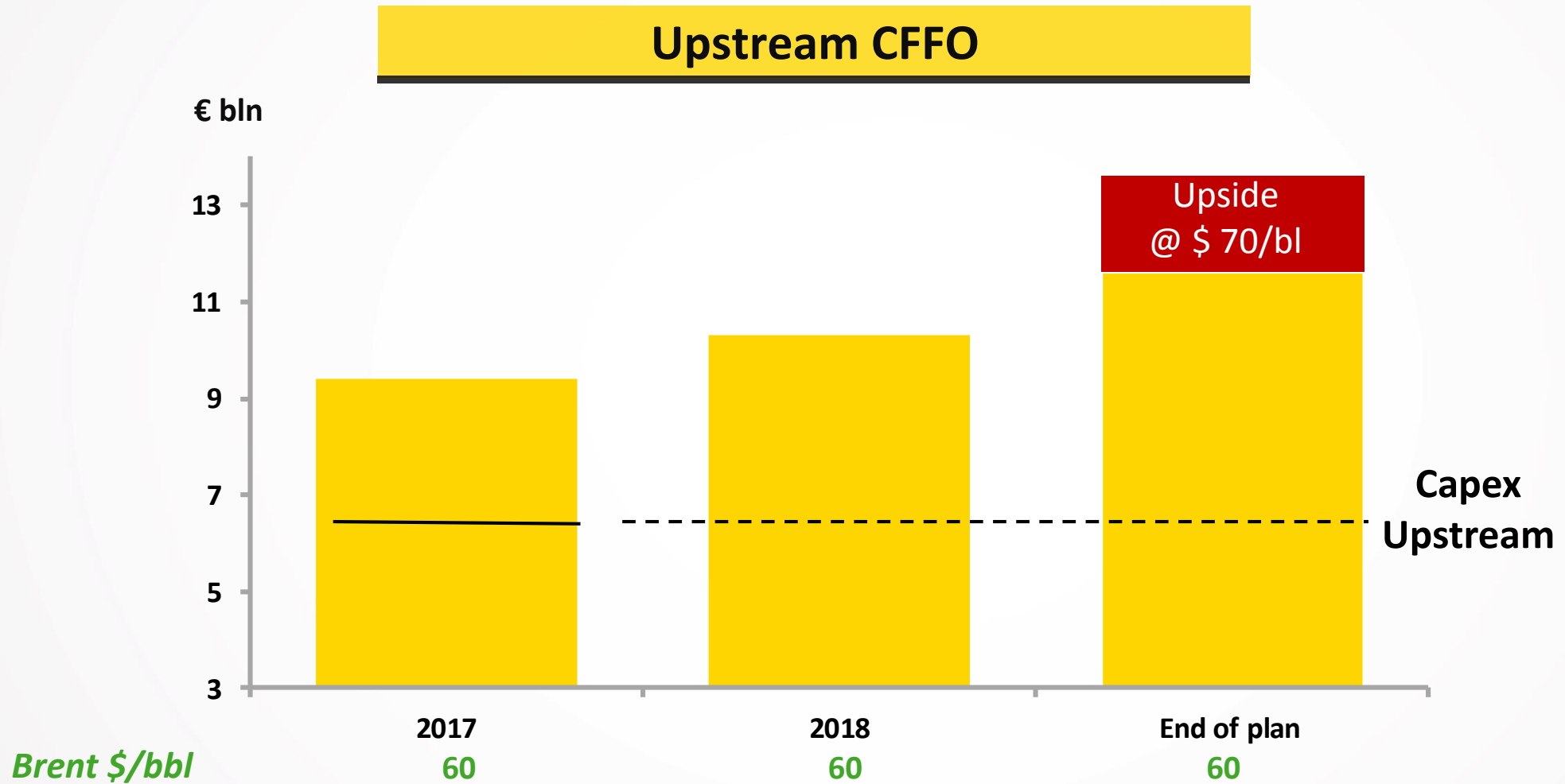
# Value expansion of production growth



**HIGH QUALITY LONG TERM CASH FLOW**



# The rise of upstream cash flow



**FULL COVERAGE OF DIVIDEND WITH UPSTREAM FCF**

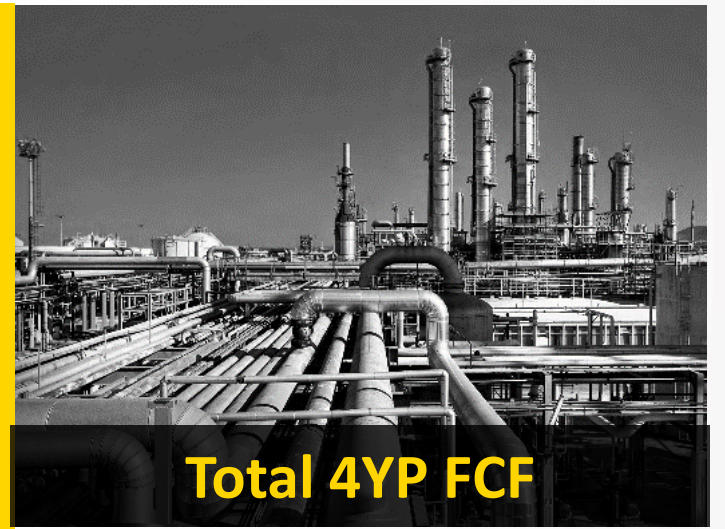


## Mid-downstream key targets



**2**  
€ bln

**4.7**  
€ bln

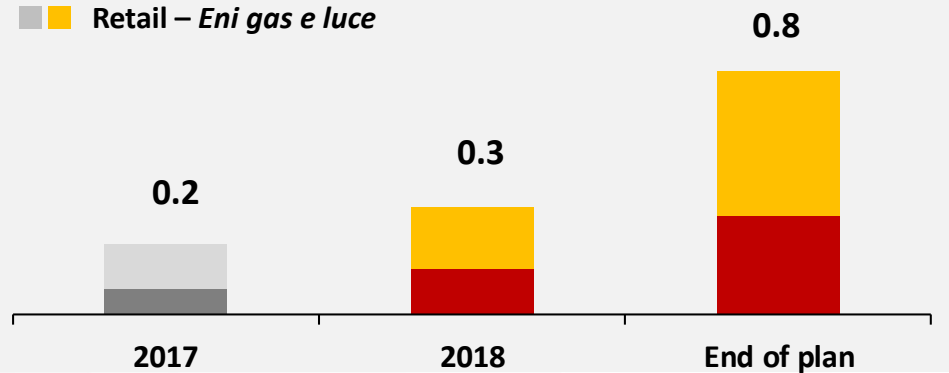




# Gas & Power - bigger and stronger

## EBIT | € bln

- Gas & LNG Marketing and Power
- Retail – *Eni gas e luce*



## FCF 2018-21

€ 2.4 bln

## Gas & LNG Marketing and Power



- **Integration** with upstream
- Focus on **Asia and new markets**
- 2025 contracted volumes: **14 MTPA**
- **Contract modernization** with key gas suppliers
- **Maximizing returns** from power assets in Italy

## Retail

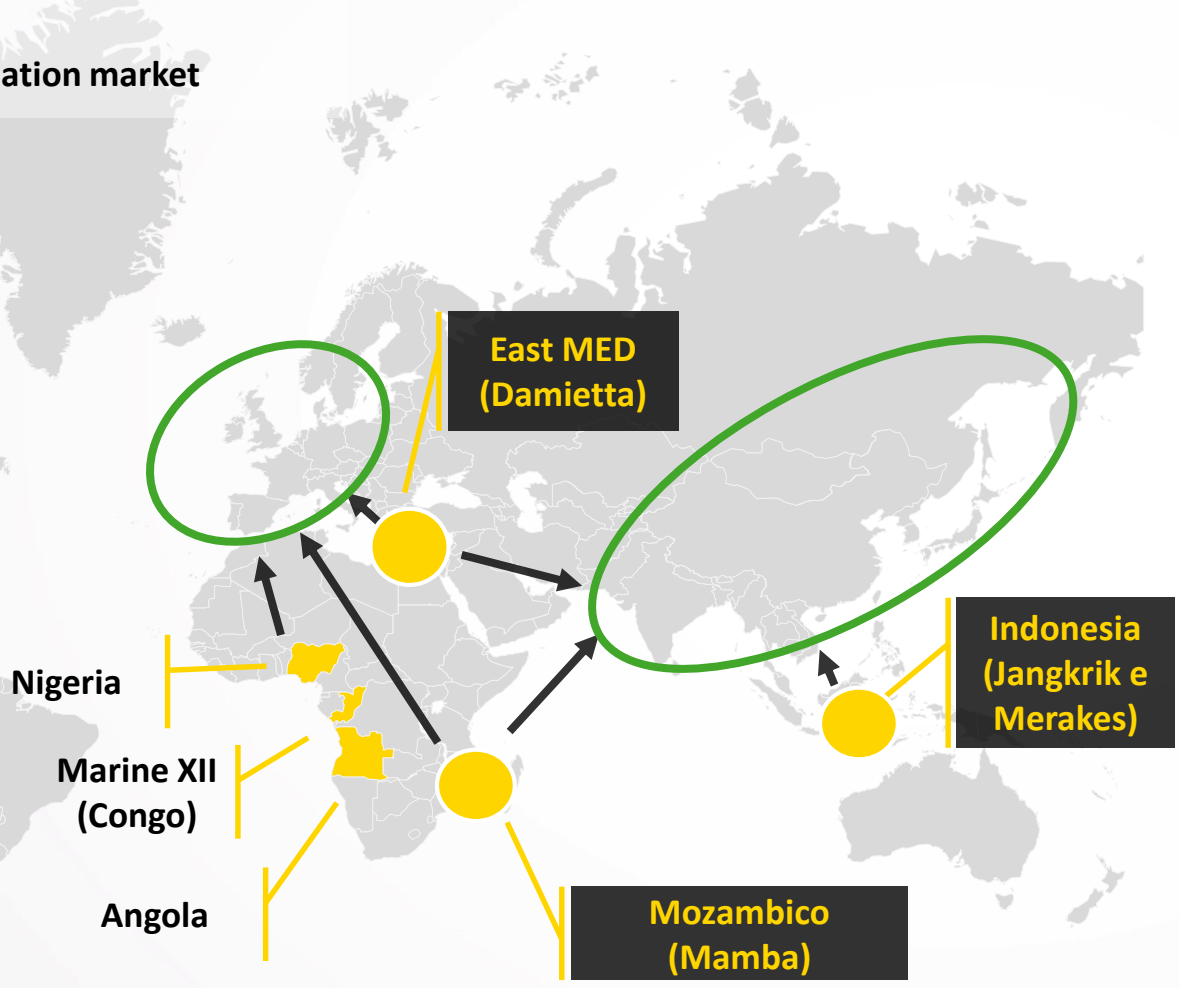


- **2021 clients: 11 mln** (+25% vs 2017)
- Focus on **high-growth customer-tailored services**

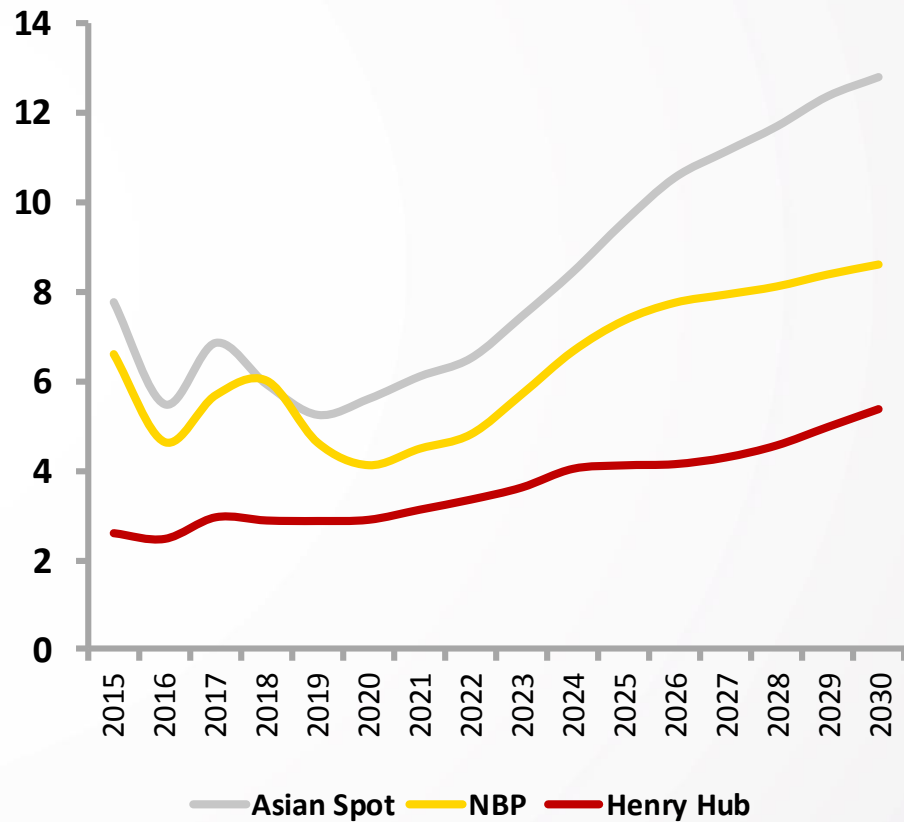


# G&P and Upstream integrated projects

- New integrated projects
- Sales Destination market



International gas prices | \$/MMbtu

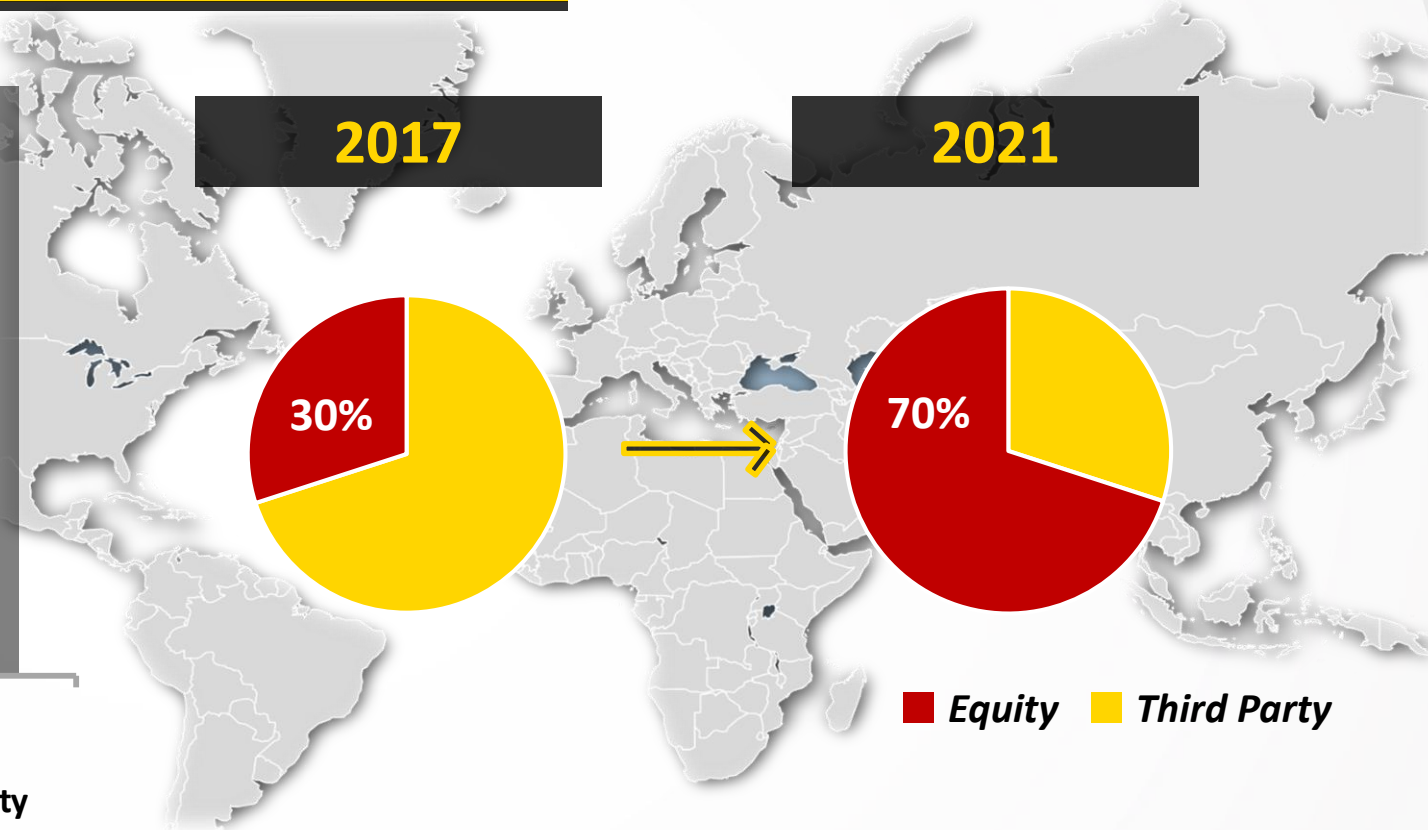
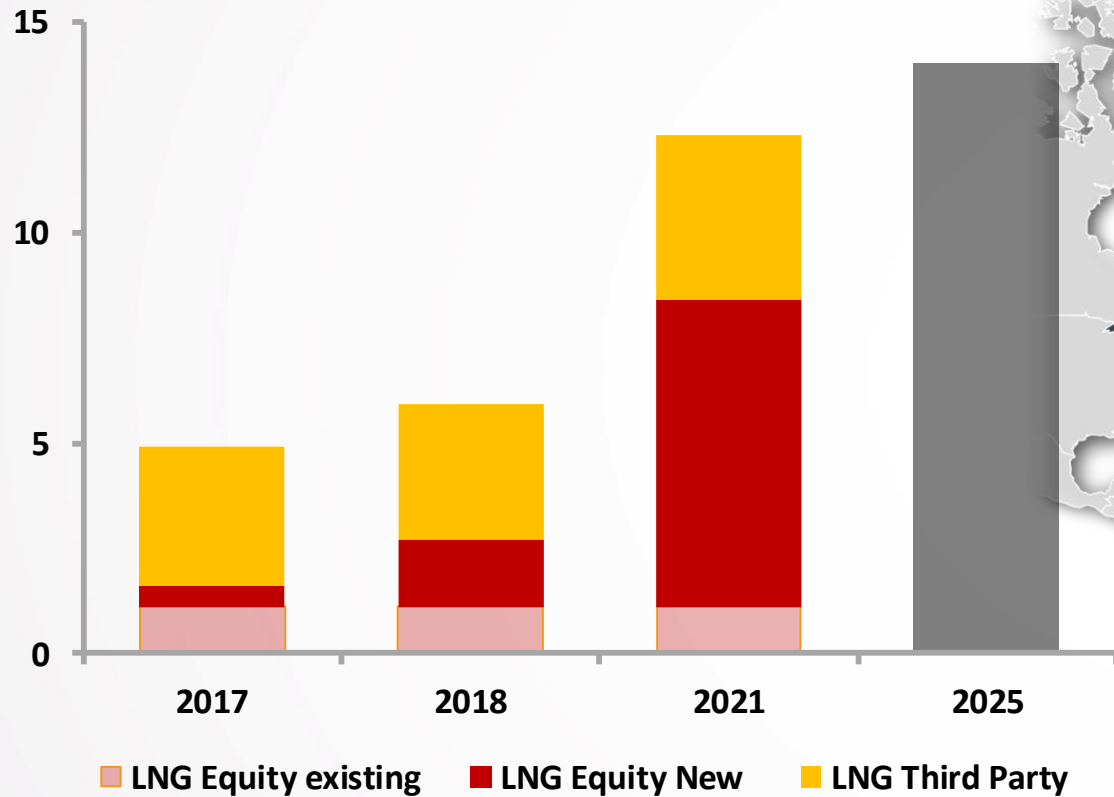


Source: IHS Feb-18



# A top player in the LNG market

## LNG SUPPLY - EQUITY VS THIRD PARTY



LNG contracted volumes

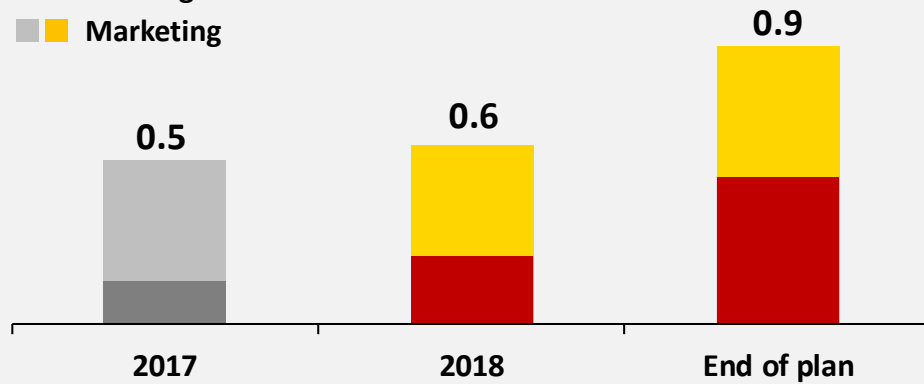
**12 MTPA @ 2021**



# R&M – leaner and greener

## EBIT | € bln

- Refining
- Marketing



## FCF 2018-21

€ 2.1 bln

## Refining



- Breakeven margin \$3/bbl end 2018
- Deep conversion **proprietary technology licensing**
- **Asset optimization**

## Biofuels



- Venice and Gela plants onstream
- **Ecofining** proprietary technology
- 2021: **1 Mton/y green** production
- **Feedstock diversification** and “circular” economy

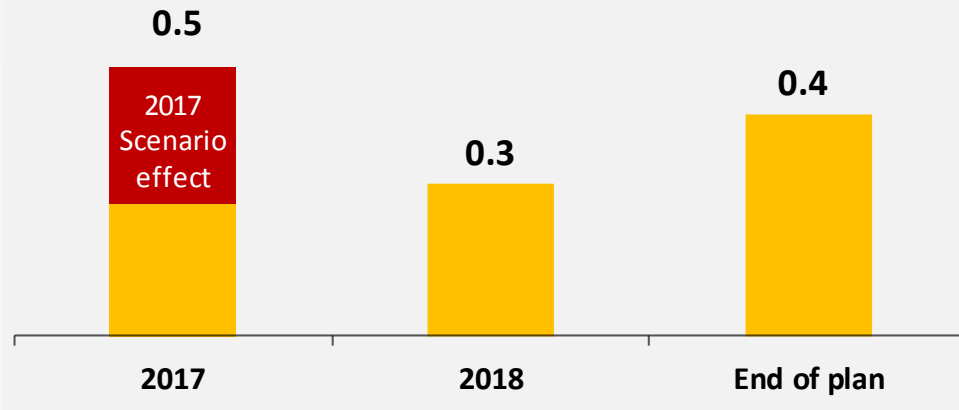
## Marketing



- Focus on **wholesale**
- **Digital Transformation** and **Sustainable Mobility**
- **Stable retail market share**

# Versalis – an international player

## EBIT | € bln



## FCF 2018-21

~ € 300 mln

## Chemicals



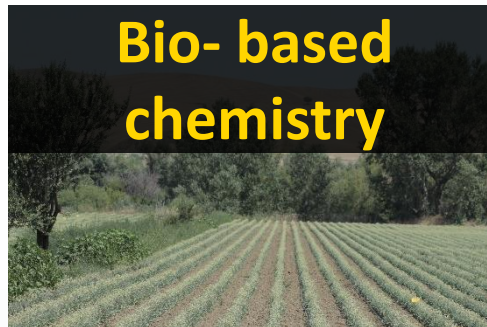
- **Consolidation** industrial footprint
- Strengthening **international presence**
- **Business integration**

## Differentiated products



- **New products'** development
- Focus on **high margin products**
- **Acquisitions/partnerships** on new technologies

## Bio-based chemistry



- **New industrial platforms** from renewable sources
- **"Circular economy"** projects



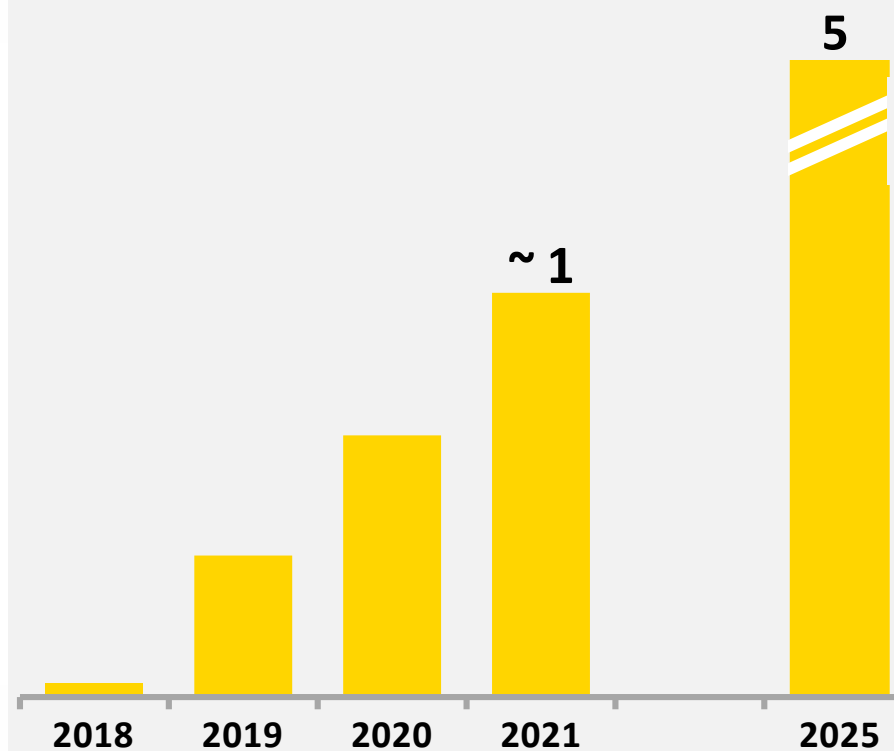
# New energy solutions

## AN INTEGRATED MODEL



- ✓ Synergies with Eni assets and activities
- ✓ International expansion in Eni Countries
- ✓ Solar, Wind and Hybrid Technologies
- ✓ R&D Deployment

## Capacity end year | GWp



**4YP CAPEX**

**€ 1.2 Bln**

# Digital transformation

2017

2021

## BUILD ON OUR SUCCESSFUL DIGITAL HISTORY



INVESTMENT IN TECHNOLOGY



INTEGRATION WITH COMPETENCES

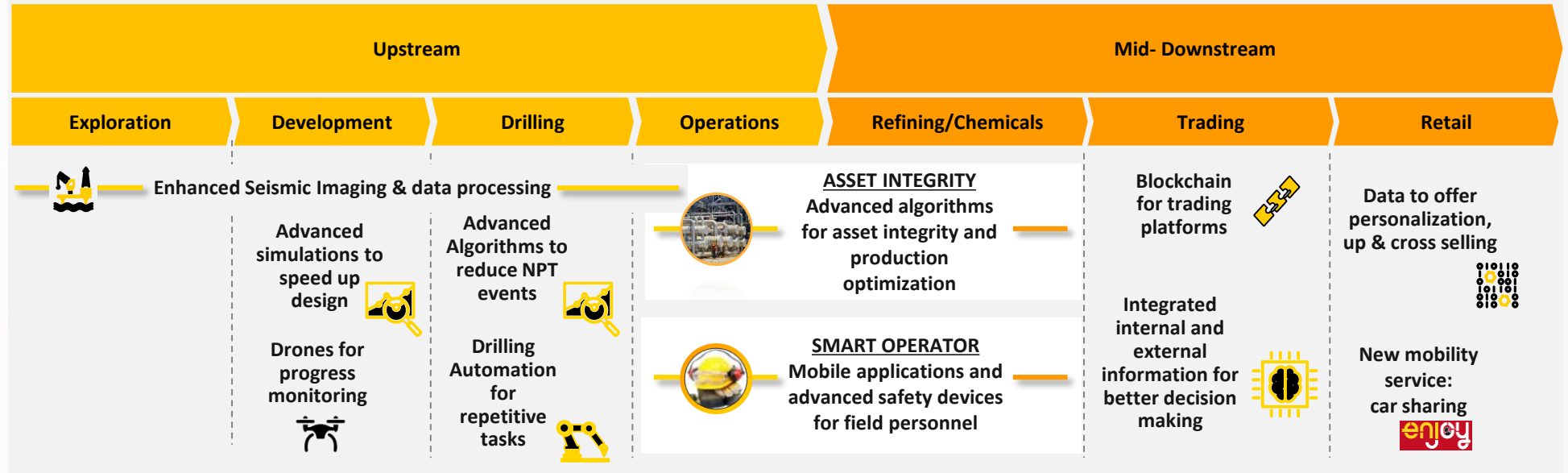


SUBSURFACE BIG DATA



PROPRIETARY ALGORITHMS (SINCE EARLY 2000'S)

## DIGITAL ACCELERATION along our value chain



**Green Data Center – HPC4**

*Top 10 World Supercomputer*

**150+**

**GLOBAL PROJECTS**





# Carbon footprint reduction

## TARGETS @ 2025

UPS UNITARY  
DIRECT EMISSIONS

**-43%**  
vs 2014

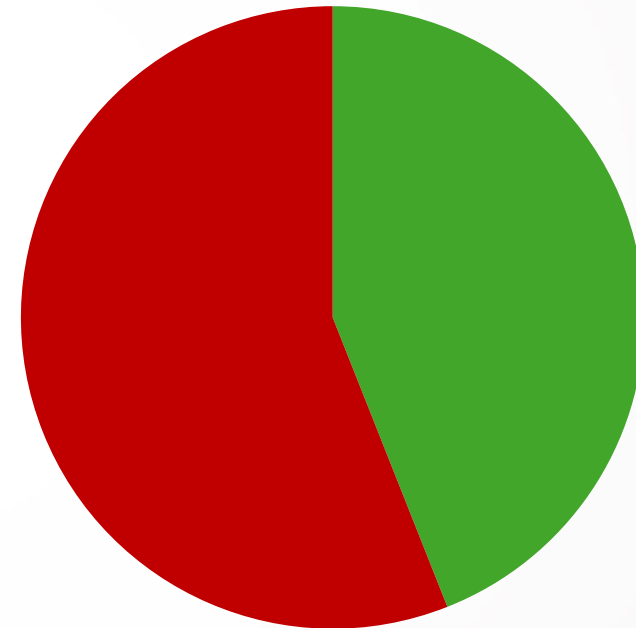
ROUTINE  
GAS FLARING

**zero**

FUGITIVE METHANE  
EMISSIONS | MtCH4

**-80%**  
vs 2014

## O&G resources | %



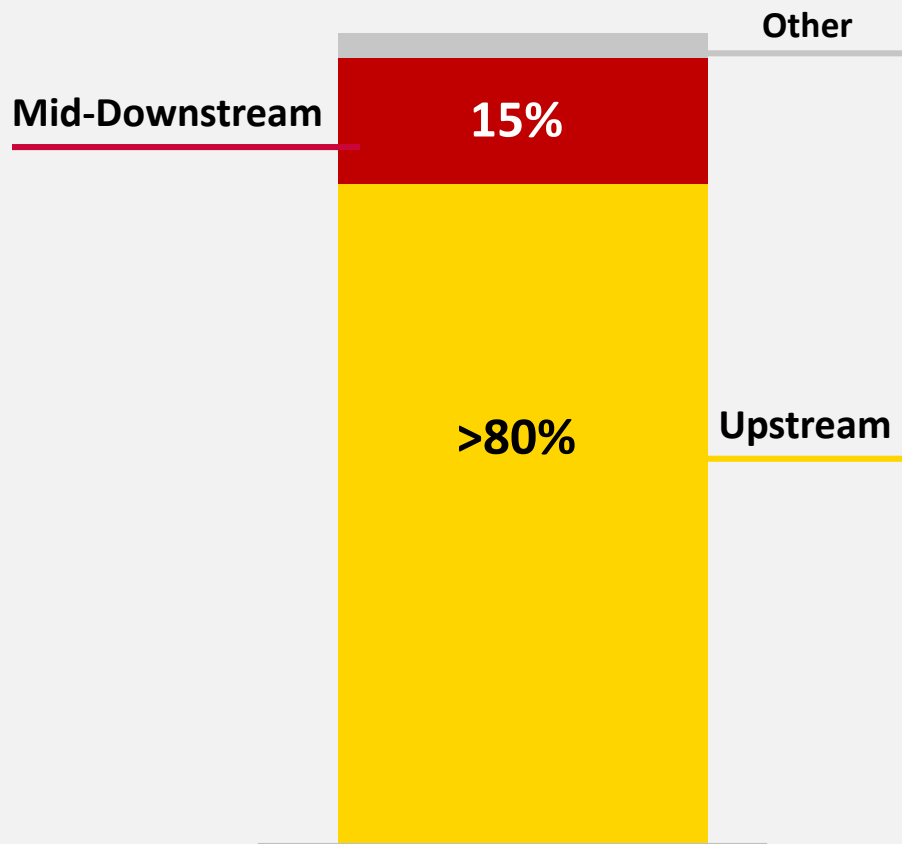
■ Oil  
■ Gas



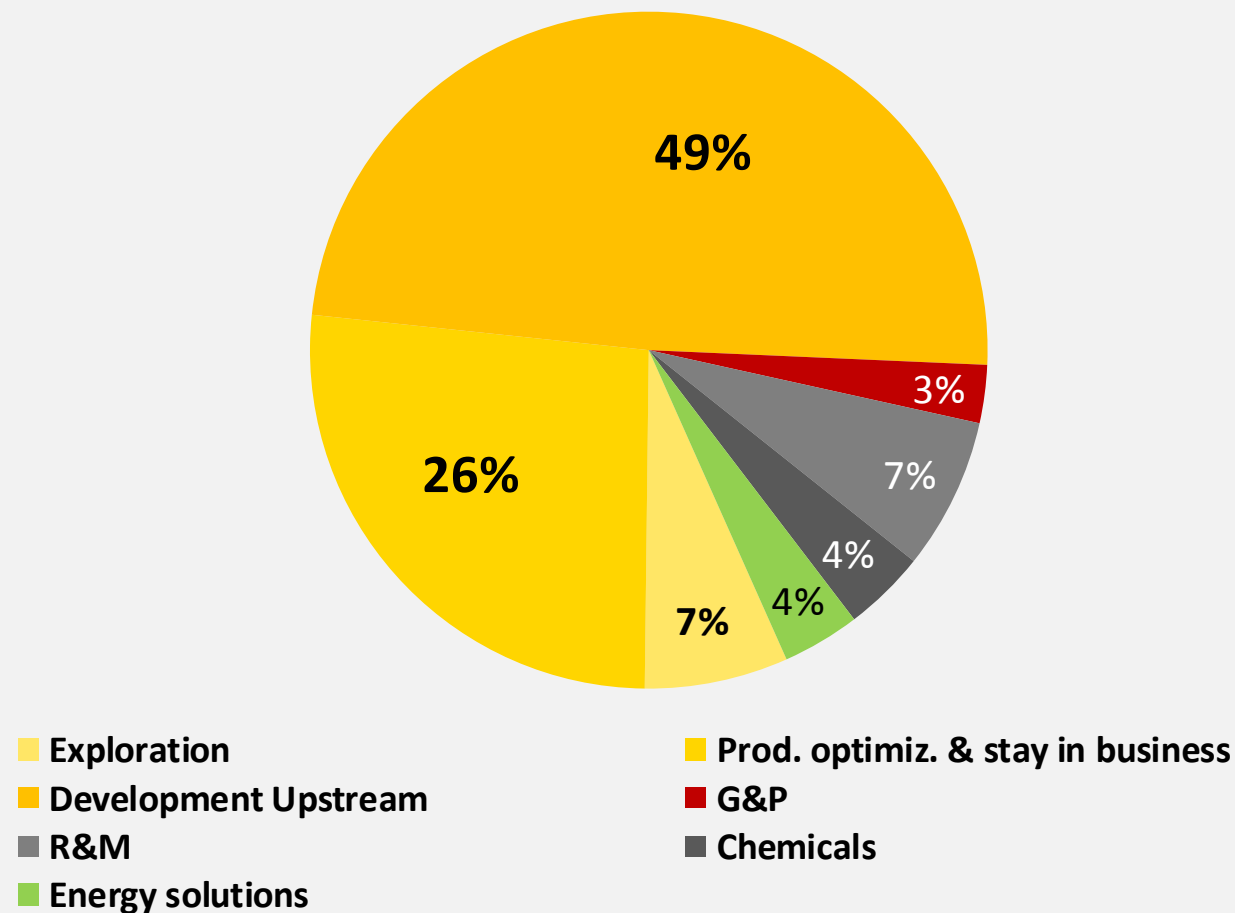
# FINANCIAL PLAN AND DISTRIBUTION POLICY

# CAPEX Plan

2018 capex: ~ € 7.7 bln

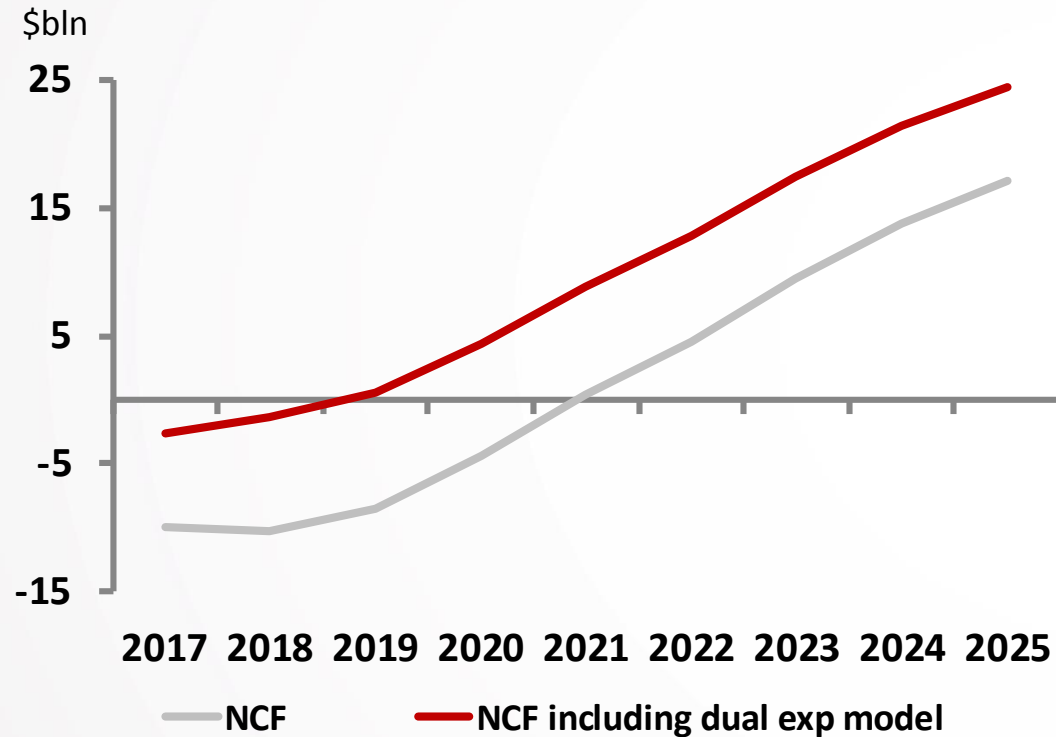


2018-2021 capex: < € 32 bln



# Upstream: focus on projects under development

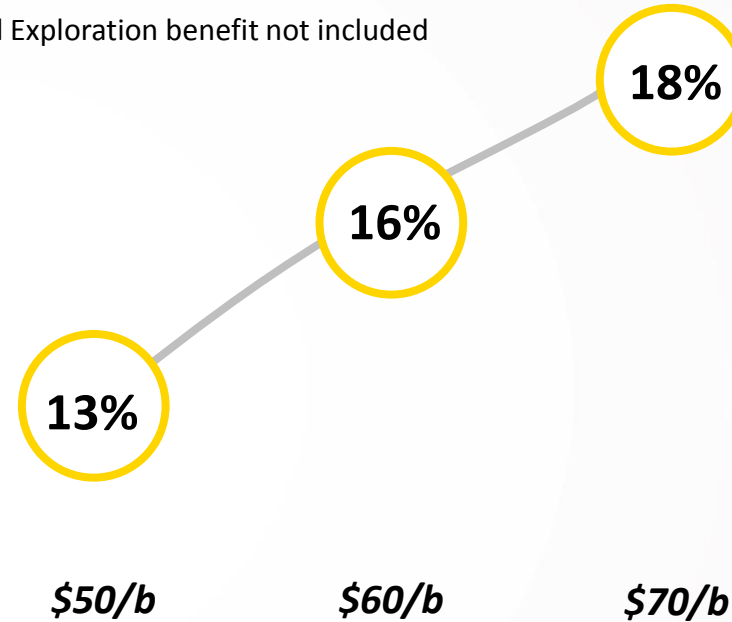
## Cumulative Net Cash flow



**Anticipated payback**

## IRR

Dual Exploration benefit not included

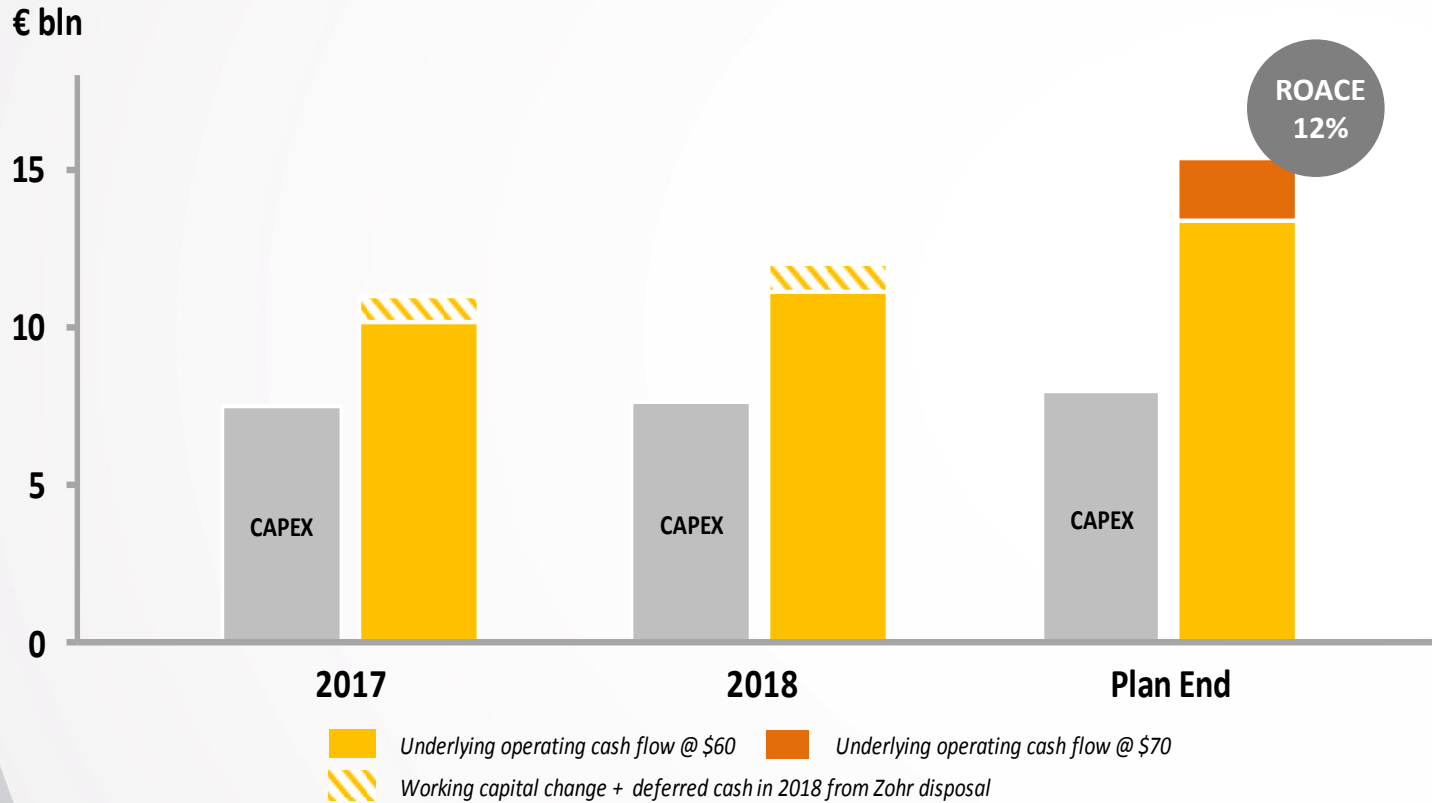


**BREAKEVEN**

**< \$30/bbl**

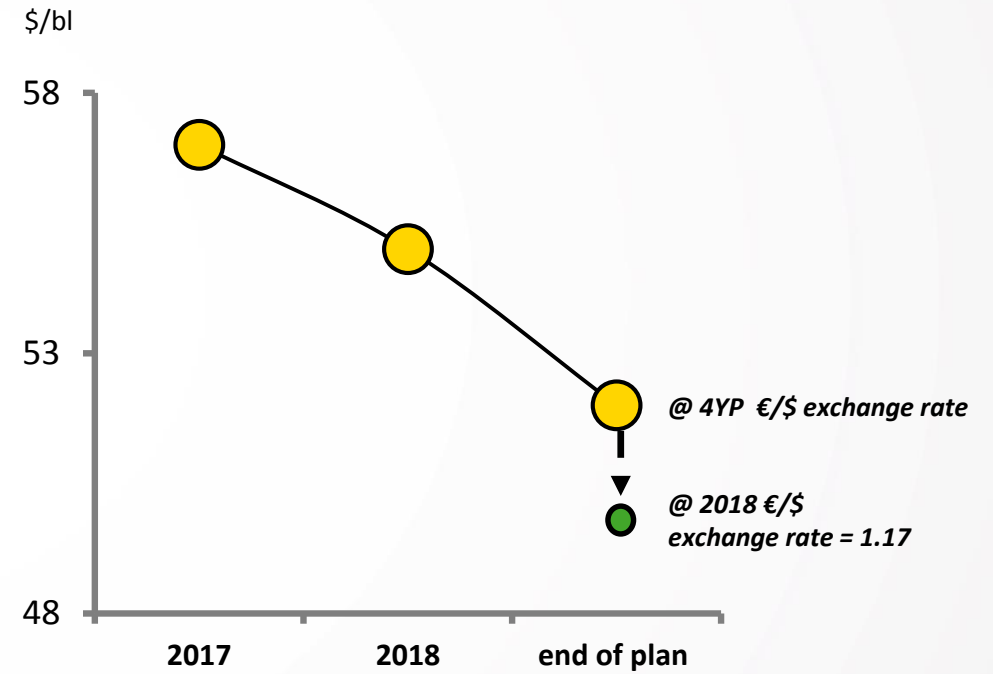
# Upside exposure and downside resilience

## Free Cash flow



Data @ 1.17 €/€ exchange rate

## Cash Neutrality



## Remuneration policy and cash allocation

### Committed to

DIVIDEND POLICY PROGRESSIVE WITH  
UNDERLYING EARNINGS AND **FCF**

**€ 0.83 in 2018**

+ 3.75 % vs 2017

### Preserving

BALANCE SHEET  
STRENGTH

**Leverage target**

0.2 – 0.25

### Upside

SHARE  
BUY BACK

**Excess cash  
distribution**



# Conclusions

**DEEPER INTEGRATION**

**CAPITAL DISCIPLINE**

High margin growth  
in **Upstream**

Sizeable and  
competitive **LNG**

**Sustainable  
portfolio**

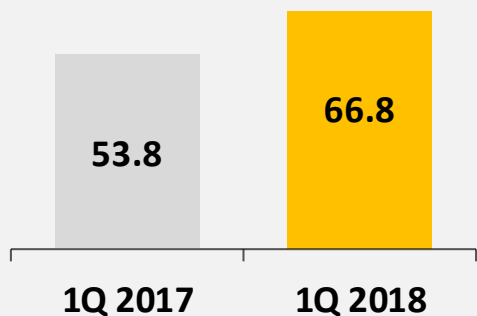
**Mid-downstream  
upgrade**



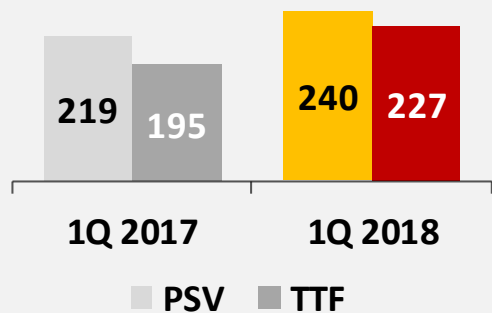
**ENHANCED RETURN TO SHAREHOLDERS**

# 1st Quarter 2018 Preview

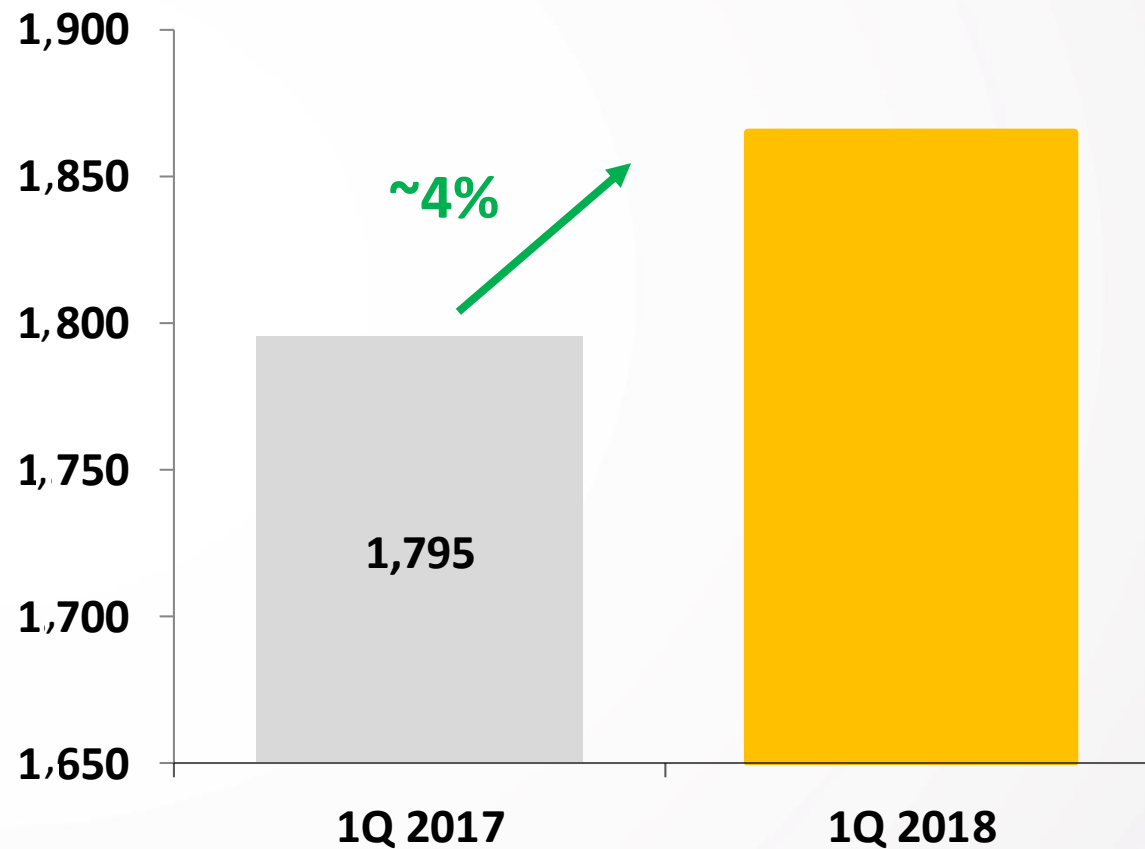
**Brent | \$/bbl**



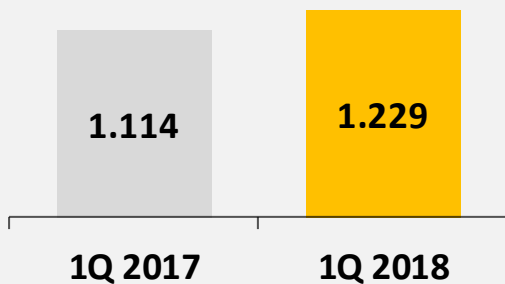
**European gas prices | €/kcm**



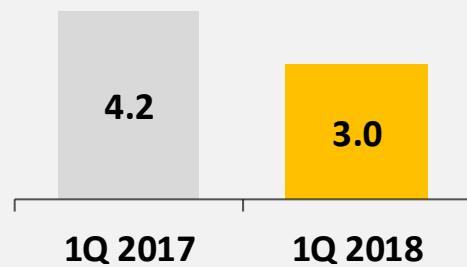
**Oil & Gas Production | kboed**



**Exchange rate | €/€**



**Std. Eni Refining Margin | \$/bbl**





**Back up**



## Assumptions and sensitivity

<b><u>4YP Scenario</u></b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Brent dated (\$/bl)</b>	<b>60</b>	<b>65</b>	<b>70</b>	<b>72</b>
<b>FX avg (\$/€)</b>	<b>1.17</b>	<b>1.18</b>	<b>1.20</b>	<b>1.25</b>
<b>Std. Eni Refining Margin (\$/bl)</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>
<b>NBP (\$/mmbtu)</b>	<b>5.8</b>	<b>5.6</b>	<b>5.5</b>	<b>5.8</b>
<b>PSV (€/kmc)</b>	<b>188</b>	<b>178</b>	<b>171</b>	<b>175</b>

<b><u>Sensitivity*</u></b>	<b>EBIT adj (€ mln)</b>	<b>net adj (€ mln)</b>	<b>FCF (€ mln)</b>
<b>Brent (-1 \$/bl)</b>	<b>-310</b>	<b>-175</b>	<b>-205</b>
<b>Std. Eni Refining Margin (-1 \$/bl)</b>	<b>-160</b>	<b>-115</b>	<b>-160</b>
<b>Exchange rate \$/€ (+0.05 \$/€)</b>	<b>-310</b>	<b>-120</b>	<b>-200</b>

*\* sensitivity 2018. Sensitivity is applicable for limited variations of prices*

# Main start ups 2018-21

## OCHIGUFU - ANGOLA



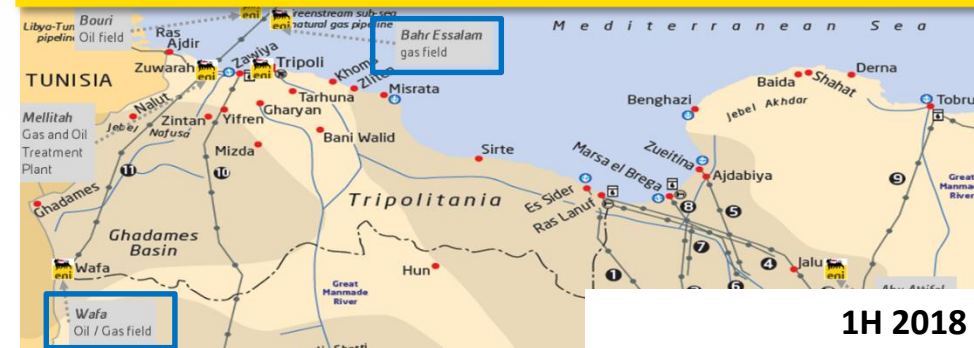
MARCH 2018

## OCTP GAS - GHANA



1H 2018

## Wafa Compression – Bahr Essalam ph.2 LIBYA



1H 2018

## AREA 1 - MEXICO



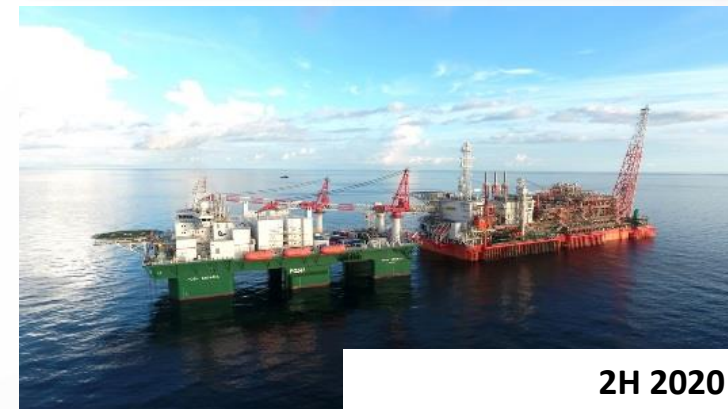
1H 2019

## BALTIM SW - EGYPT



2H 2019

## MERAKES - INDONESIA



2H 2020

## WEST HUB - ANGOLA

2H 2019

## CASSIOPEA - ITALY

2H 2020

## NENÈ PH.2B - CONGO

2H 2020

## MELEHIA DEEP - EGYPT

2H 2021





## Main start-ups in the 4YP

Main start ups 2018-2021	Country	Op	Start-up	Equity peak in 4 YP	Working Interest	Liquids/Gas
				kboed		
Zohr	Egypt	yes	<i>Achieved 12/2017</i>	200	50%	Gas
West Hub (Ochigufu)	Angola	yes	<i>Achieved 03/2018</i>	<10	37%	Liquids
Wafa Compression	Libya	yes	1H18	25	50%	Liquids/Gas
OCTP Oil+Gas	Ghana	yes	<i>Oil: 5/17 Gas:1H18</i>	49	44%	Liquids/Gas
Bahr Essalam Ph. 2	Libya	yes	1H18	45	50%	Liquids/Gas
Mexico Area 1	Mexico	yes	1H19	60	100%	Liquids
Baltim SW (Barakish)	Egypt	yes	2H19	29	50%	Liquids/Gas
West Hub (Vandumbu)	Angola	yes	2H19	<10	37%	Liquids
Merakes (Jangkrik area)	Indonesia	yes	2H20	50	85%	Gas
Cassiopea	Italy	yes	2H20	16	60%	Gas
Nenè phase 2B	Congo	yes	2H20	14	65%	Liquids
Melehia deep phase 2	Egypt	yes	2H21	<10	100%	Liquids/Gas