

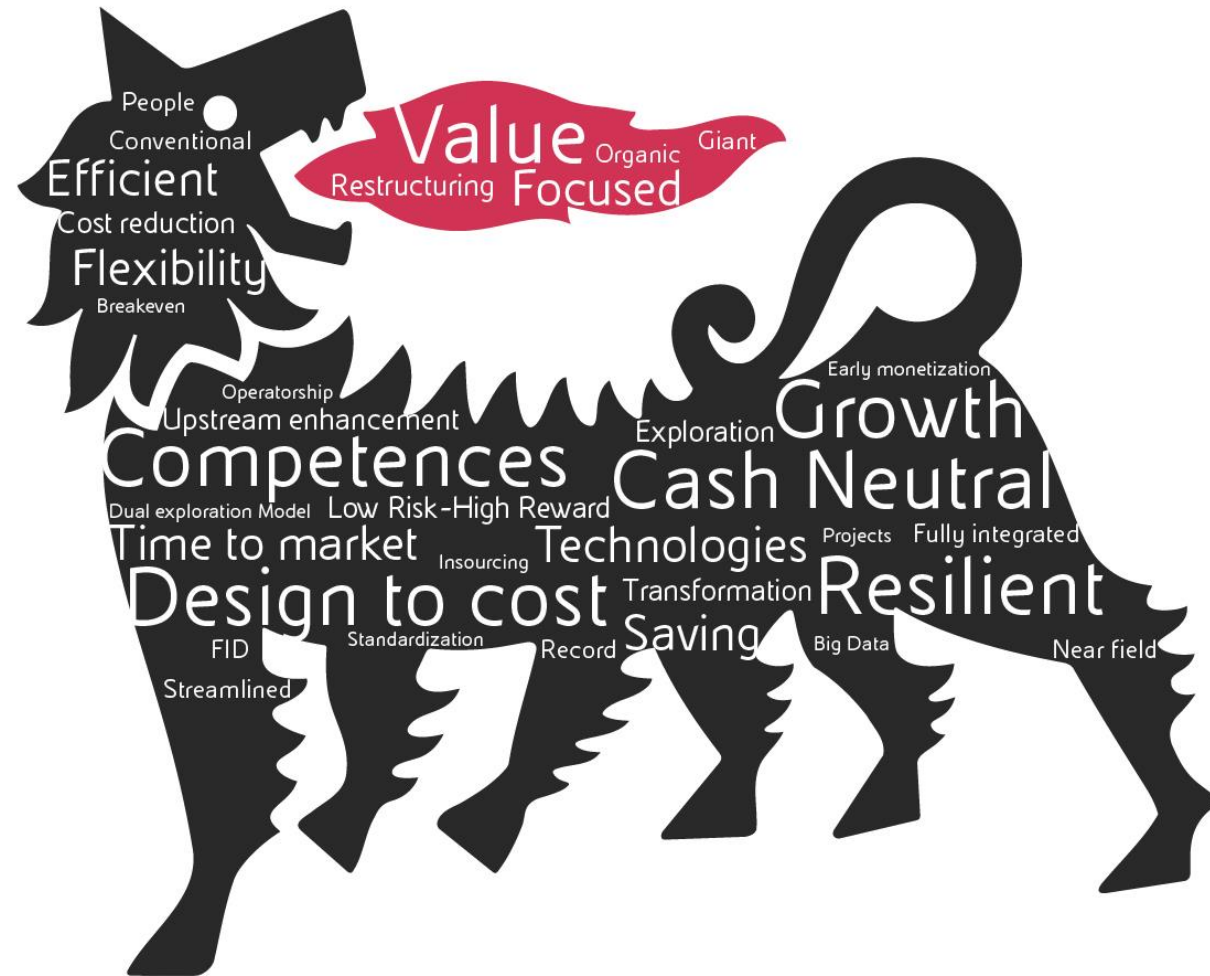
13 DECEMBER 2016

Investor Day

Fit for complexity



Eni's unique business model





**Fit for
complexity**

2014-2016 STRATEGY EXECUTION

**A DISTINCTIVE MODEL
FOR VALUE GENERATION**

FOCUS ON NEW PROJECTS

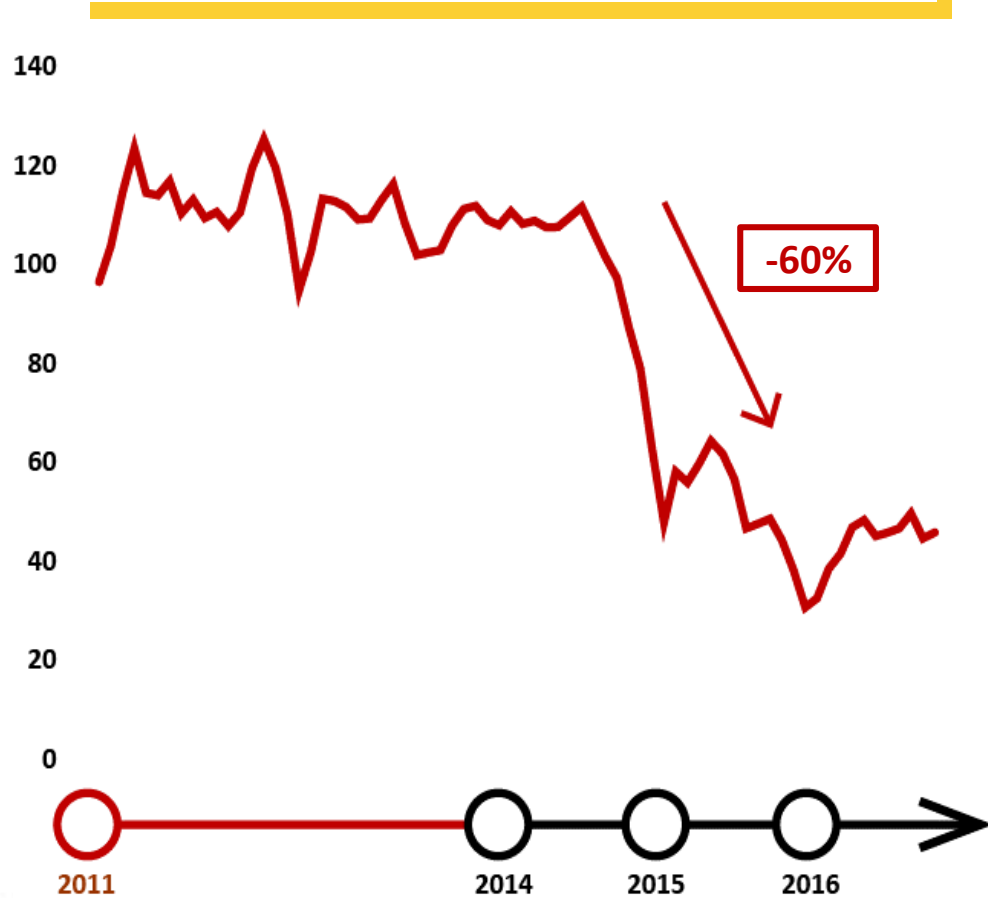


2014-2016
strategy
execution

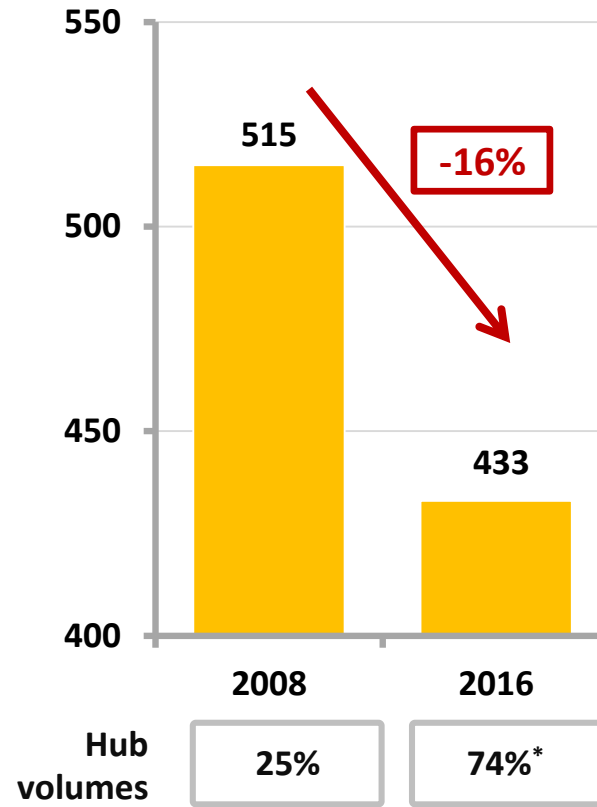
FPSO ready to sail off for Block 15/06

A challenging scenario

Brent | \$/bl

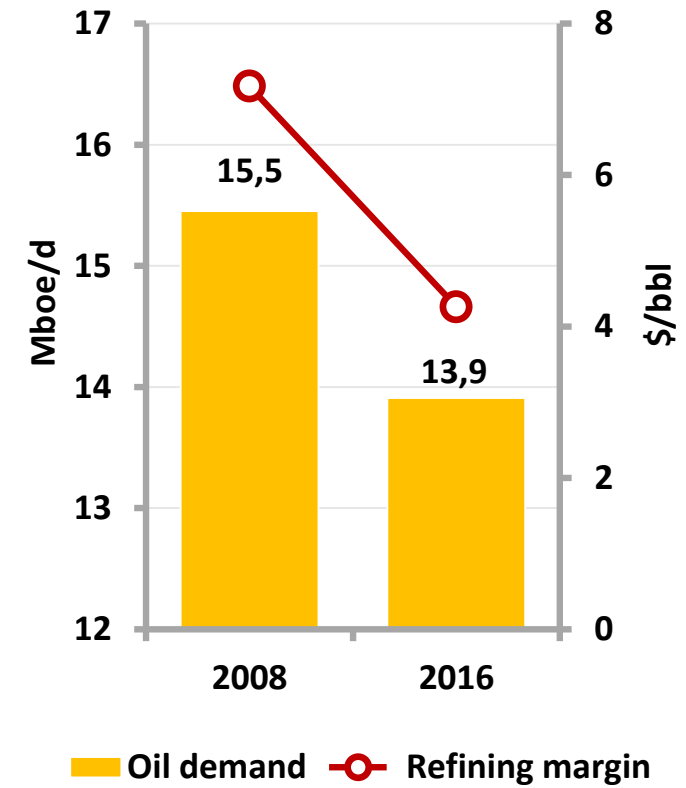


EU gas demand | bcm



* Jan-Oct 2016

OECD EU refining



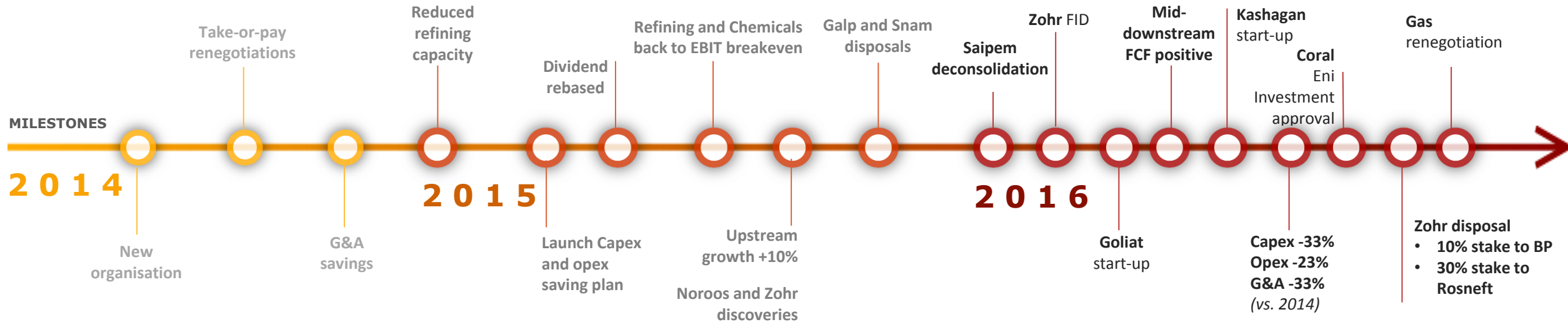
Strategy execution and main milestones

Transformation
into a fully integrated O&G

Upstream enhancement

Restructuring
mid-downstream

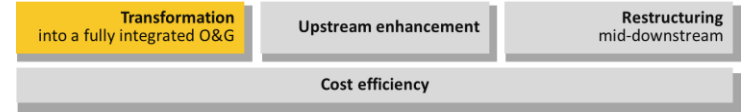
Cost efficiency



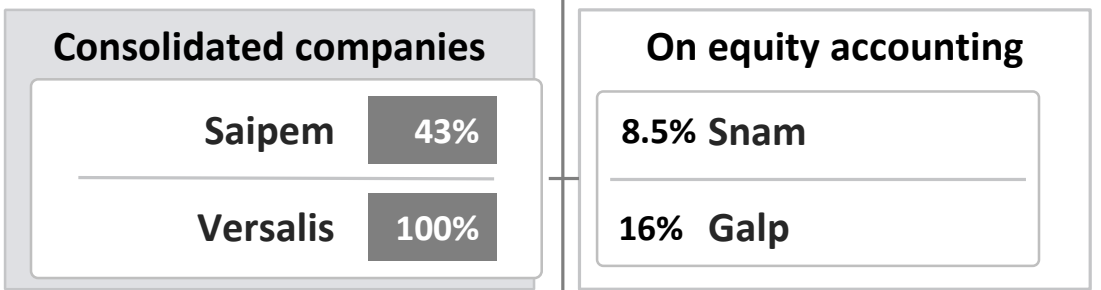
PROFITABLE GROWTH



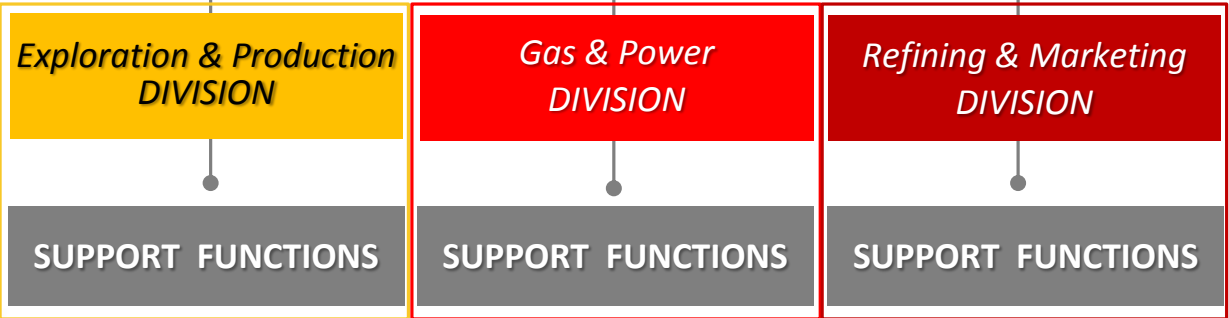
Transformation into a fully integrated O&G company



Eni 2014

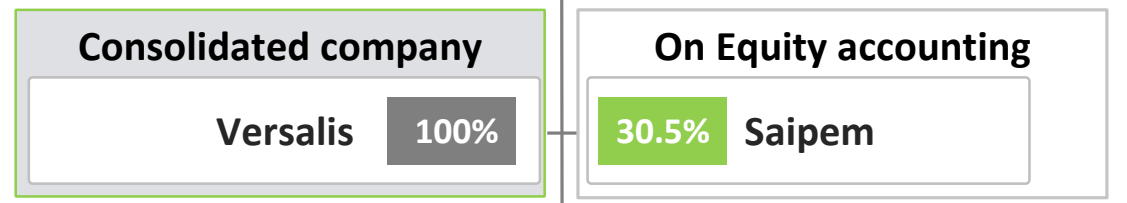


CORPORATE HOLDING



CASH IN FROM TRANSFORMATION
€ 10BLN

Eni 2016



SUPPORT FUNCTIONS

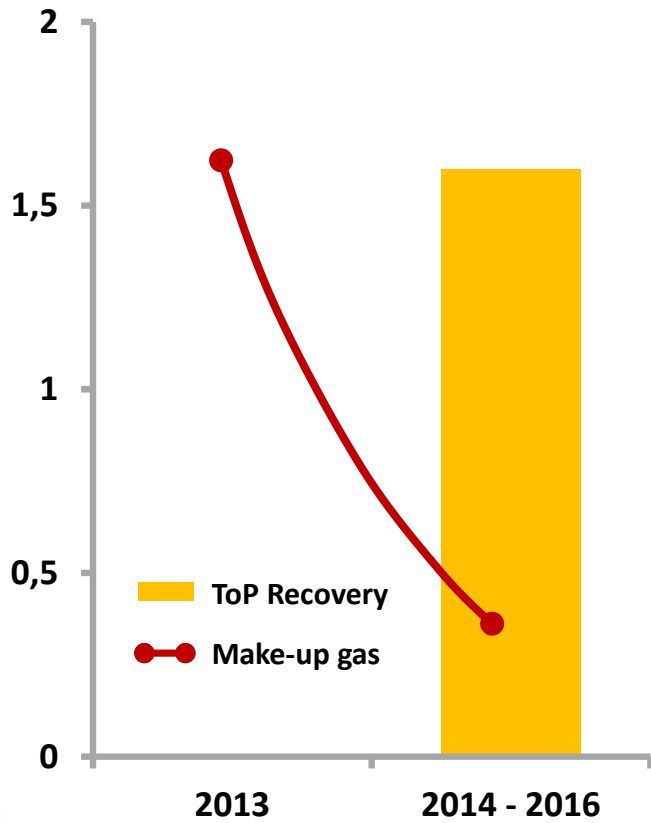


SAVING FROM REORGANIZATION
€700 MLN/YEAR

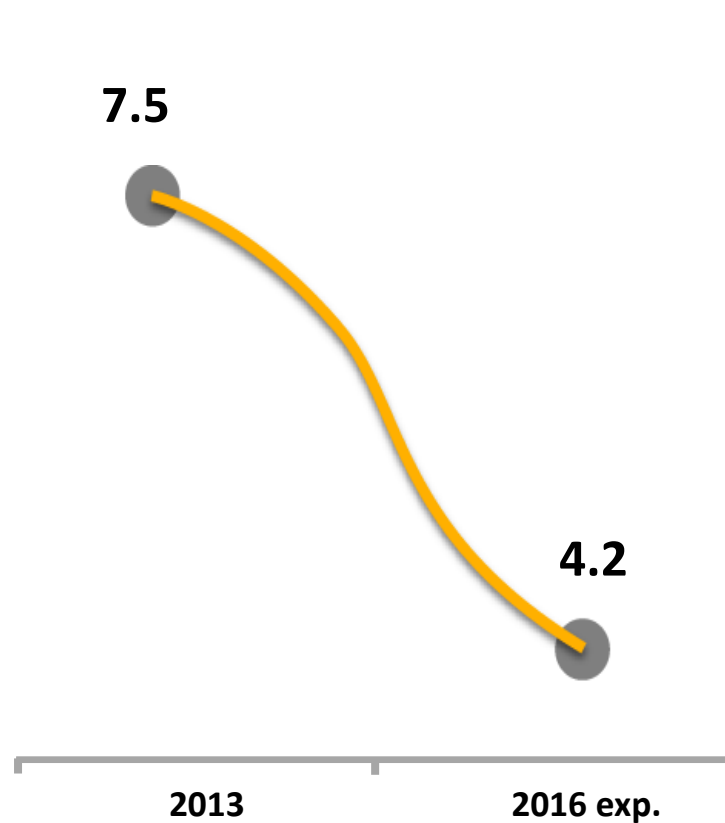


Restructuring mid-downstream

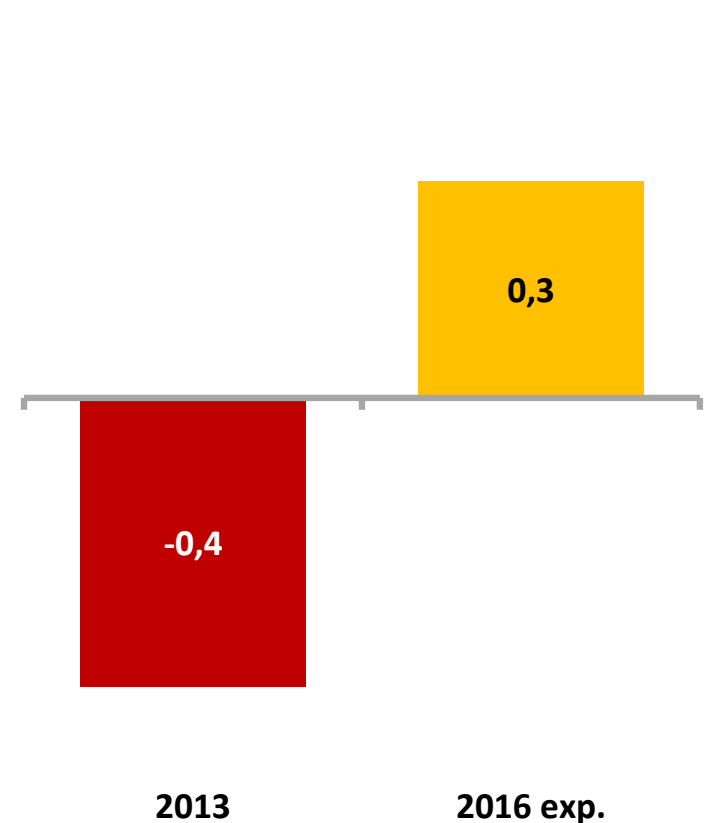
Gas & Power
 ToP recovery | € bln



Refining
 Break-even margin EBIT adj | \$/bl



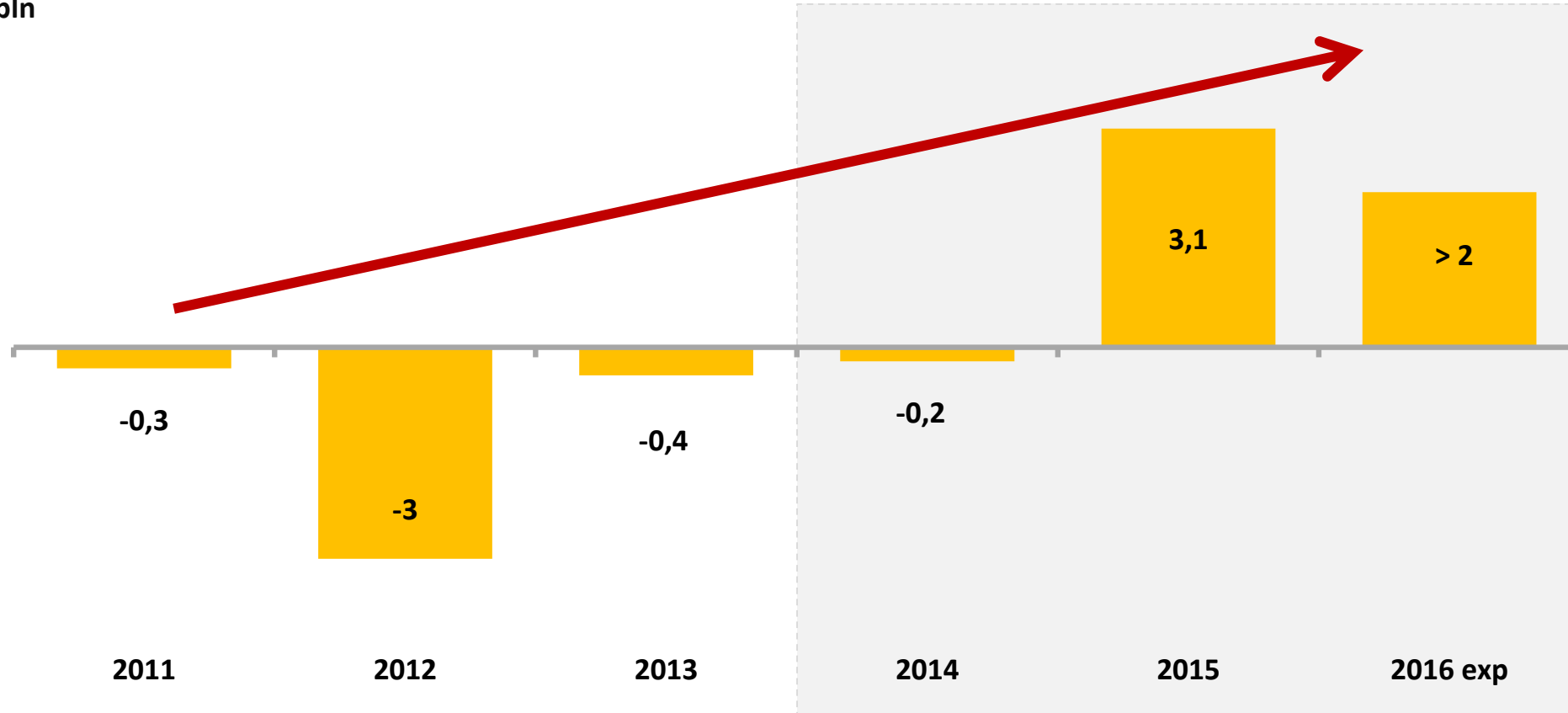
Chemicals
 EBIT result | € bln



Cash flow generated by mid-downstream restructuring

Transformation into a fully integrated O&G Upstream enhancement Restructuring mid-downstream
Cost efficiency

€ bln



Δ CFFO 2014-2016 vs 2011-2013: ~€ 9 Bln

Delivering on upstream enhancement

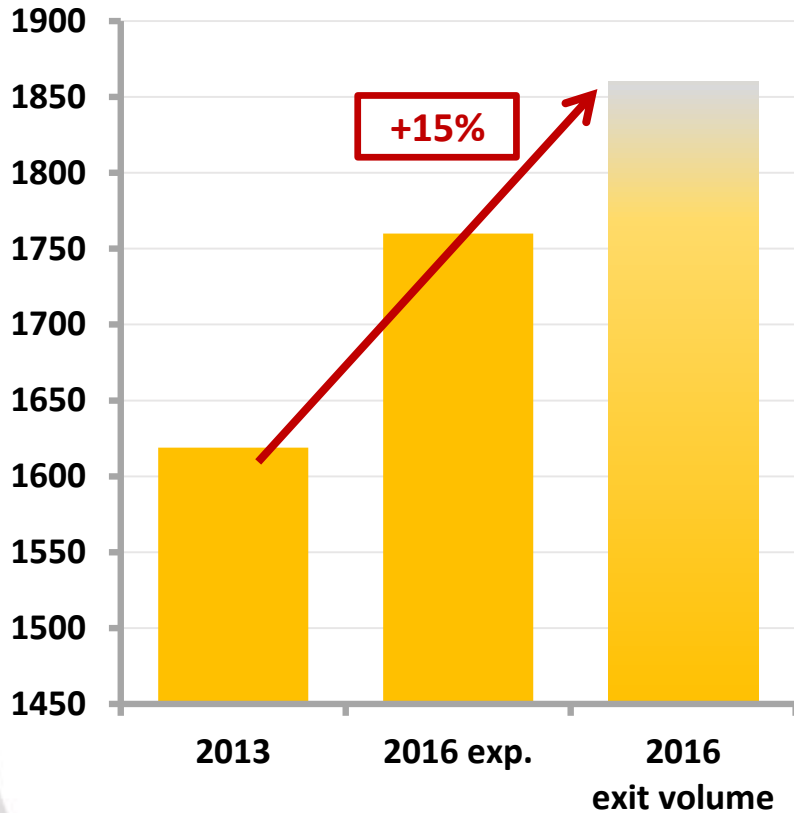
Transformation into a fully integrated O&G

Upstream enhancement

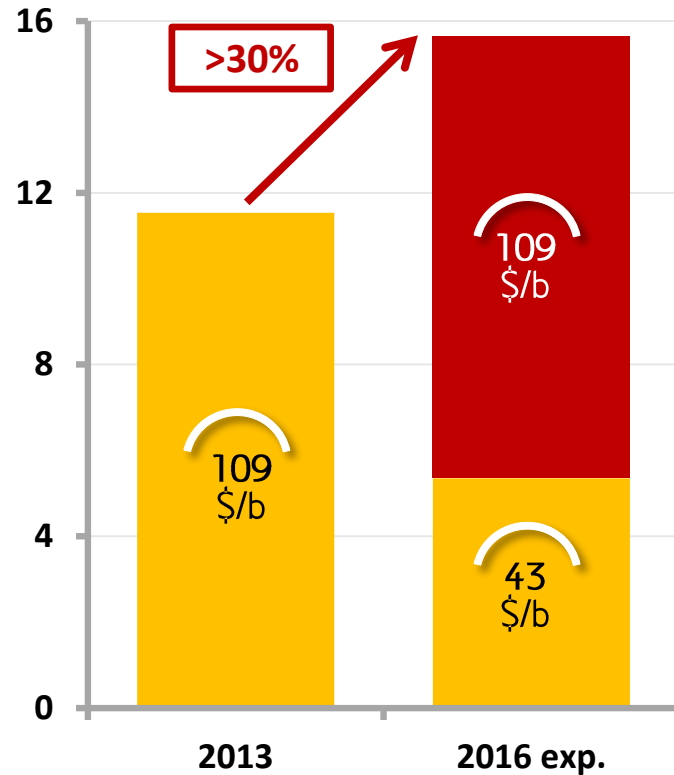
Restructuring mid-downstream

Cost efficiency

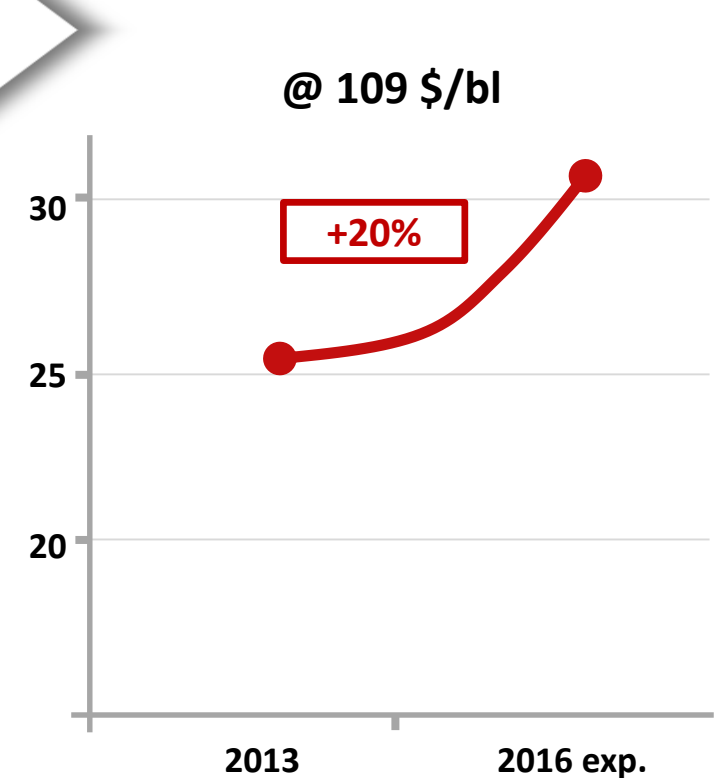
Production | kboed



Operating Cash Flow | € bln



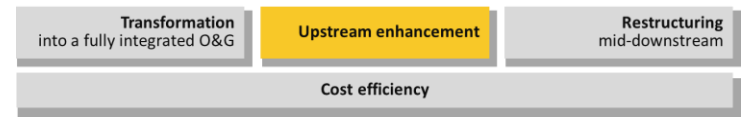
Cash flow per barrel | \$/boe



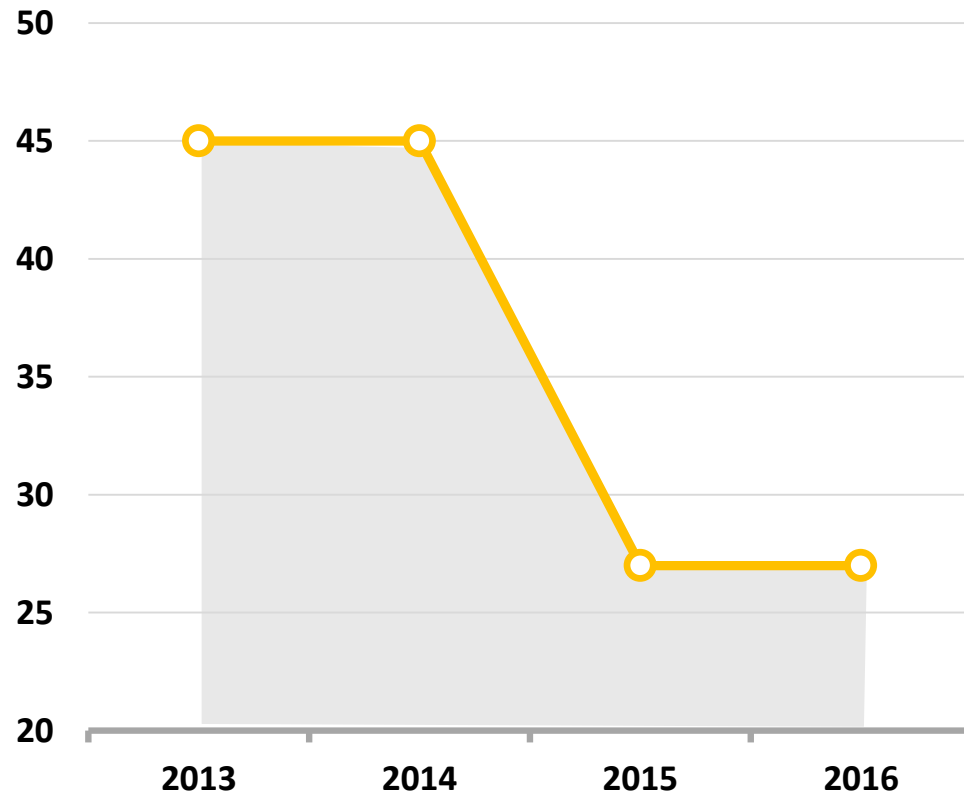
HISTORICAL RECORD OF PRODUCTION AND ENHANCED CASH FLOW



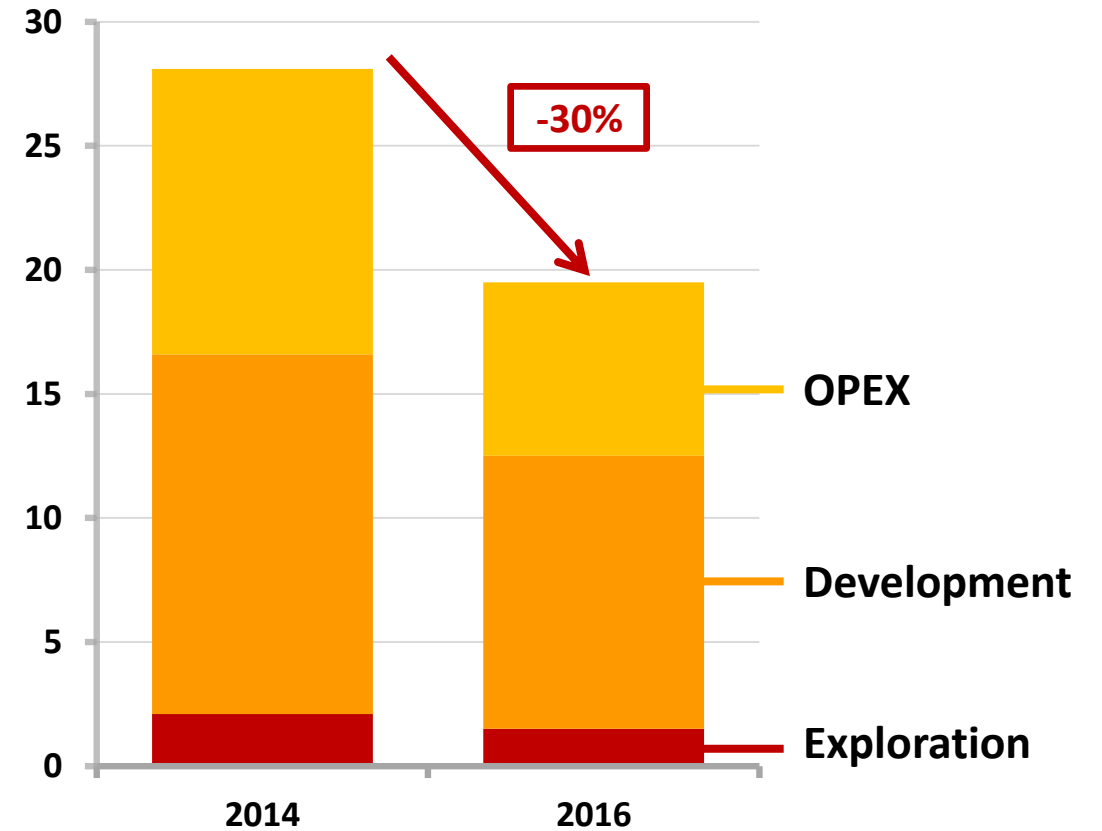
Improving portfolio cost structure



New projects breakeven | \$/boe



Technical costs | \$/boe



Cost optimization

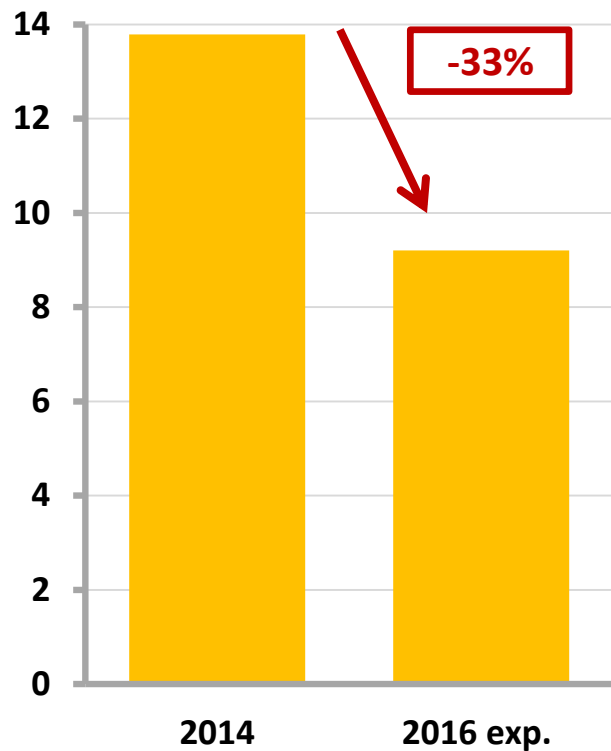
Transformation into a fully integrated O&G

Upstream enhancement

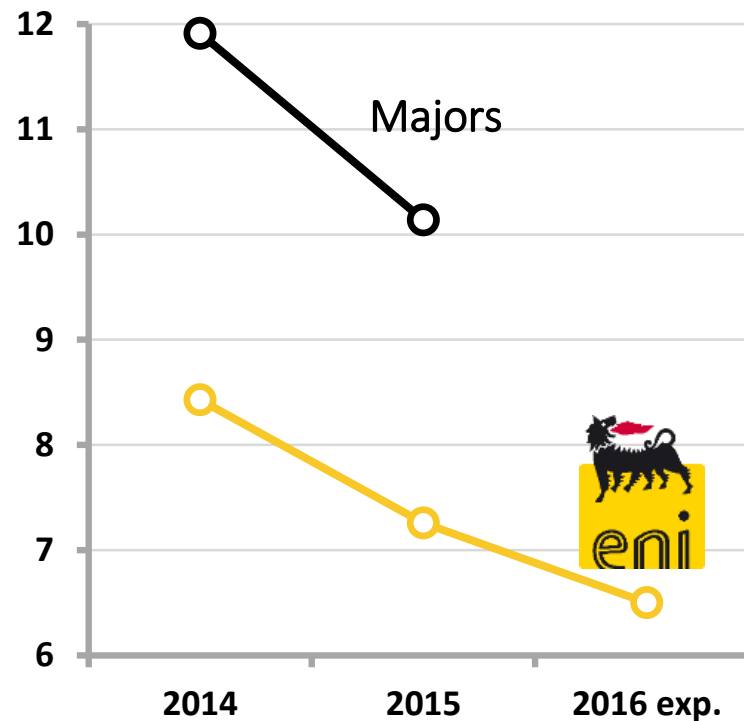
Restructuring mid-downstream

Cost efficiency

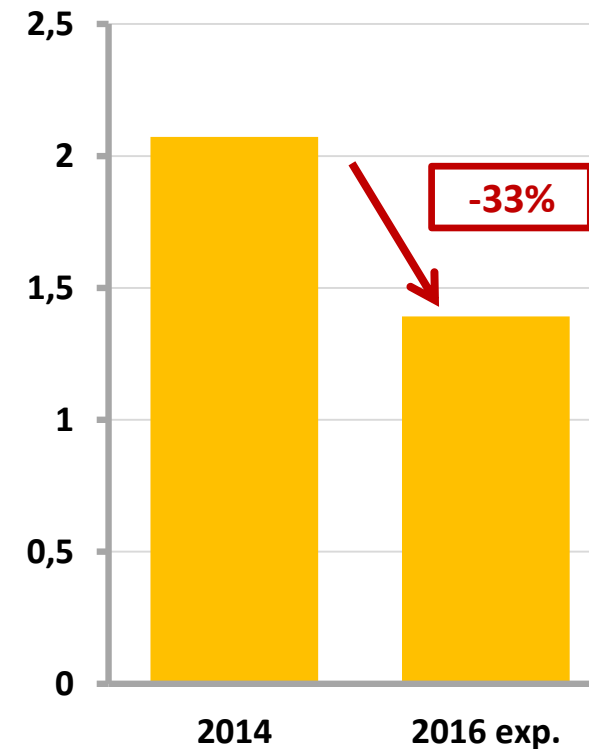
Group Capex | € bln



Upstream Opex | \$/boe



G&A costs | € bln

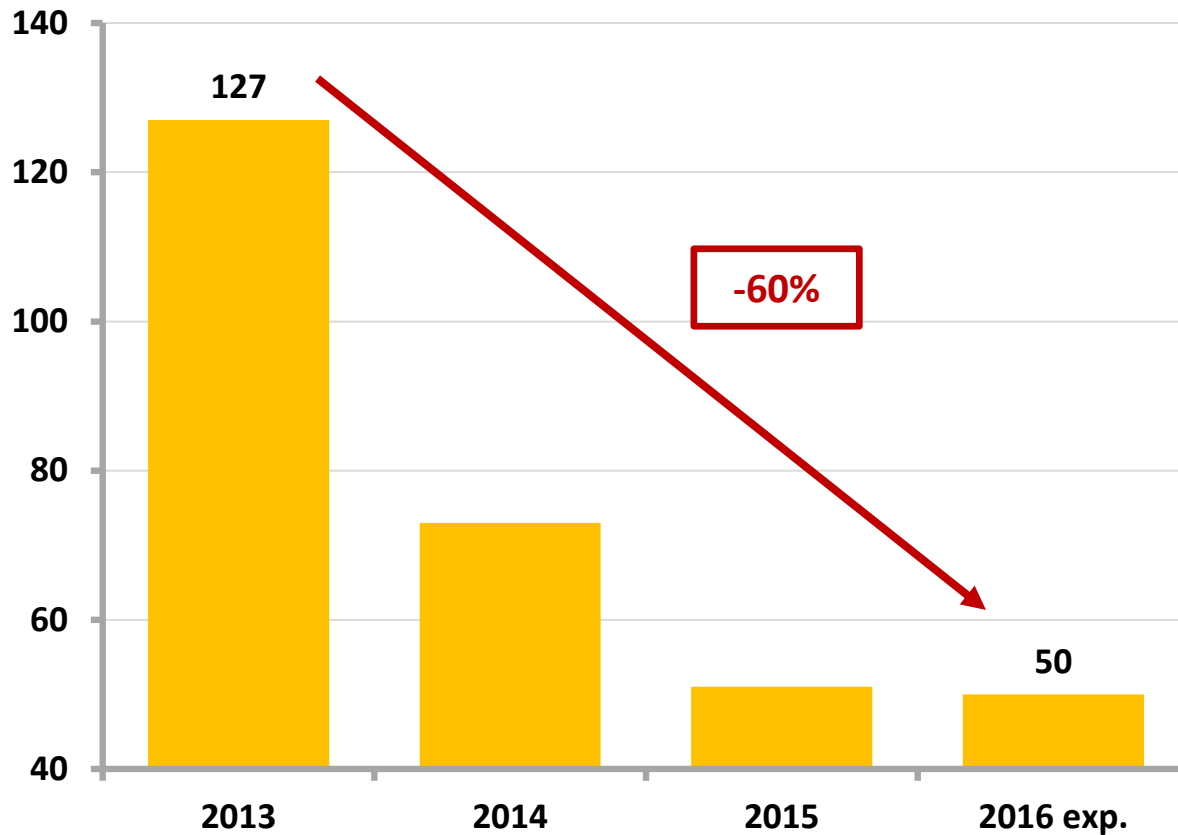


CUMULATIVE COST SAVING € 10 Bln



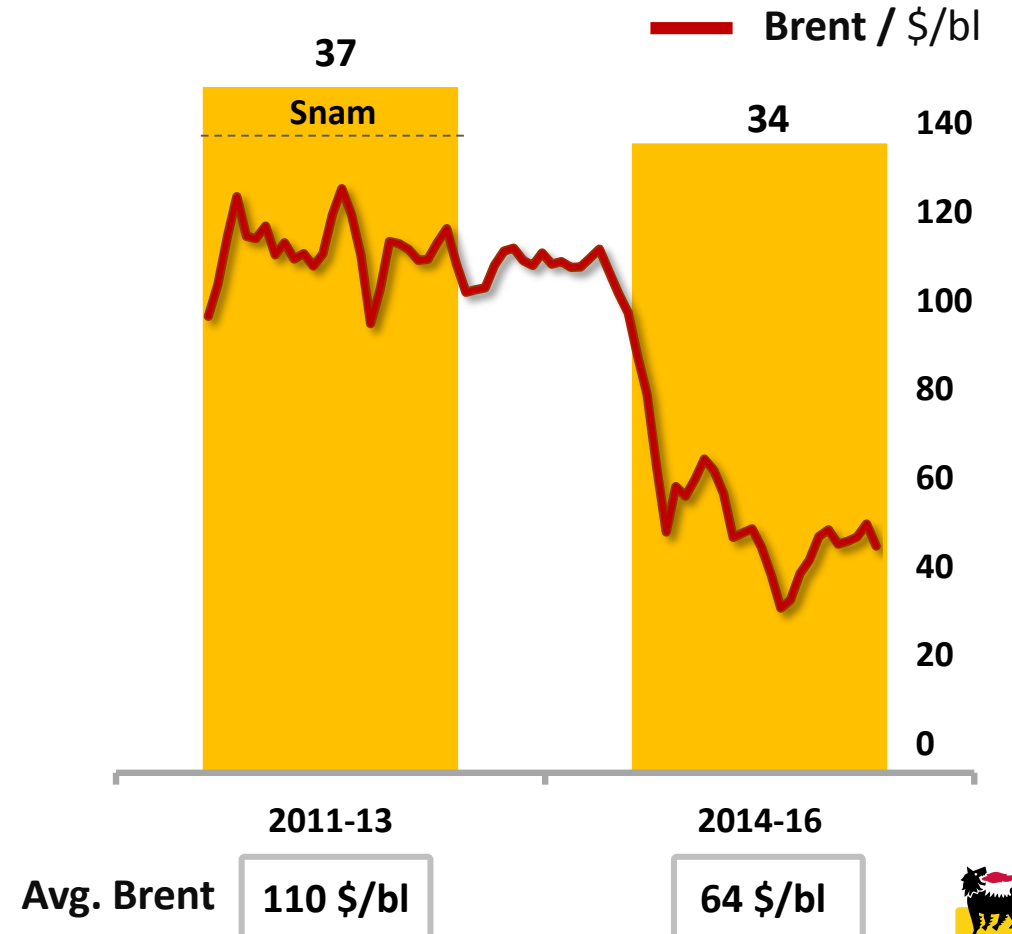
An effective strategy to halve cash neutrality


Price of cash neutrality* | \$/boe



* Organic coverage of Capex through CFFO

Cumulative Operating Cash Flow | € bln





A distinctive
model for
value
generation

Noroos, Egypt

A distinctive strategy on exploration

Our people



Technology and Big Data



Thinking out of the box

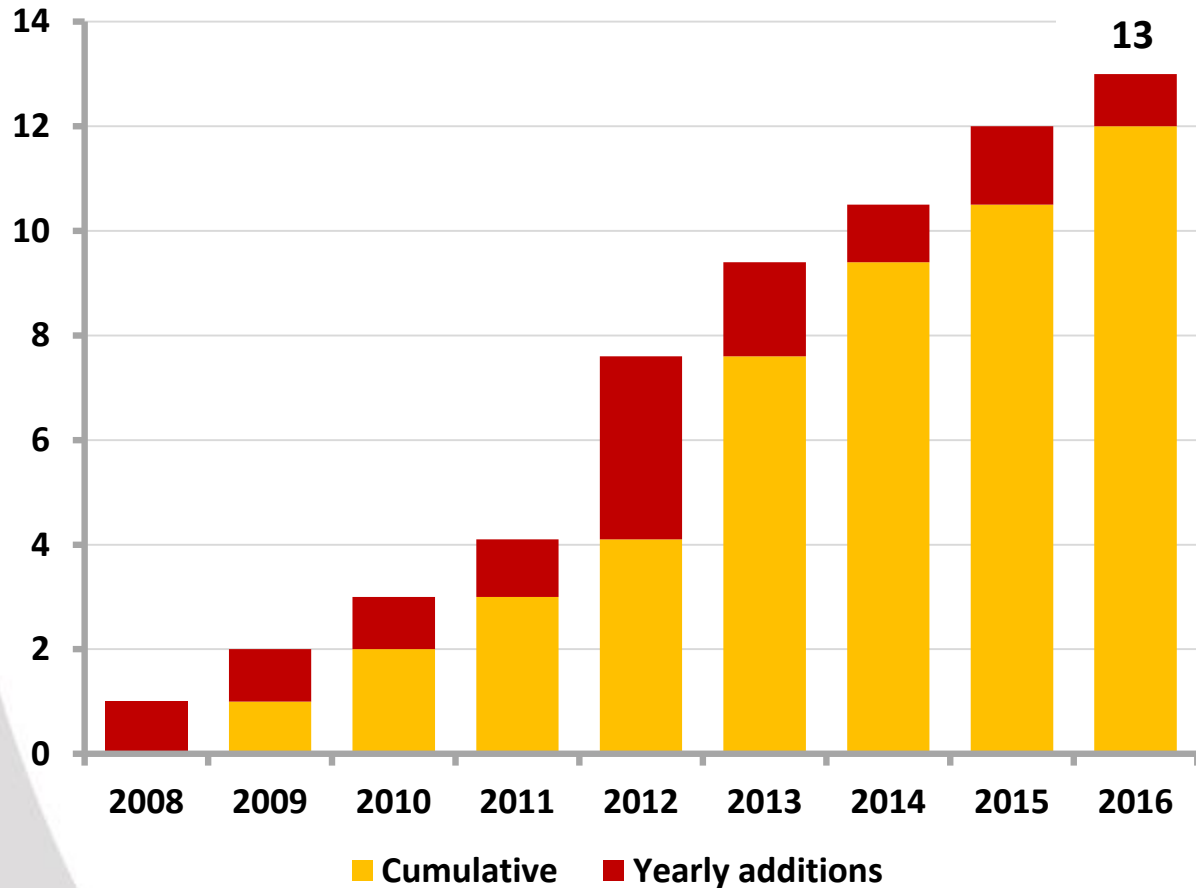


Main drivers of exploration strategy

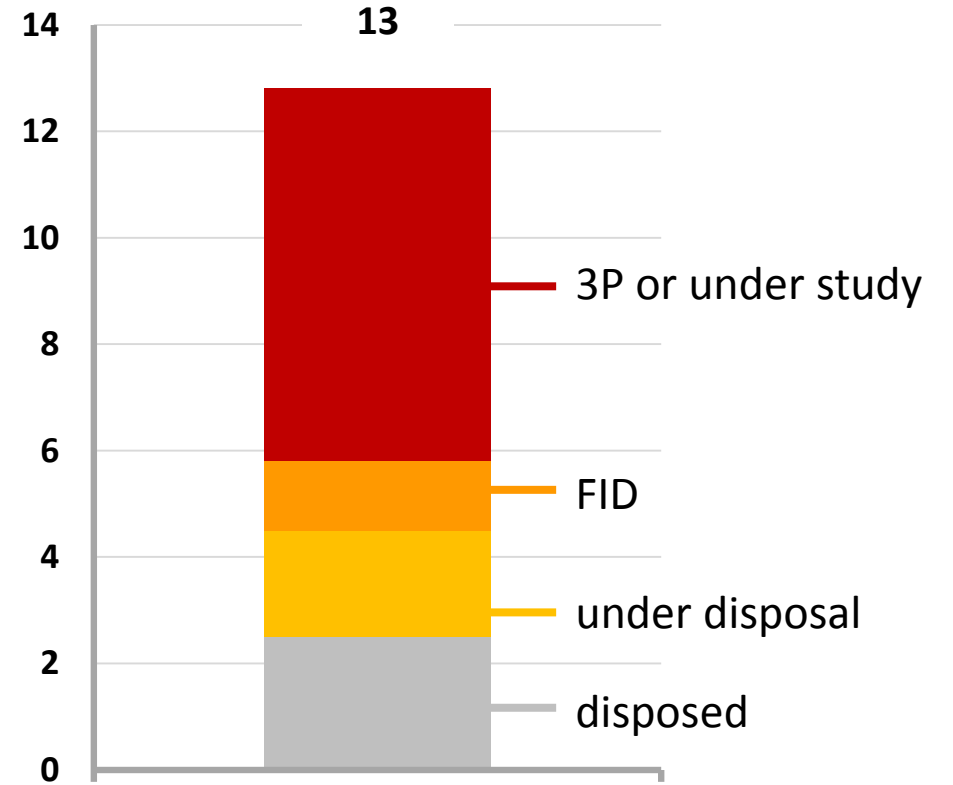
- Unconventional Focus On Conventional plays
- Ownership and high stake
- Early mover approach
- Risk diversification on multiple plays
- Rapid Resource conversion

Key metrics of our success

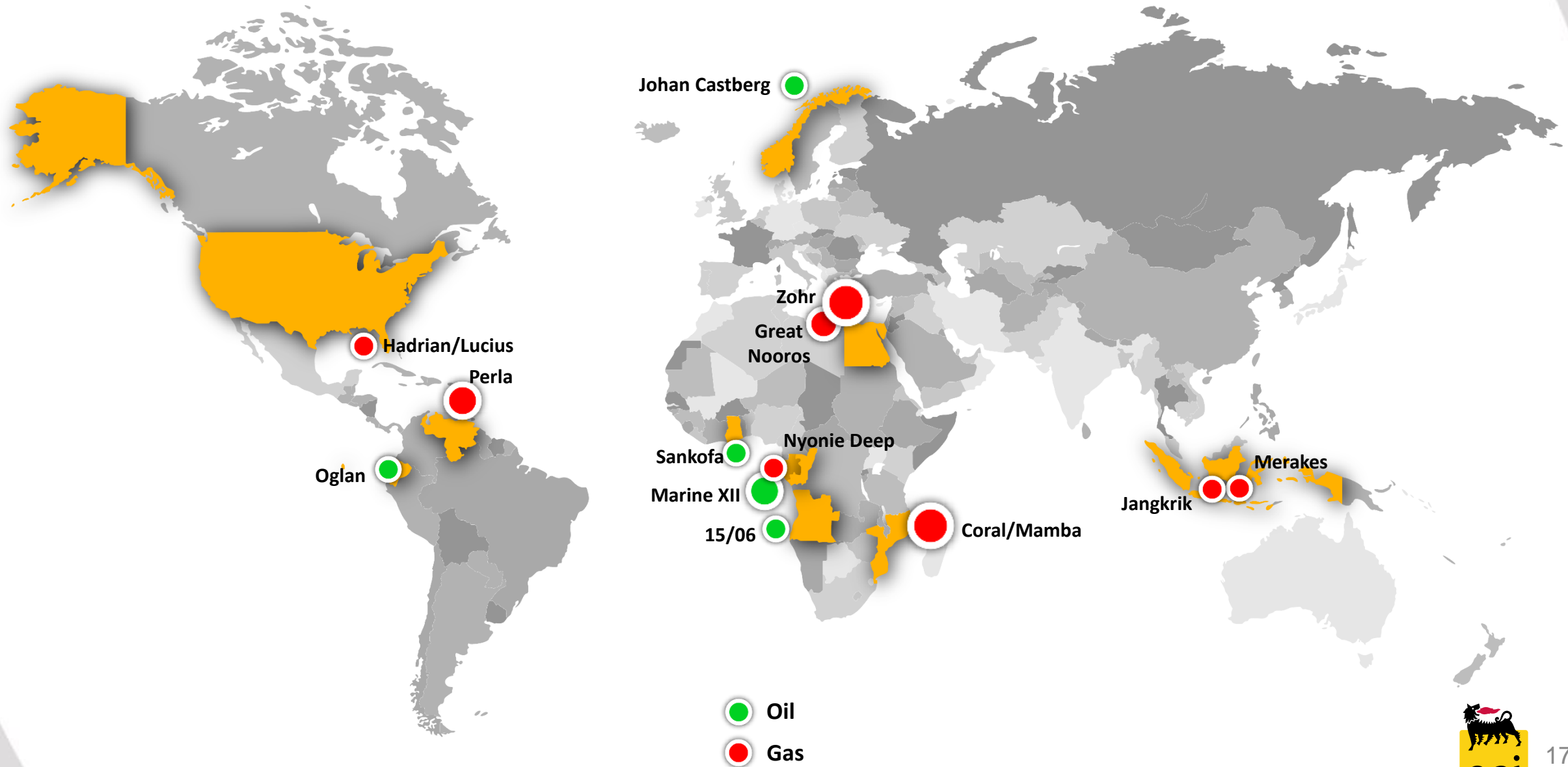
Cumulative discovered resources | bln boe



Accelerating conversion to reserves and economic value | bln boe

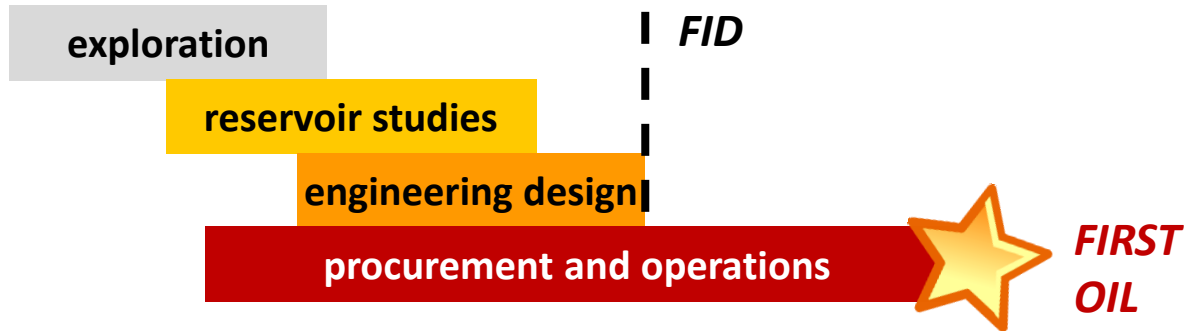


Map of exploration discoveries since 2008



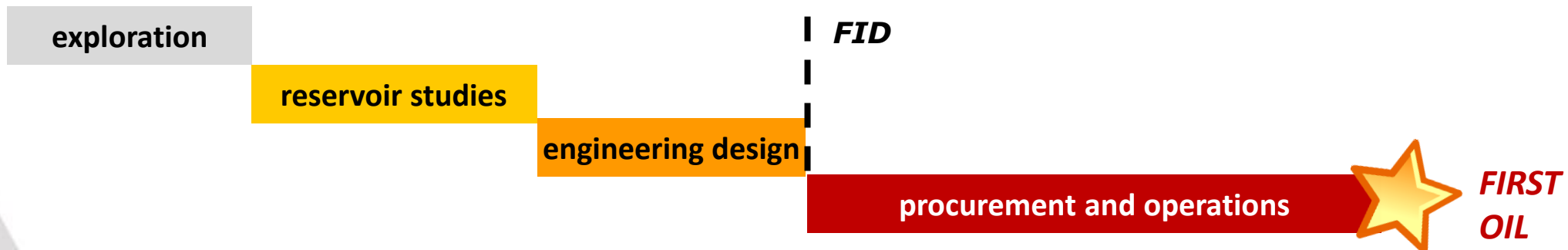
“Designing to cost” from exploration to development

Eni phased / fast track project schedule

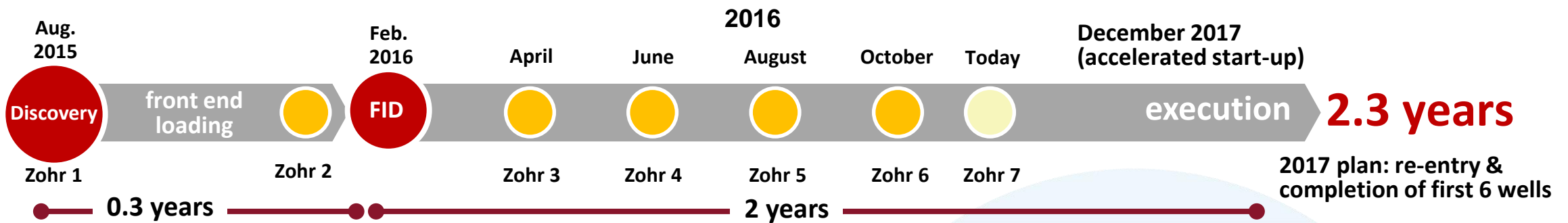


- Strong **integration** from exploration to start-up thanks to leading edge technology
- **From a sequential to a parallel approach**
- **Project phasing** to reduce subsurface risks
- **3D reservoir models before exploration well** for critical projects
- Continuous **reservoir updates** and scenarios' analysis

Traditional project schedule



Ultra fast-tracking Zohr



ACCELERATED START-UP

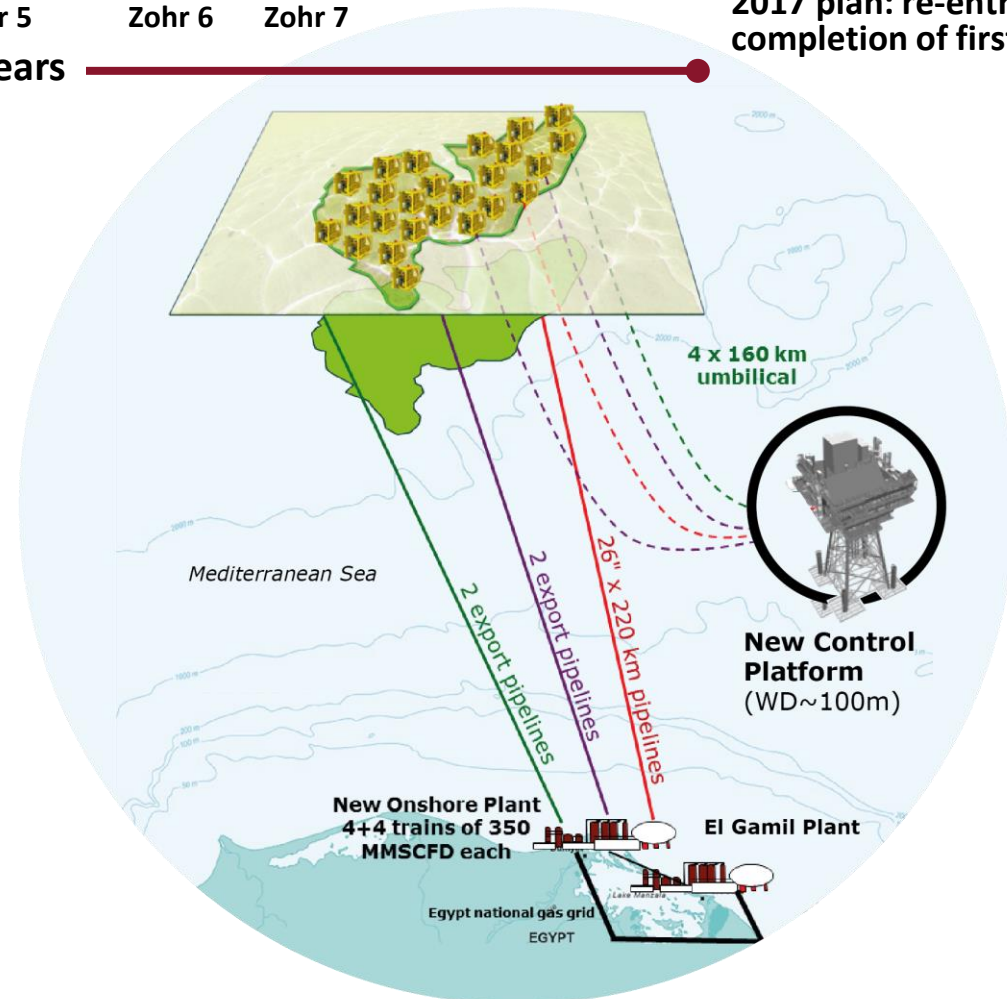
- 6 wells + 26" line
- 1 control platform + 1 umbilical
- new onshore plant

RAMP-UP TO PLATEAU

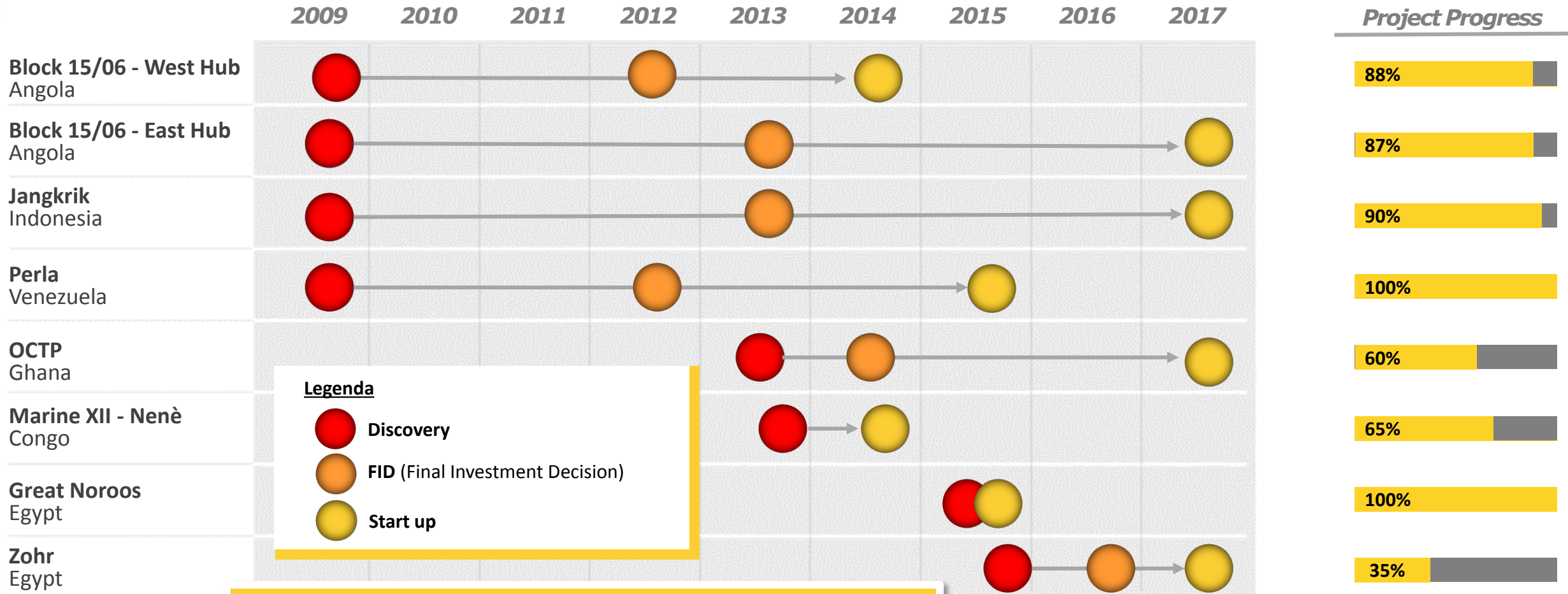
- 14 additional wells + 2 x 30" export lines
- 2 umbilicals + Extension of new onshore plant

PLATEAU EXTENSION

- 5 additional wells + additional 2x30" export lines
- 1 umbilical + Onshore compression



Time-to-market of recent and ongoing main projects



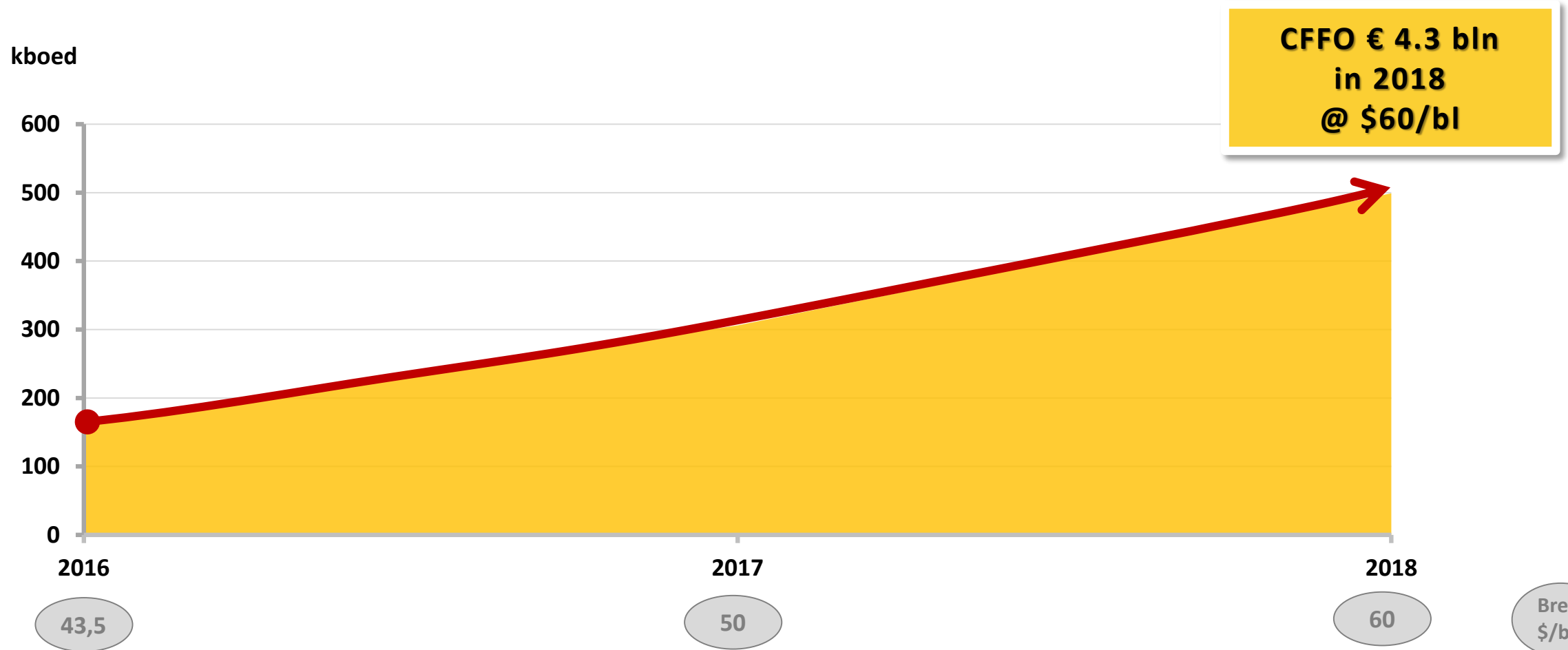
Legenda

- Discovery
- FID (Final Investment Decision)
- Start up

Avg Time to Mkt

Discovery to FID: 2 years vs industry avg 4 years
 FID to Start up: 2.5 years vs industry avg 4.5 years

Contribution to growth and cash flow



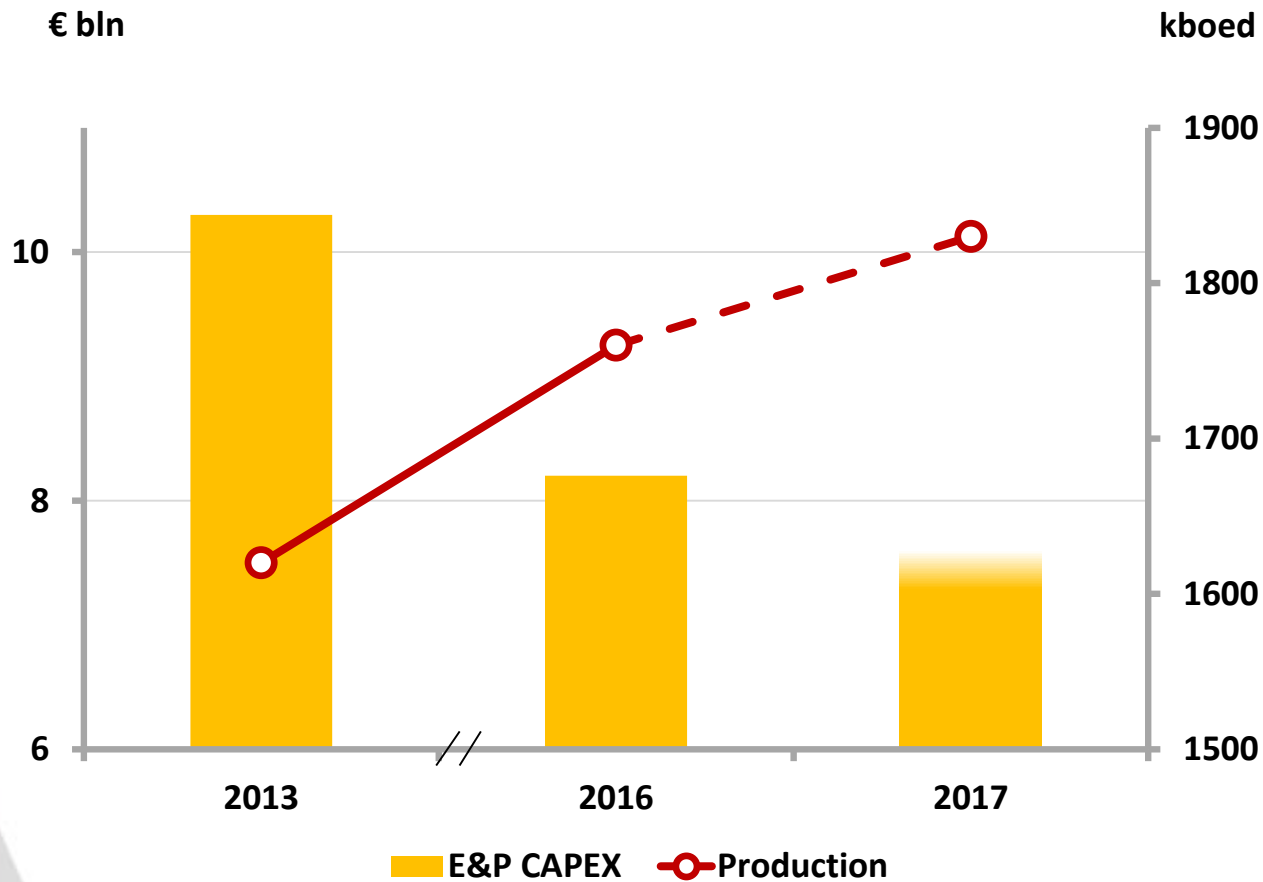
2016-2018 CUMULATED CFFO € 7.7 BLN

Contribution from Block 15/06, Jangkrik, Perla ,OCTP, Marine XII, Great Noroos, Zohr, Goliat and Kashagan



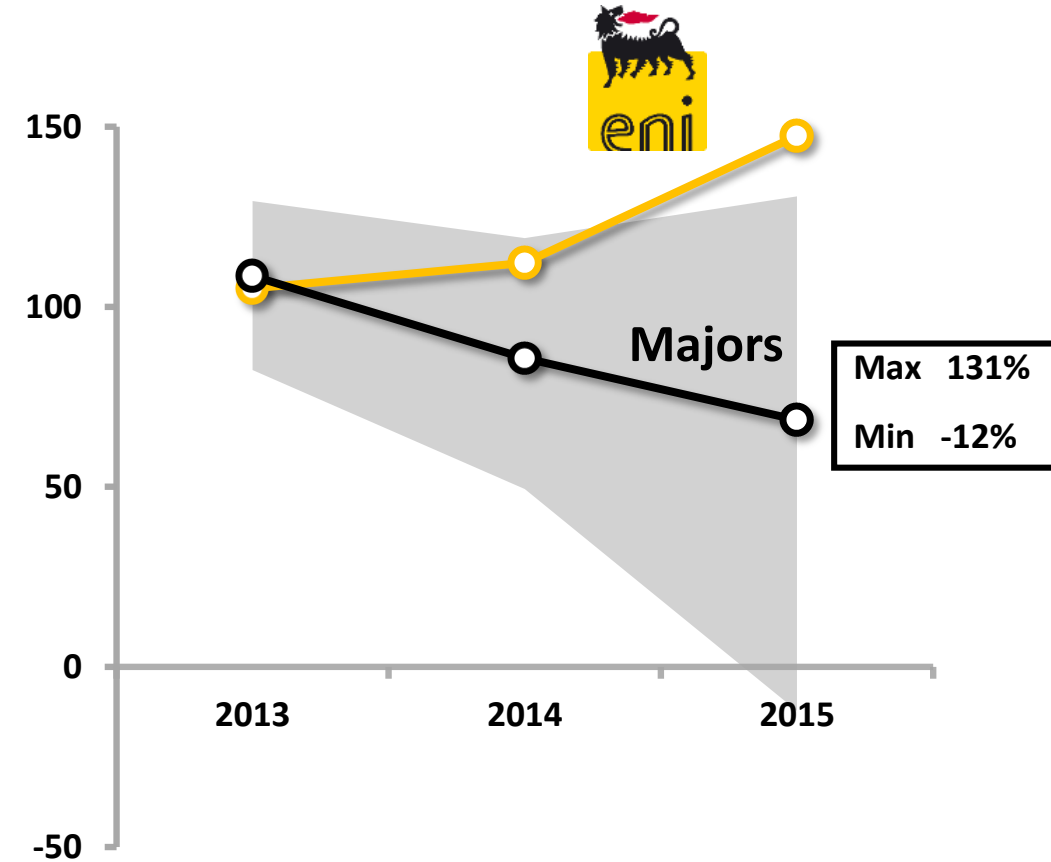
Increased upstream capital efficiency

E&P Capex* vs production

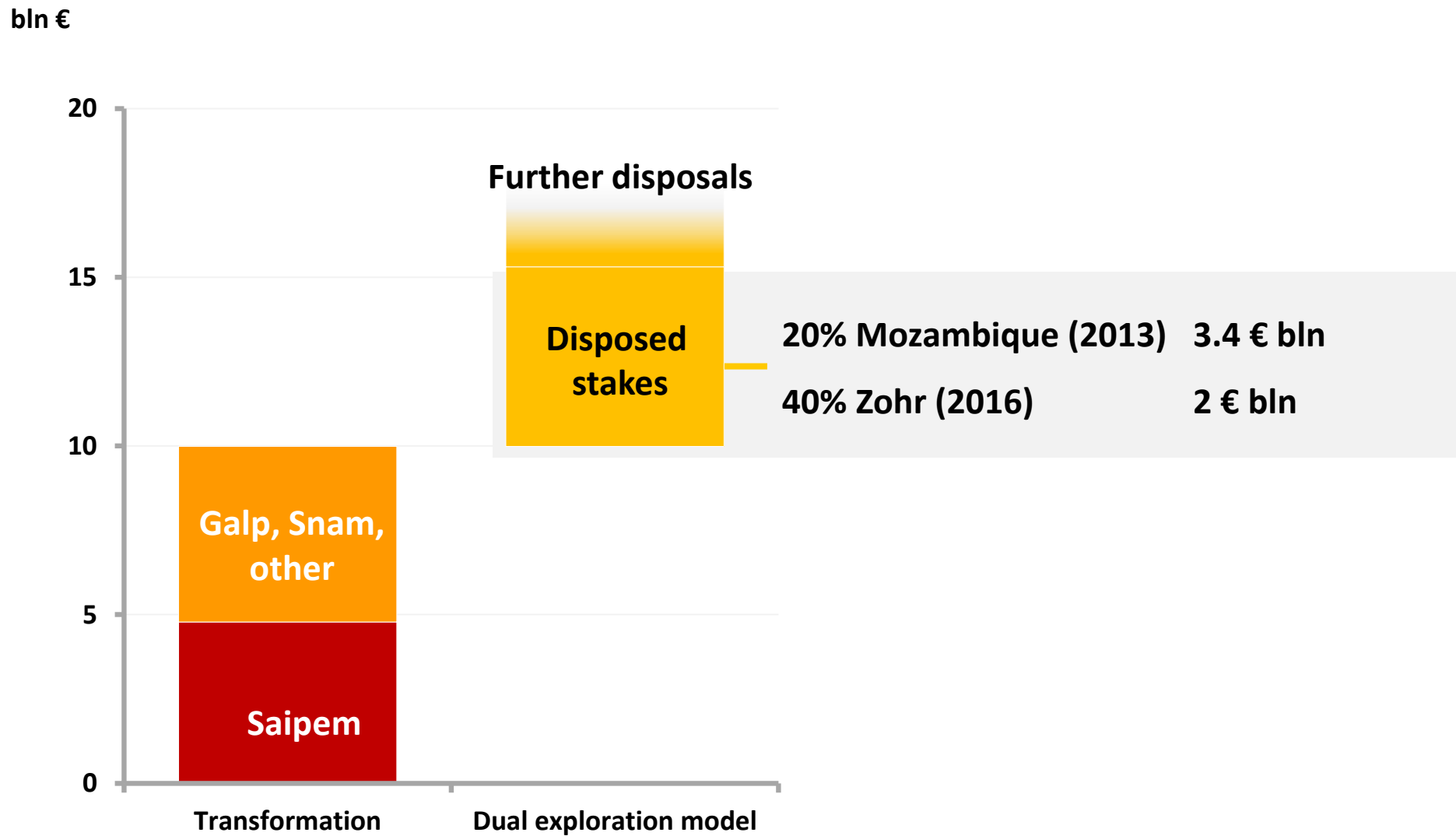


* Before disposal

Reserve Replacement Ratio | %



Our strategy to unlock portfolio value



Conclusion

		2013	TODAY
UPSTREAM	Production (Mb/d)	1.6	>1.85
	Projects breakeven (\$/boe)	45	27
	Inactive capital (bln €)	24	16
MID-DOWNSTREAM	LT contracts G&P	80% oil	>70% hub
	Refining breakeven (\$/bl)	>8	4.2
	Chemicals ebit	FCF and EBIT negative	Structural break-even and self-financing
CORPORATE & FINANCIALS	Organization	Divisional	Integrated
	Business model	Conglomerate	O&G focus
	Capex coverage neutrality (\$/boe)	127	50