



Eni announces its 2012-2015 Strategic Plan

- **E&P: high growth in production; > 3% CAGR to 2015**
- **G&P: market consolidation in key segments with gradual recovery of margins**
- **R&M: revival of efficiency and optimization program. Targeting EBIT improvement of €550m by 2015**
- **Chemicals: refocusing on specific products with high added value; targeting EBIT improvement of > €400m by 2015**
- **Sound financial position and sustainable dividend**

London, 15 March 2012 – Paolo Scaroni, CEO of Eni, today presents the company's 2012-2015 Strategic Plan to the financial community.

In the new plan, Eni confirms high production growth, supported by continued success in the exploration program, the strengthening of its leadership in Italian and European gas markets, an ambitious cost reduction program aimed at recovering profitability in R&M, and a restructuring program for the chemical division aimed at a return to profitability.

Exploration & Production

Eni confirms its strategy of production growth, raising its average annual target to over 3% in the 2012- 2015 period. This is based on a scenario of higher oil prices (\$90/bbl in 2012 and 2013 and \$85/bbl in 2014 and 2015).

Eni's growth strategy is founded on organic development, thanks to the significant contribution coming from five key areas – Russia (Yamal), the Barents Sea, Kazakhstan,

Venezuela and the sub-Saharan region - and the rapid recovery of Libyan production to pre-crisis levels.

Over the plan period, the main projects due to come onstream will add 700kboe/d of production, 80% of which will come from giant projects characterized by a steady and long-lasting production plateau.

Beyond the plan period, production growth will be supported by the ramp-up of giants already onstream and new start-ups, such as full field Junin 5 and Perla in Venezuela, Skrugard-Havis in the Barents Sea and the recent discovery in Mozambique. Our portfolio of development projects enables us to forecast a CAGR of 3% between 2015 and 2021.

Gas & Power

Eni has finalized the contractual renegotiations with its main suppliers, including Sonatrach and Gazprom, improving its costs and contractual flexibility.

The outlook for supply in the European gas market is challenging in the short term with spot gas prices expected to be lower than those for oil-linked contracts. This scenario will continue to cause competitive pressure in the market.

This situation is expected to gradually improve in the medium to long term: the increase in demand, driven by economic recovery and the increase in consumption of gas for fuel, in conjunction with the decrease in supply, will contribute to a recovery in the European gas scenario.

Eni's diversified portfolio of supply contracts represents a strong competitive advantage that positions it well for the challenging short term scenario and will allow Eni to seize opportunities to enhance profits in the medium to long term.

For 2015, Eni is targeting an increase in sales to European business and retail customers of 18% and 28% respectively.

Refining & Marketing

The demand for Refining & Marketing products is expected to be stable or declining for the duration of the plan due to the persistent over-capacity in refining around the world, and in the Mediterranean basin in particular.

In Refining, Eni will increase the flexibility of its plants; optimizing the production cycles, reducing costs and exploiting its proprietary technology. The launch of the EST technology plant at the Sannazzaro refinery is expected by the end of 2012.

In Marketing, Eni will improve results thanks to new premium products, the re-branding of its distribution network, the complete automation of some petrol stations and the expansion of non-oil activities.

Eni is targeting an EBIT improvement of €550 million for 2015.

Chemicals

The scenario for basic chemicals in Europe is characterized by increasing pressure on prices. Eni's strategy will be focused on high value-added products, with a growth target for sales in this segment of 50%, including the investment in plant conversions. Among these is the Matrica project, a joint venture with Novamont, which will create in Porto Torres (in Sardinia) one of the biggest biochemical plants in the world.

Eni is committed to the expansion of its emerging markets activities through strategic partnerships and will continue to promote initiatives to improve the efficiency of its plants and processes.

The expected EBIT improvement for Chemicals is over €400 million by 2015.

Capex plan and efficiency program

Eni plans to make €59.6 billion of investments over the 2012-2015 period.

Over 75% of investments are related to upstream activities, in particular the development of projects such as Zubair, Junin 5, Perla, Goliat and Kashagan, that will sustain production growth over the plan period and beyond.

With respect to efficiency, Eni is relaunching its targets for cost reduction. In the four-year plan, €1.6 billion of savings will be achieved. From 2004 to date, our total savings were €5 billion. This objective will be achieved through procurement optimization, a further streamlining of logistics and downstream operations, as well as increased labour efficiencies.

The targets of the strategic plan do not take into account the impact of the deconsolidation of Snam which will take place over the course of the plan as the timing and structure of the separation has not yet been decided upon.

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