2016-2019 Strategy Presentation

Succeeding in the downturn and fuelling long-term growth

London, 18 March 2016

Strategy execution is well advanced

2016 2019 strategy presentation

STRATEGIC PILLARS

Transformation into a fully integrated O&G

Profitable growth

Restructuring mid-downstream

COST EFFICIENCY

MILESTONES

2014

New organisation

Take-or-pay renegotiations

G&A savings

Reduced refining capacity

Dividend rebased

Refining and Chemicals back to breakeven

2015

Capex -17%
Opex -13%
(vs 2014)

Upstream growth *+10%*

Zohr discovery

Galp and Snam disposals

Saipem deconsolidation

2016

Zohr FID

Goliat start-up

Unlock value and enhance financial solidity

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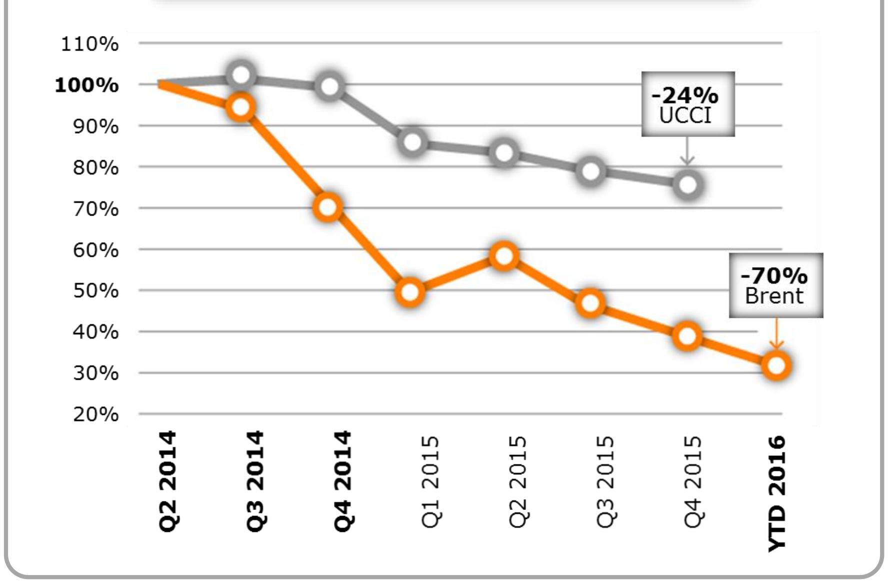
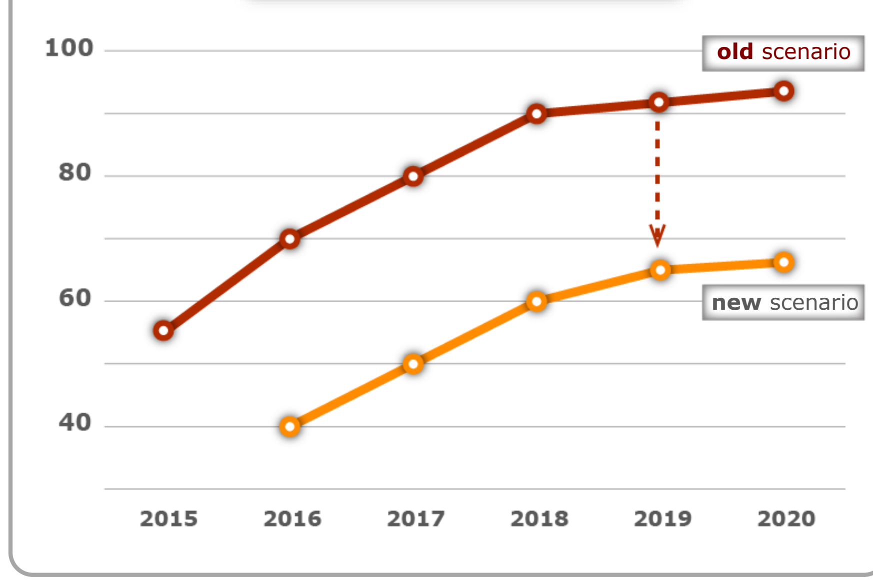
Managing the trade-offs of a longer downturn

Oil price and cost variations



Brent price | $/bbl



A unique portfolio for a balanced strategy

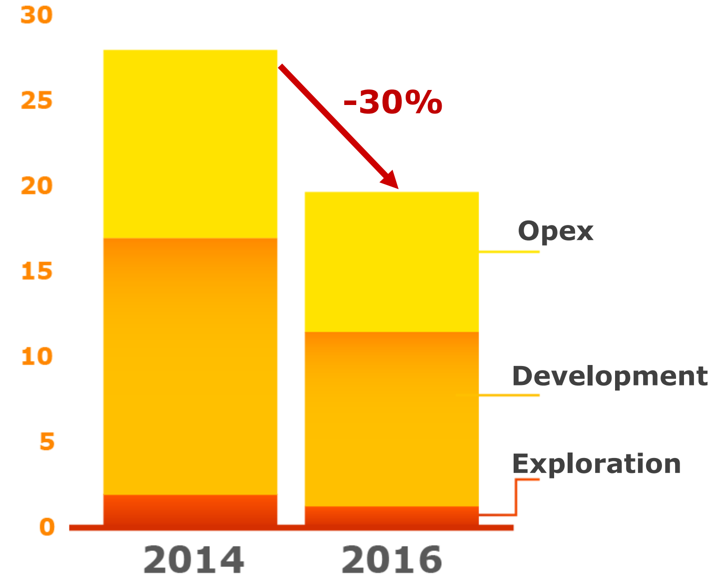
New discoveries enhance portfolio optionality

Simplified and phased execution of conventional projects

Dual exploration model and transformation

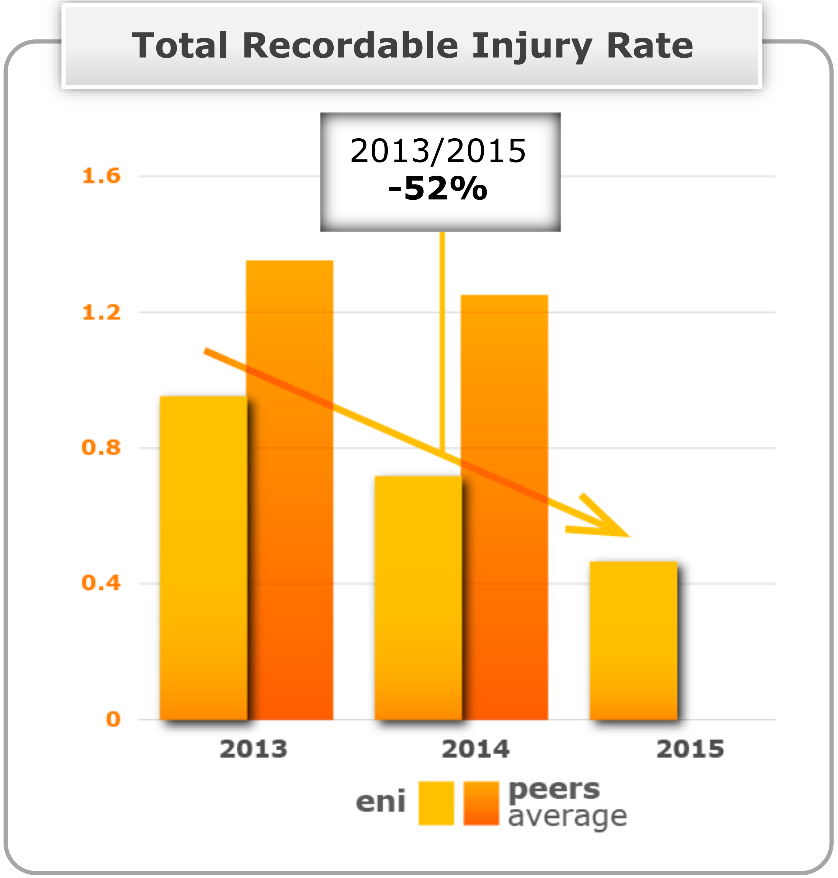
Efficient operating model and optimized supply chain

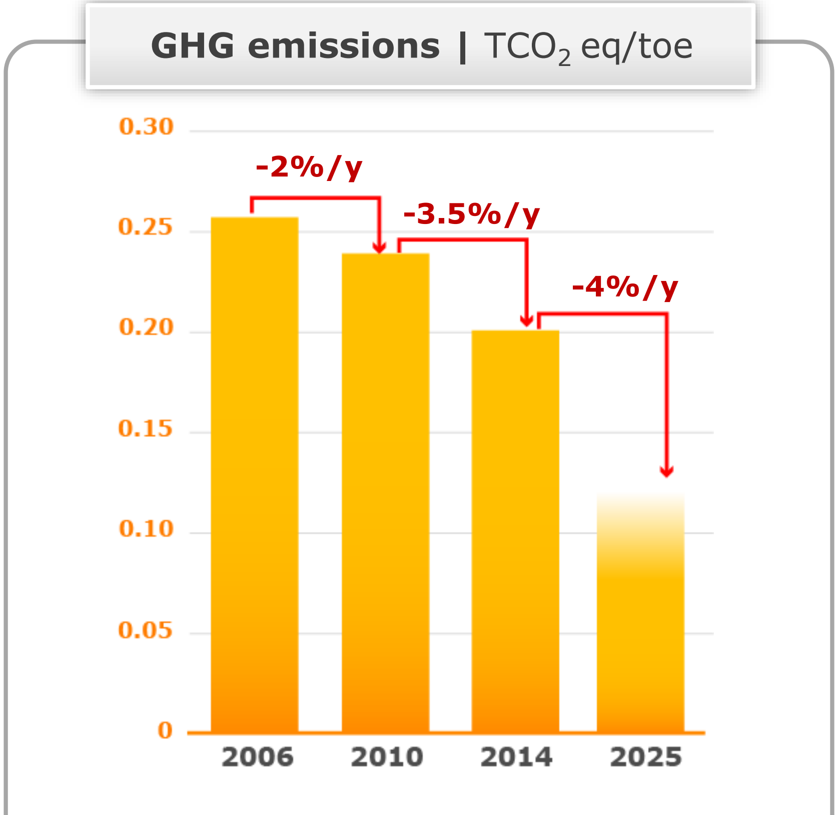
New projects' cost structure | $/boe



Full life cost of new projects portfolio

Safety and carbon footprint – our top priorities





GHG reduction
2025 vs 2014: -43%

Total Recordable Injury Rate = n. of TRI/mln of worked hours
Excluding Saipem

Eni's 4YP targets

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Efficient and valuable growth

- 2015-19 production CAGR >+3%
- Upstream Capex –18% vs previous plan
- Exploration resources 1.6 bln boe @ $2.3/boe

Restructuring

- G&P in structural breakeven from 2017
- Refining breakeven at $3/bbl margin
- Cumulative G&A savings of €2.5 bln through 2019

Transformation

- Non core business disposals
- Dual exploration model
- New 4YP disposal target €7 bln

CFFO coverage of capex 2016 @ $50
CFFO coverage of capex and dividend from 2017@ $60

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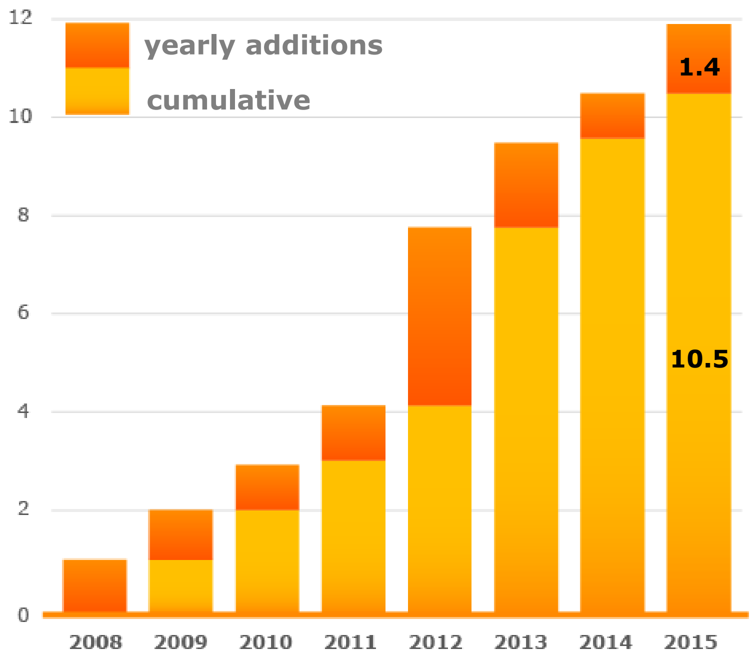
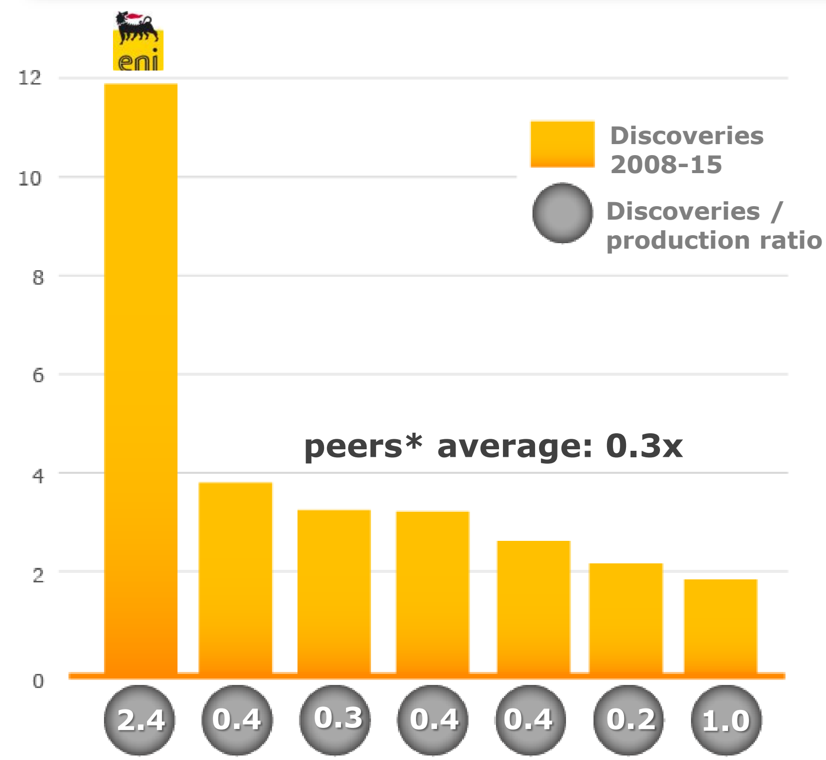
Eni's unique exploration track record

Cumulative discovered resources | bln boe



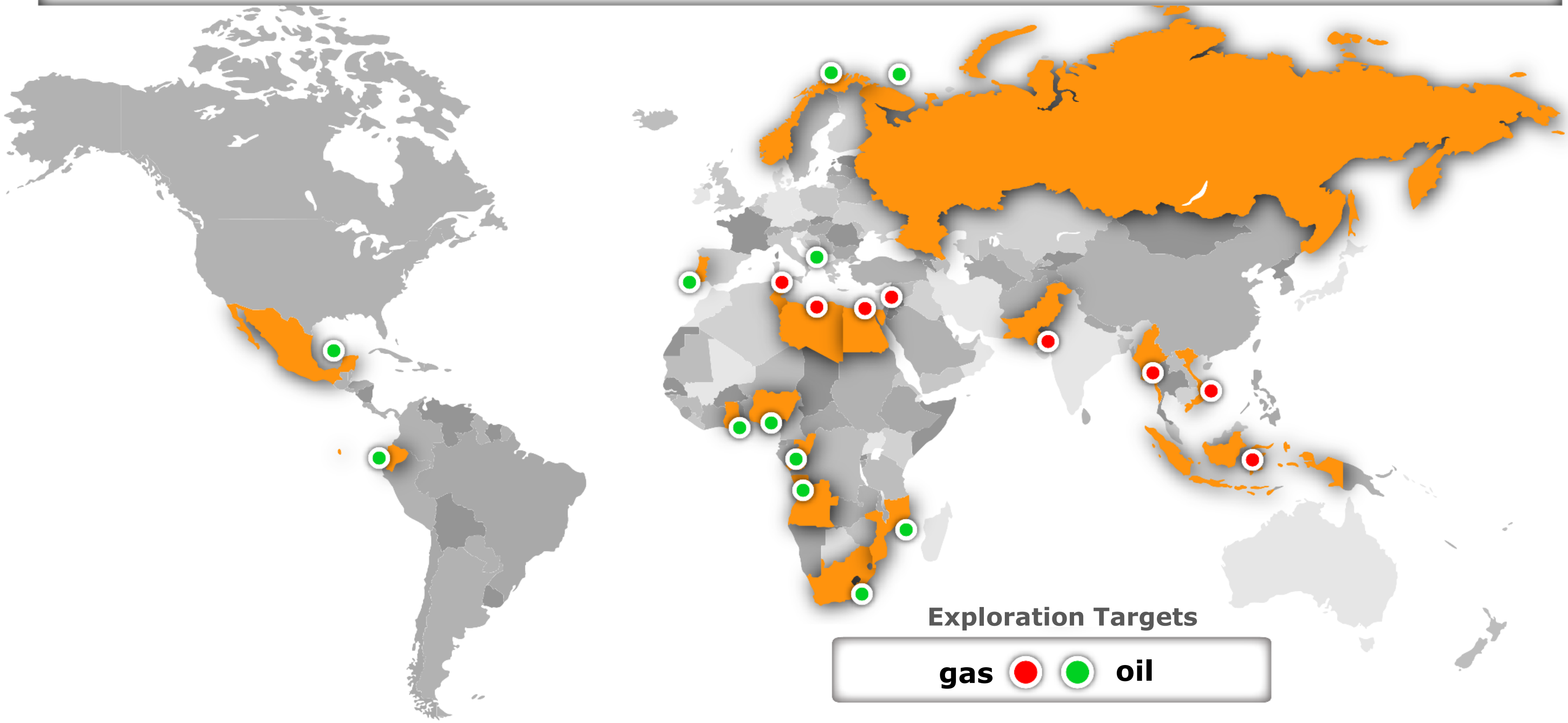
Discoveries vs **production 2008-15 | bln boe**



**peers = BP, CVX, RDS, REP, TOT, XOM*

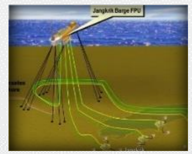
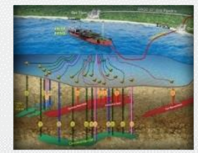
Exploration
Focus on near-term and low-cost options

Near field and incremental exploration	**Short** Time to Market	**Deep Water** focused on material opportunities



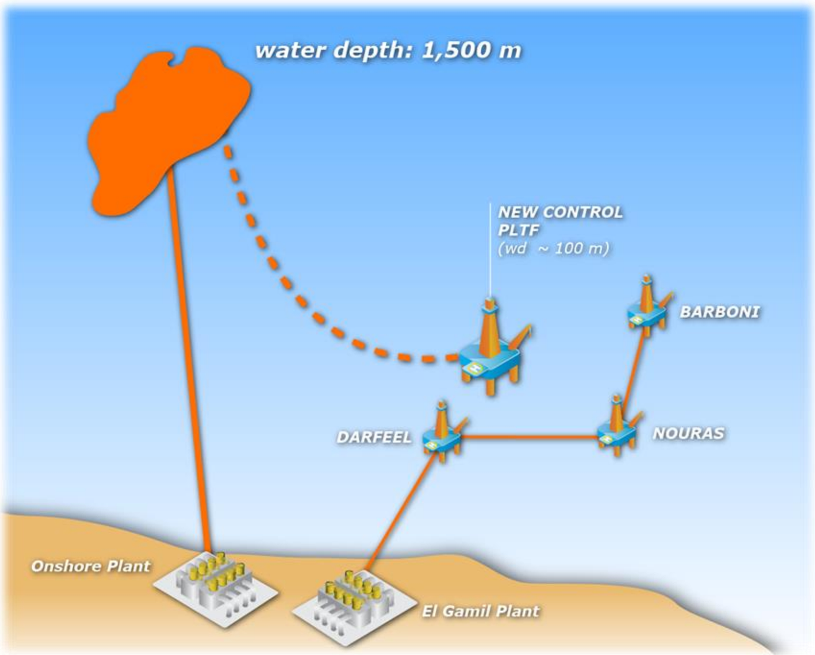
4YP target | 1.6 bln boe at $2.3/boe (UEC)

Main start-ups in the 4YP

	GOLIAT	KASHAGAN	JANGKRIK	MARINE XII	OCTP	15/06 East hub	ZOHR
							
	Norway	*Kazakhstan*	*Indonesia*	*Congo*	*Ghana*	*Angola*	*Egypt*
eni operator	✓		✓	✓	✓	✓	✓
start up	achieved	2H 16	1H 17	ongoing	2H 17	2H 17	2H 17
plateau eq. kboed	65	65	40	150	40	45	>400

Focus on Zohr

Project scheme



Highlights

- FID in Feb 2016 (6 months after discovery)
- Start-up from Q4 2017
- Carbonate reservoir in 1500m water depth
- 30 Tcf (850 bln m^3) OGIP
- Working interest: 100% eni
- Plateau 2.7 bcf/d or 500 kboed (eq peak >400 kboed)
- 20 wells and pipelines to on-shore processing plants
- Capex < €12 bln (100% W.I.)
- Sales to local market

Production growth

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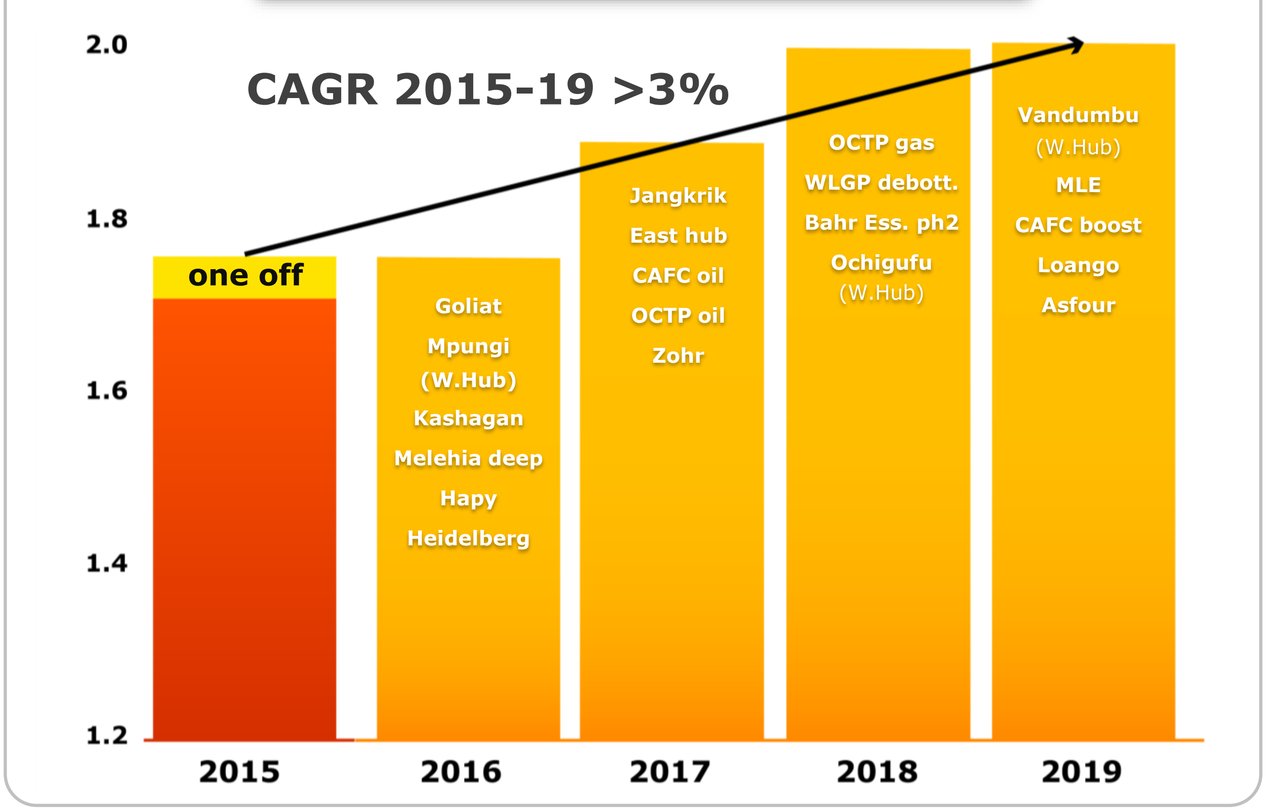
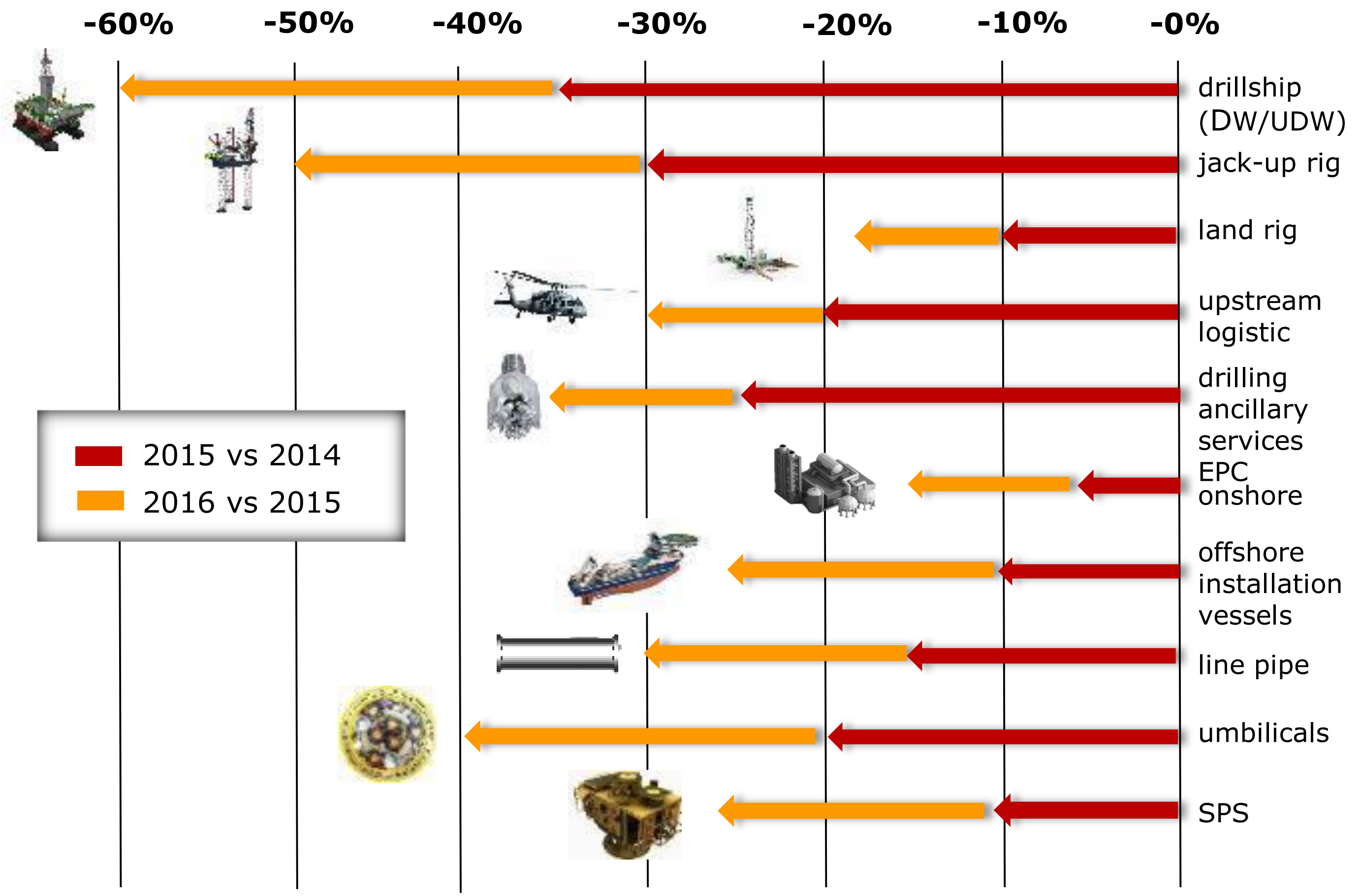
Oil & gas production | Mboe/d



Start-ups / Ramp-ups ~ 800 kboed by 2019

Speeding up alignment between cost and prices



from 2014 to 2017

Total rig fleet reduction
from 109 to 73
(-33%)

Avg daily rigs
rate reduction from $9.2 mln/d to $4.5 mln/d
(-51%)

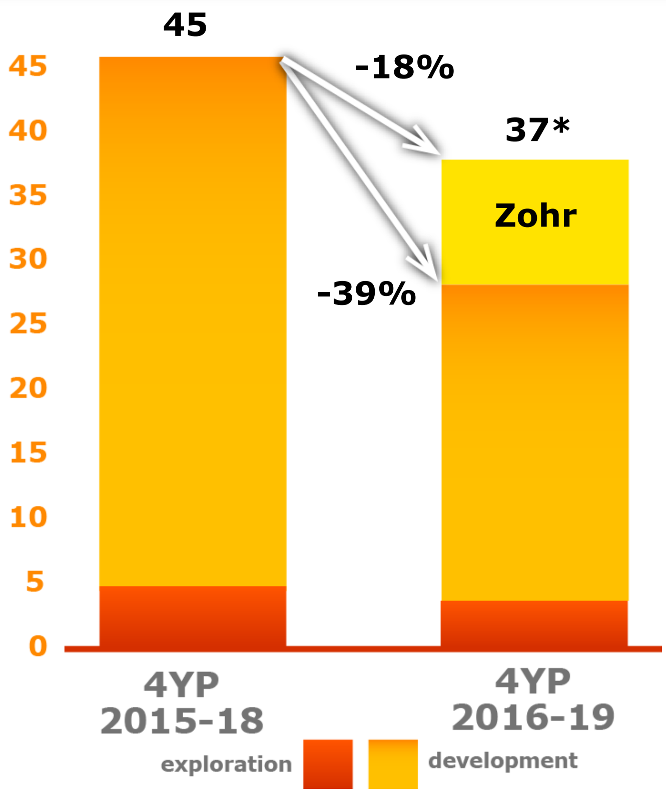
2016

Renegotiation of **1600** service contracts

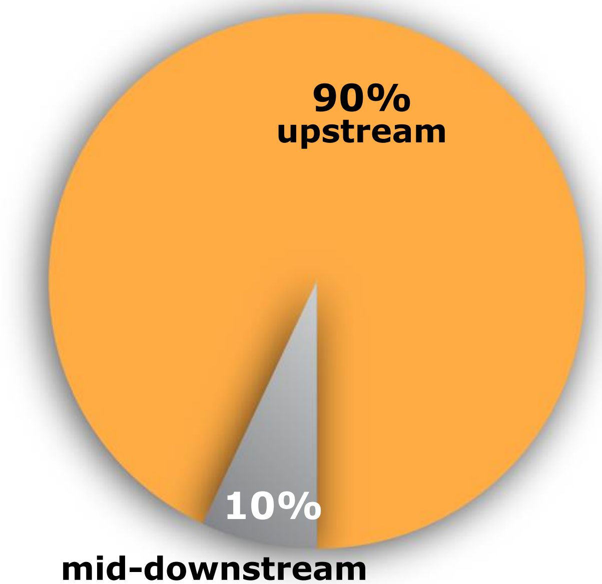
Total cost savings of €3.5 bln in the 4YP

Increasing flexibility in our capex plan

Upstream | € bln



Group

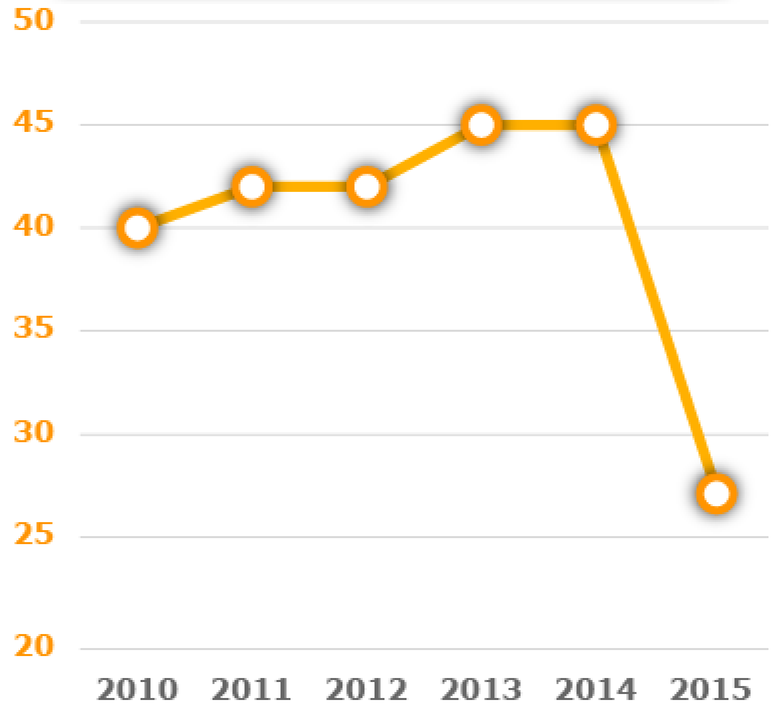


Group Capex net of disposal €37 bln

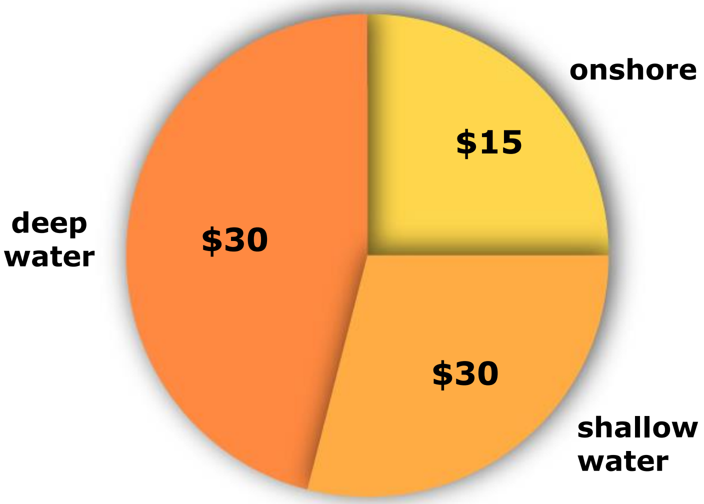
** Gross capex before disposals*
2015-18 capex plan restated at 2016-2019 FX rates

A valuable portfolio of new upstream projects

New projects breakeven | $/boe



New projects 2P res | Bep $/boe



Oil 31% - Gas 69%

Enhancing project profitability

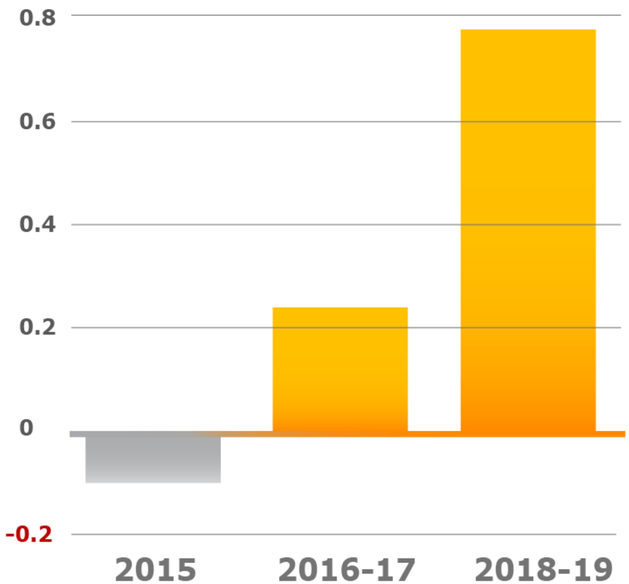
Excluding Kashagan

Completing the turnaround in g&p

Reduce Legacy Costs

- Supply Contracts renegotiations
- Operation & Logistic
- Retail Systems

Average adj. EBIT | bln €



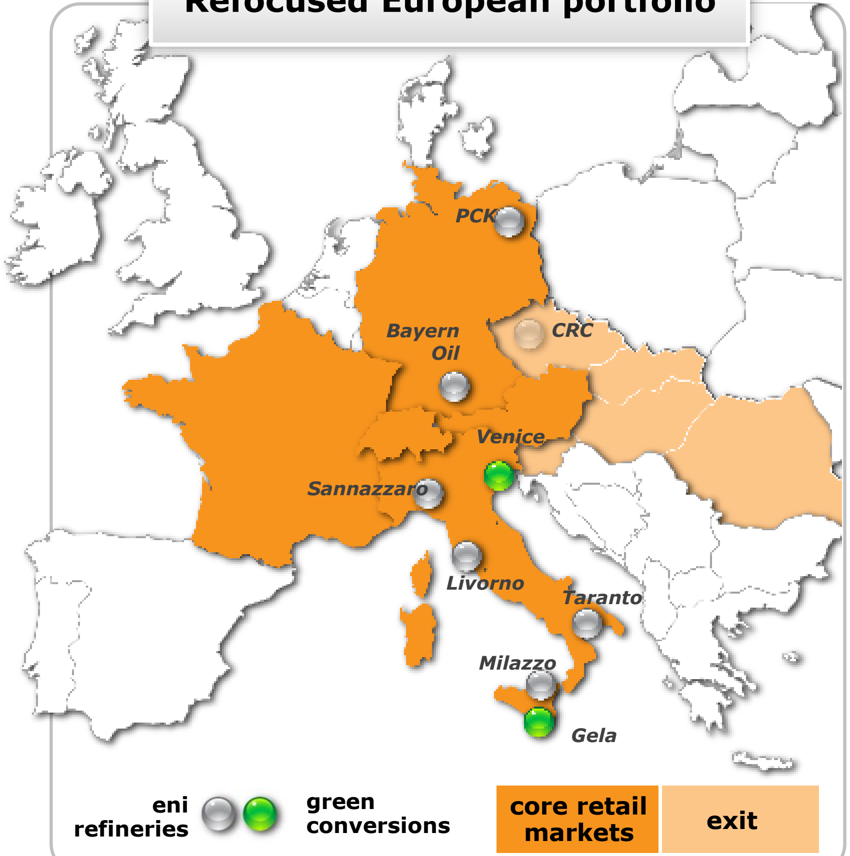
Grow Profitability

- Integrated Sales Channels
- LNG portfolio
- Retail customer base

CFFO of €2.8 bln in 2016-2019
EBIT positive in 2016

Increasing downstream resilience to scenario

Refocused European portfolio

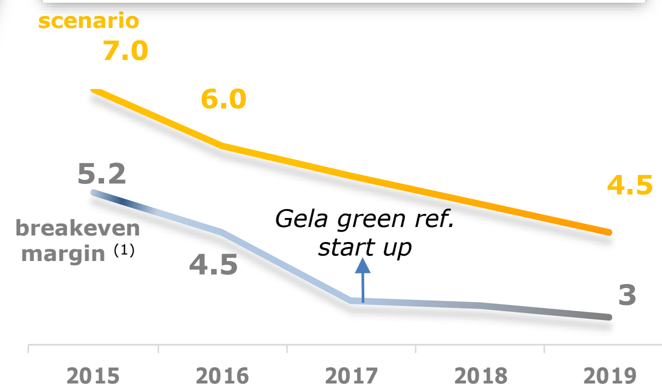


Key pillars

- Full conversion of the barrel to light products (EST Technology)
- 2 green refineries with a capacity of 1160 Kton in 2019
- Fixed cost reduction and logistics rationalization

Portfolio refocusing is completed

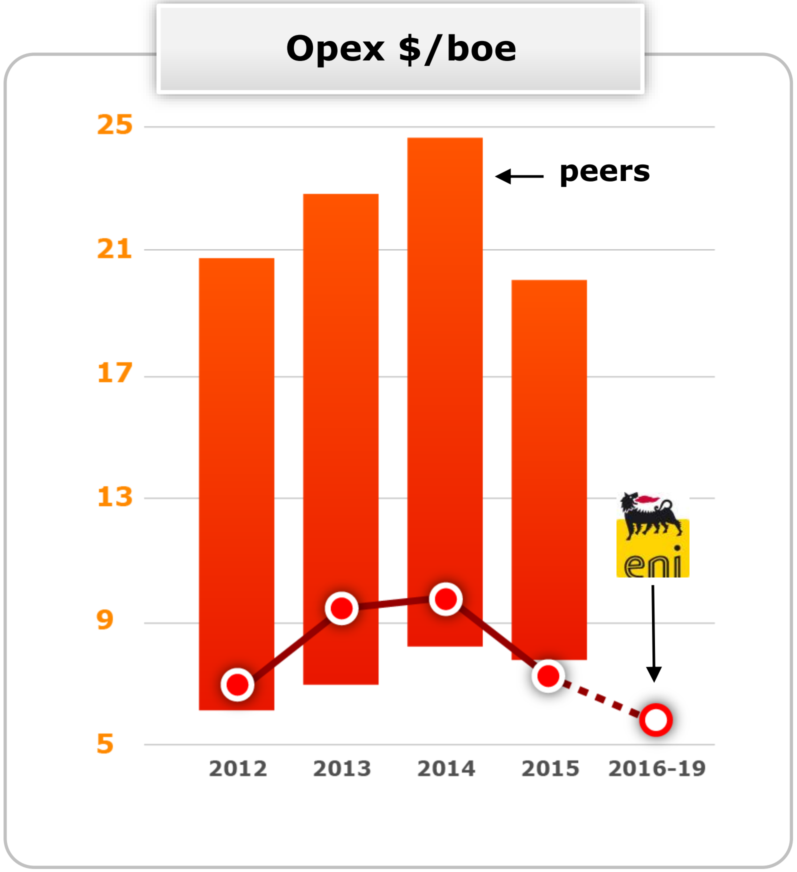
Refining margin SERM | $/bbl

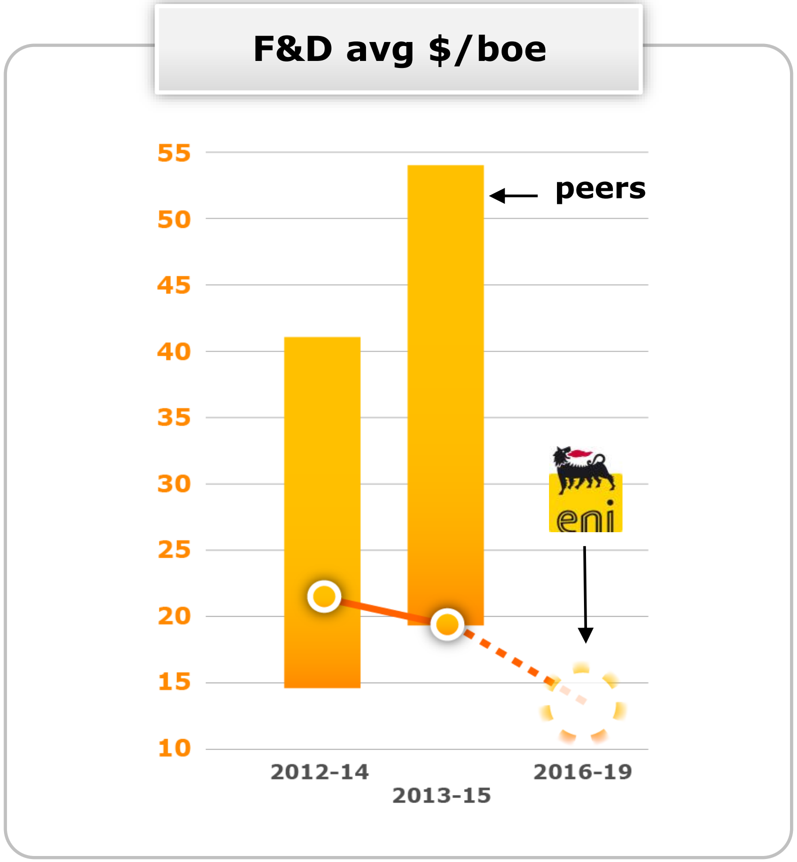


CFFO ~ €2.9 bln in 2016-2019

(1) SERM at which the EBIT adj of refineries is at breakeven

Efficiency in operations

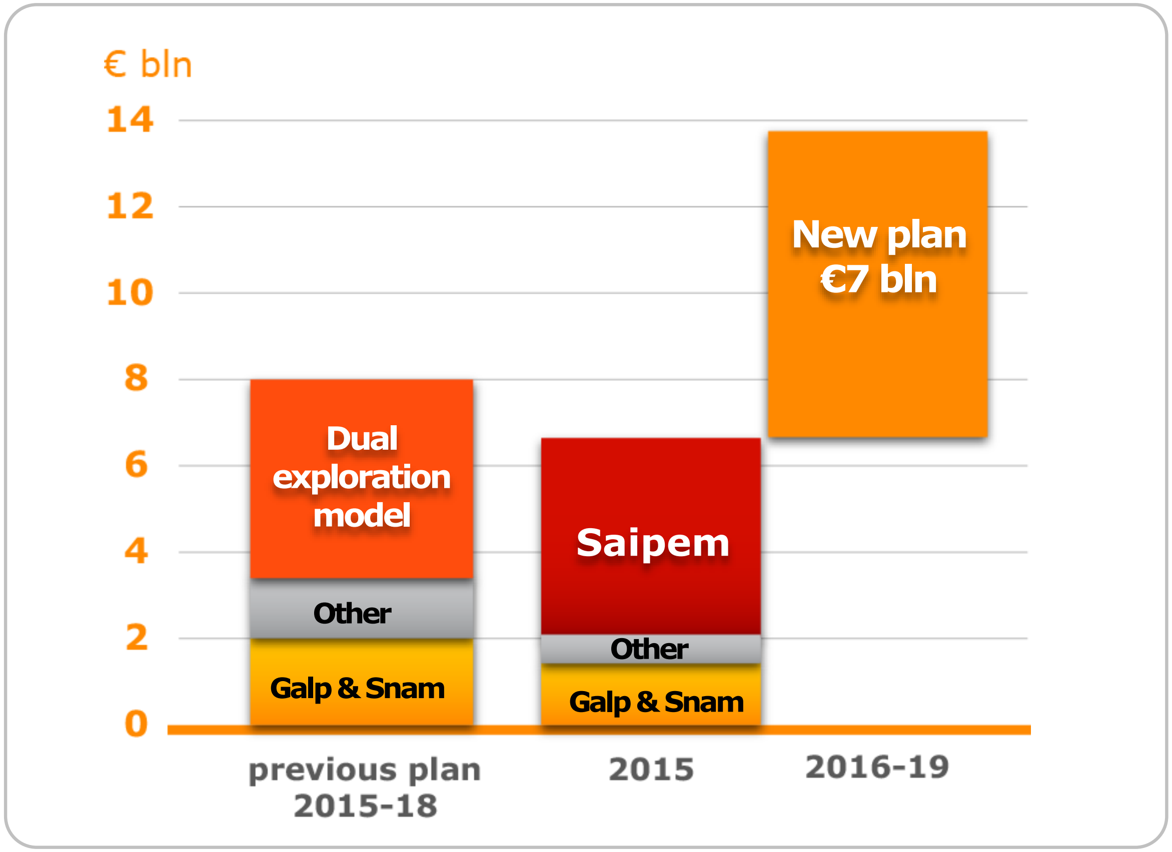




peers = BP, CVX, RDS, REP, TOT, XOM*

**no data available for 2015 F&D Costs*

Additional flexibility from portfolio management



90% of previous 4YP target achieved in 2015

Pre tax value

Cash flow – 4YP balance

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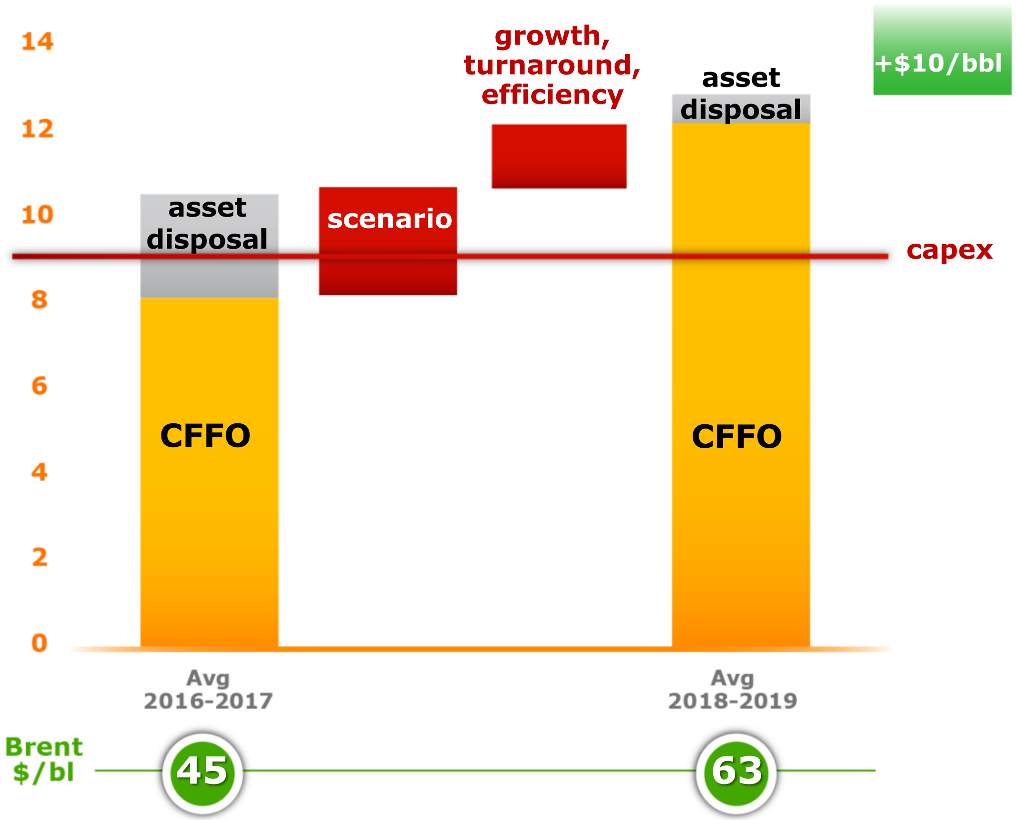
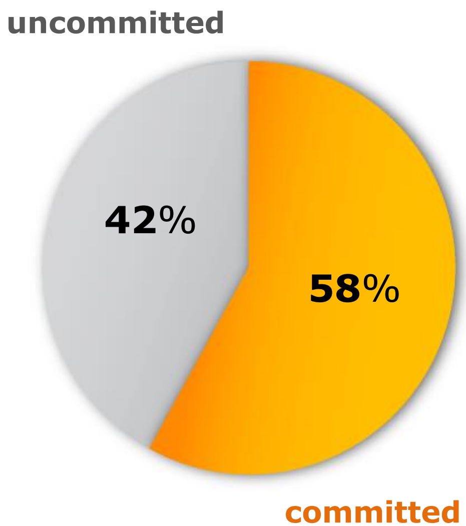
Cash flow € bln



Capex 17-19



Large flexibility even in a lower-for-longer scenario

Remuneration - Confirmed dividend policy

Competitive distribution policy
progressive with underlying earnings growth and scenario

Floor dividend
cash sustainability

Cash neutrality

- **$50/bbl including disposals in 2016**
- **$60/bbl organic from 2017**
- **<$60/bbl organic 2018-19**

Additional financial flexibility

2016 Dividend €0.8/share (fully cash)

Conclusions

Upstream and downstream resilience

Large portfolio optionality

Profitable growth

Succeeding in the downturn and capturing long-term value

appendix

Assumptions and sensitivity

4YP Scenario	2016	2017	2018	2019
Brent dated ($/bl)	40	50	60	65
FX avg (€/$)	1.06	1.10	1.15	1.15
Std. Eni Refining Margin ($/bl)	6.0	5.5	5.0	4.5
Henry Hub ($/mmbtu)	2.3	2.6	3.2	3.7
NBP ($/mmbtu)	4.9	5.3	5.5	5.8

4YP sensitivity*	Ebit adj (bln €)	Net adj (bln €)	FCF (bln €)
Brent (-1$/bl)	-0.3	-0.2	-0.2
Std. Eni Refining Margin (+1$/bl)	+0.2	+0.1	+0.1
Exchange rate €/$ (+0.05 $/euro)	-0.2	-0.1	-0.02

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

Key start-ups

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project	country	op	start up	Equity (kboed) peak in 4 YP
Goliat	Norway	*yes*	*Achieved*	*65*
Nidoco NW	Egypt	*yes*	*Achieved*	*30*
Heidelberg	USA	*no*	*Achieved*	*<10*
West Hub (Mpungi, Ochigufu, Vandumbu)	Angola	*yes*	*Achieved/2H18/1H19*	*25*
Melehia Deep	Egypt	*yes*	*1H16*	*<10*
Mafumeira Sul	Angola	*no*	*2H16*	*9,6*
Kashagan EP	Kazakhstan	*no*	*2H16*	*65*
Nenè phase 2A	Congo	*yes*	*2H16*	*15*
Hapy Subsea	Egypt	*no*	*2H16*	*<10*
CAFC Oil & MLE	Algeria	*yes*	*1H17 / 2019*	*30*
Jangkrik	Indonesia	*yes*	*1H17*	*40*
Block 15-16 East Hub	Angola	*yes*	*2H17*	*20*
OCTP	Ghana	*yes*	*2H17/1H18*	*40*
Zohr	Egypt	*yes*	*2H17*	*200*
Bahr Essalam Ph2	Libya	*yes*	*1H18*	*70*
Western Libya Gas Project (Debott.)	Libya	*yes*	*2018*	*15*
North Port Said Stranded Gas	Egypt	*yes*	*2H18*	*20*
Loango (Further dev.)	Congo	*yes*	*2019*	*<10*
Asfour	Egypt	*yes*	*2019*	*<10*

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