

2016-2019 Strategy Presentation

Succeeding in the downturn and fuelling long-term growth

London, 18 March 2016

Strategy execution is well advanced

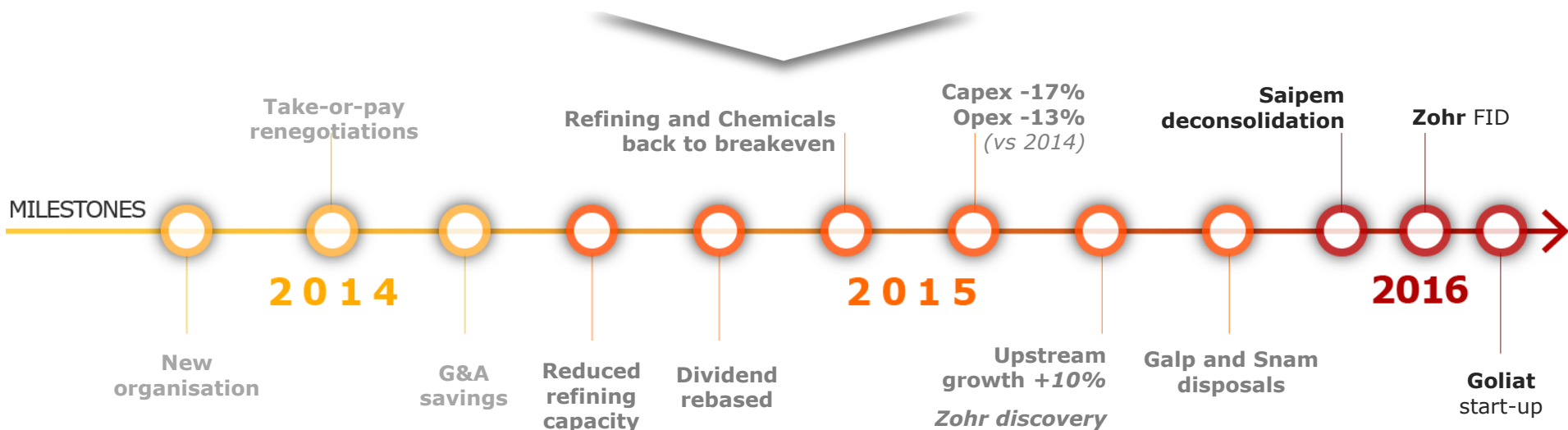
STRATEGIC PILLARS

Transformation
into a fully integrated O&G

Profitable growth

Restructuring
mid-downstream

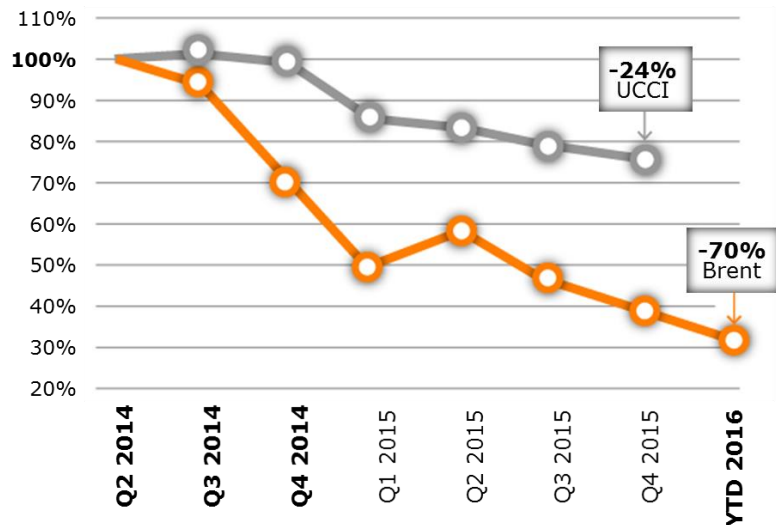
COST EFFICIENCY



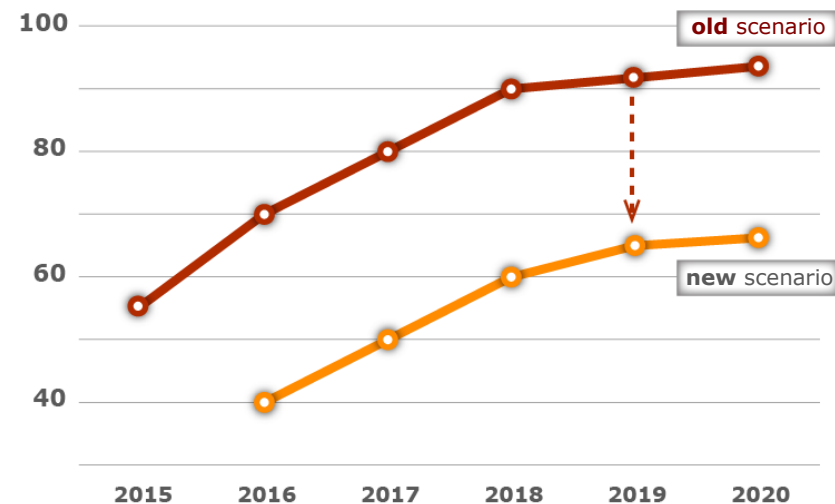
Unlock value and enhance financial solidity

Managing the trade-offs of a longer downturn

Oil price and cost variations



Brent price | \$/bbl



Short-term **Cash Balance**

Growth Long-term

A unique portfolio for a balanced strategy

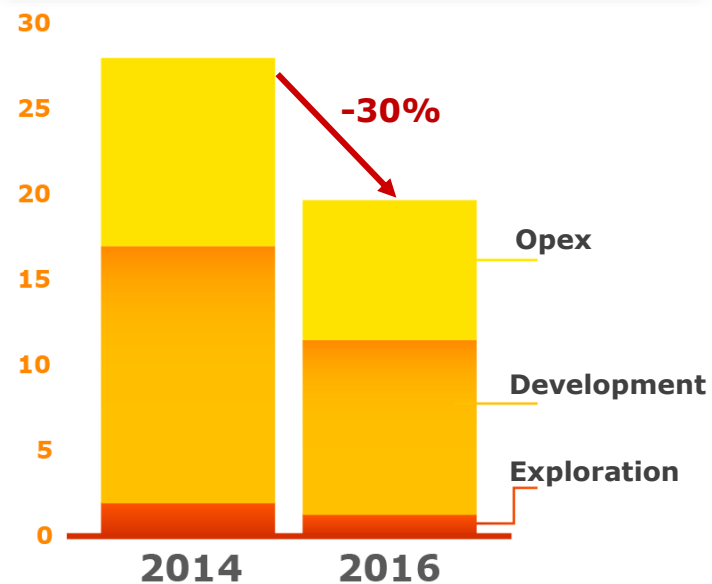
New discoveries enhance portfolio optionality

Simplified and phased execution of conventional projects

Dual exploration model and transformation

Efficient operating model and optimized supply chain

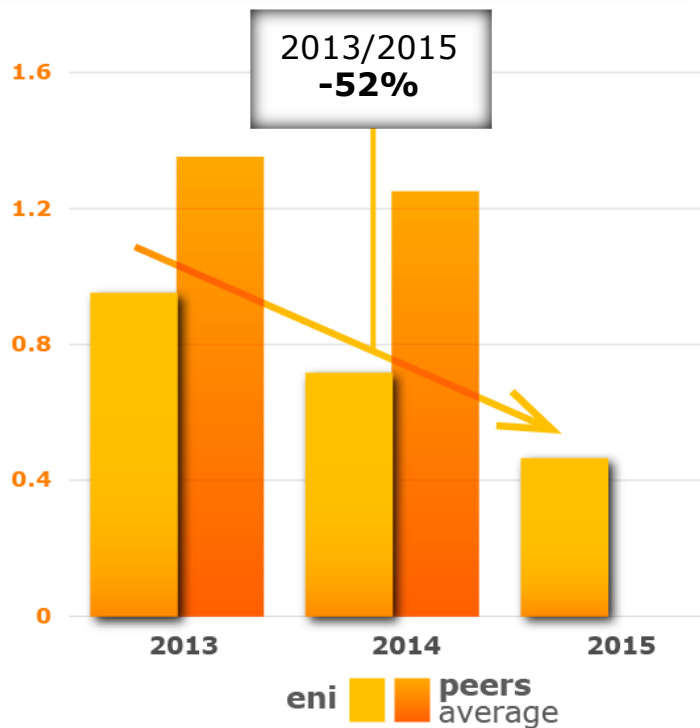
New projects' cost structure | \$/boe



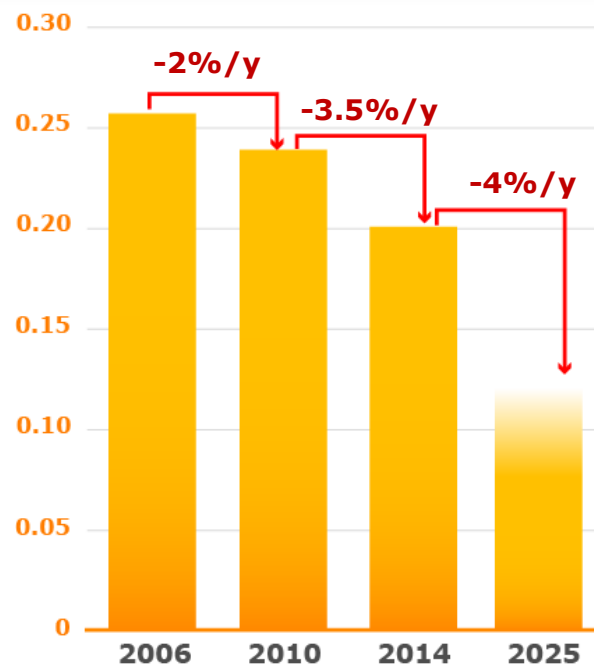
Full life cost of new projects portfolio



Total Recordable Injury Rate



GHG emissions | TCO₂ eq/toe



GHG reduction
2025 vs 2014: -43%

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

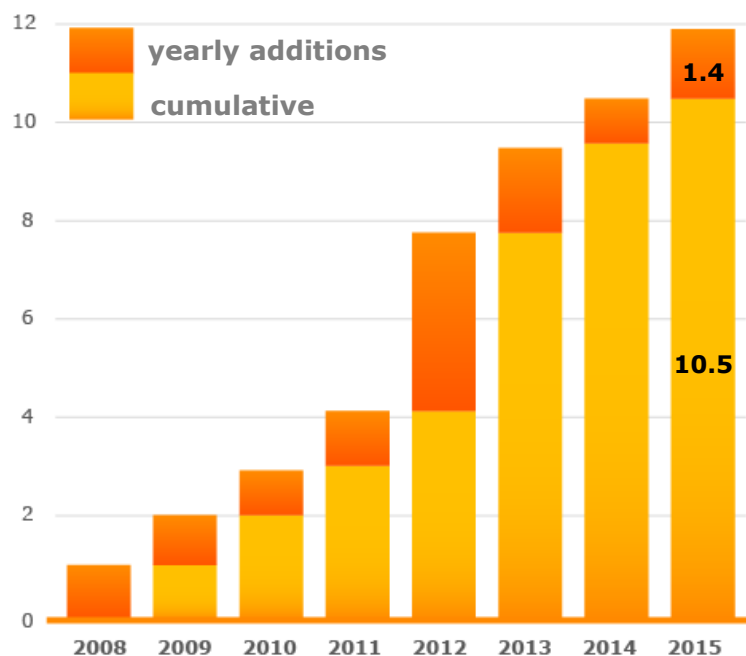
- G&P in structural breakeven from 2017
- Refining breakeven at \$3/bbl margin
- Cumulative G&A savings of €2.5 bln through 2019

Transformation

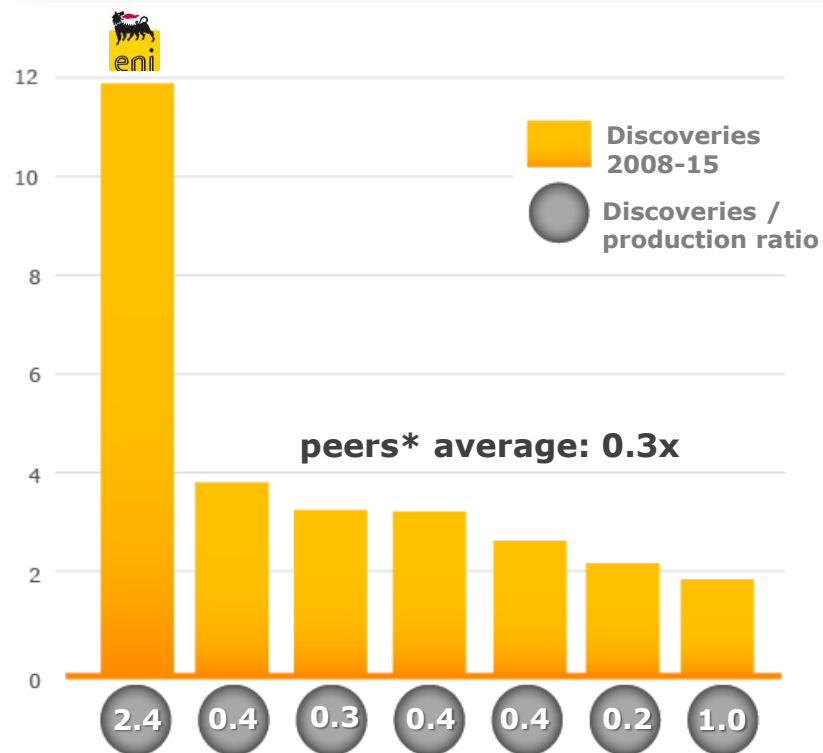
- Non core business disposals
- Dual exploration model
- New 4YP disposal target €7 bln

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

Cumulative discovered resources | bln boe



Discoveries vs production 2008-15 | bln boe



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

Exploration

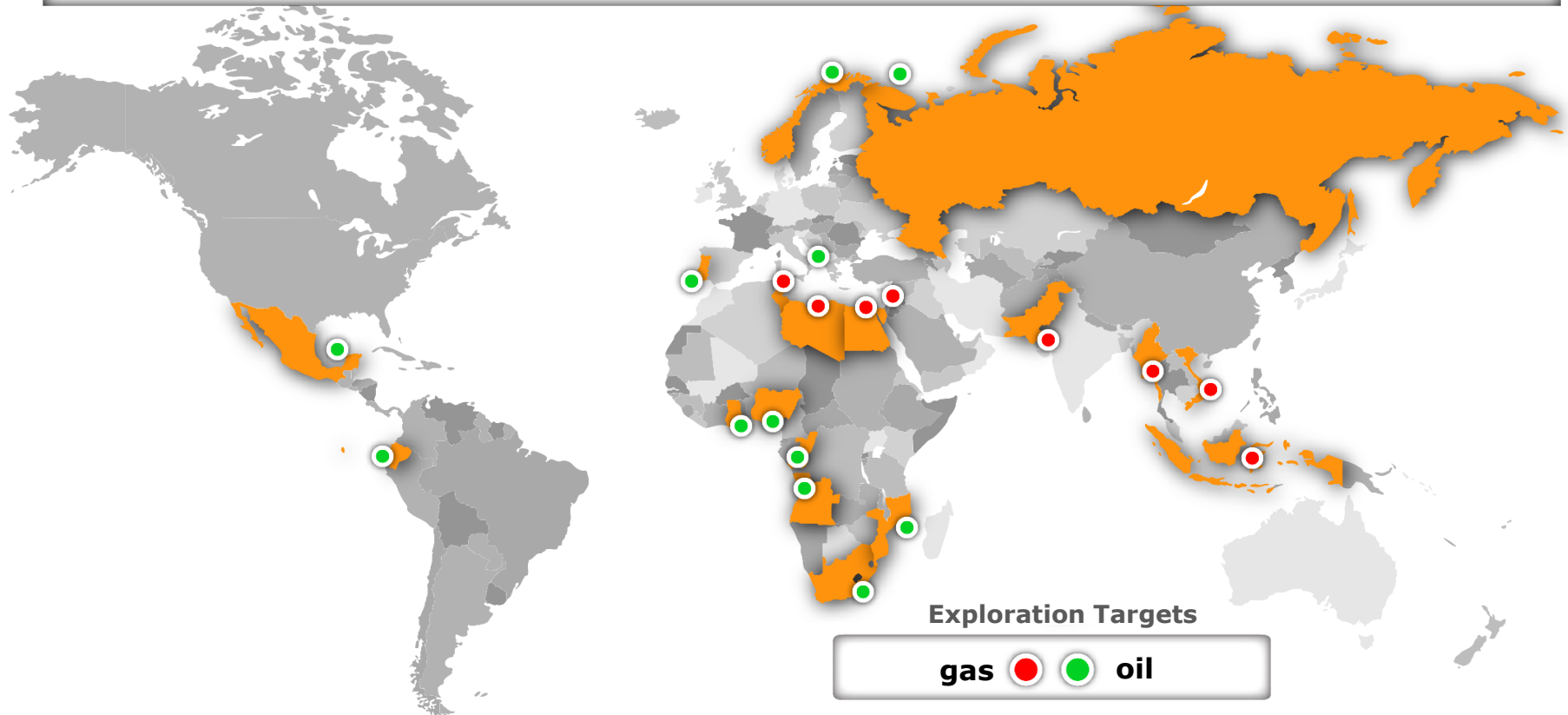
Focus on near-term and low-cost options

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**Near field and
incremental exploration**

**Short
Time to Market**

**Deep Water focused
on material opportunities**

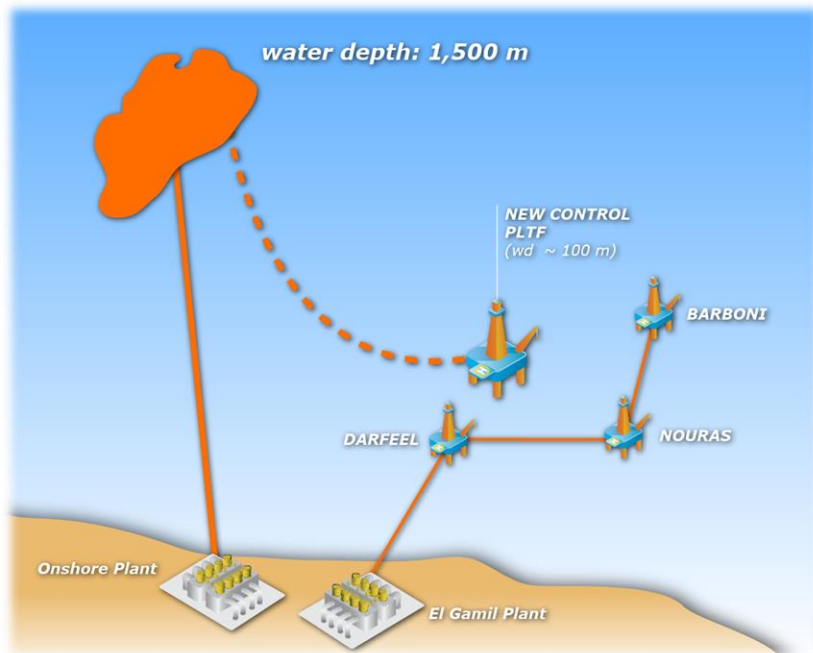


4YP target | 1.6 bln boe at \$2.3/boe (UEC)

Main start-ups in the 4YP

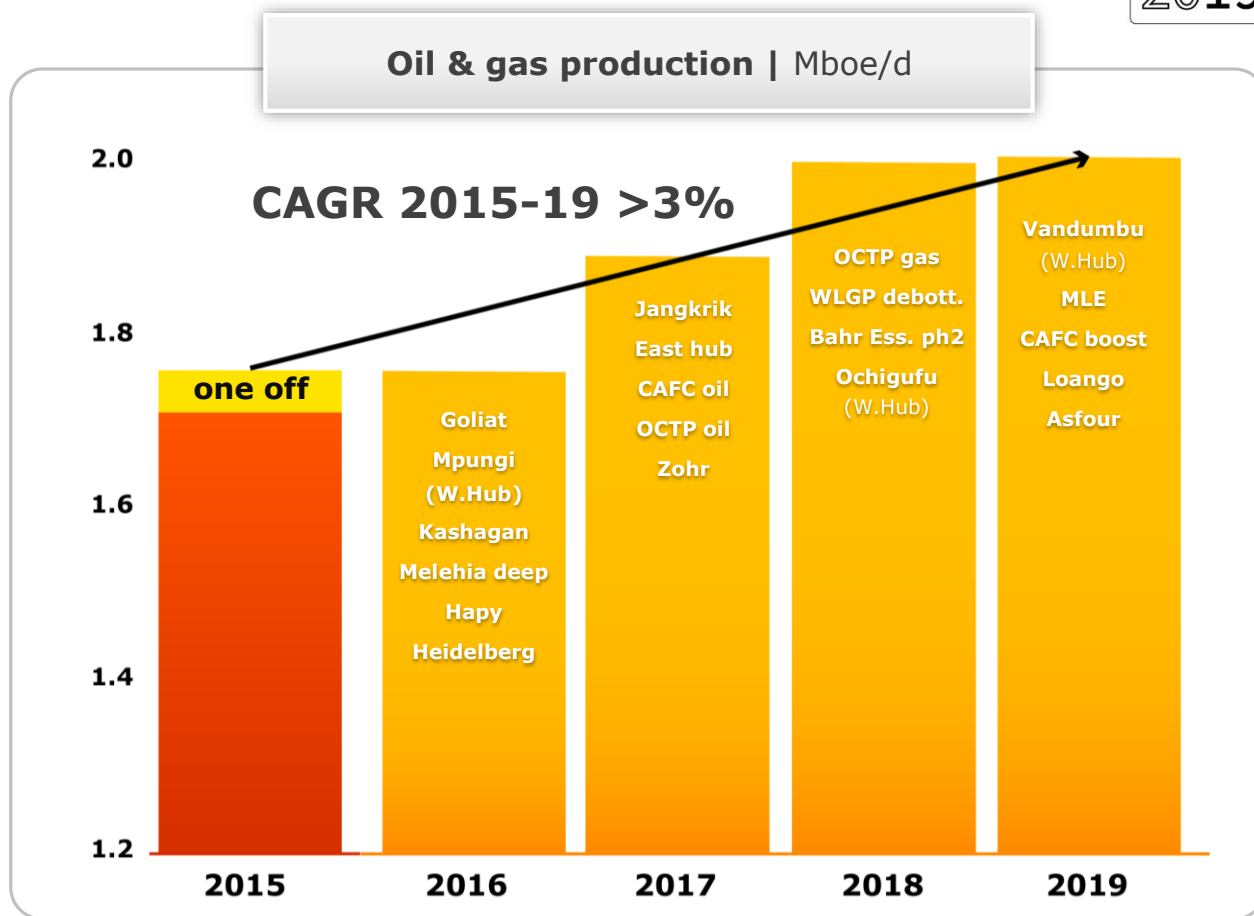
	GOLIAT	KASHAGAN	JANGKRIK	MARINE XII	OCTP	15/06 East hub	ZOHR
							
	<i>Norway</i>	<i>Kazakhstan</i>	<i>Indonesia</i>	<i>Congo</i>	<i>Ghana</i>	<i>Angola</i>	<i>Egypt</i>
eni operator							
start up	achieved	2H 16	1H 17	ongoing	2H 17	2H 17	2H 17
plateau eq. kboed	65	65	40	150	40	45	>400

Project scheme



Highlights

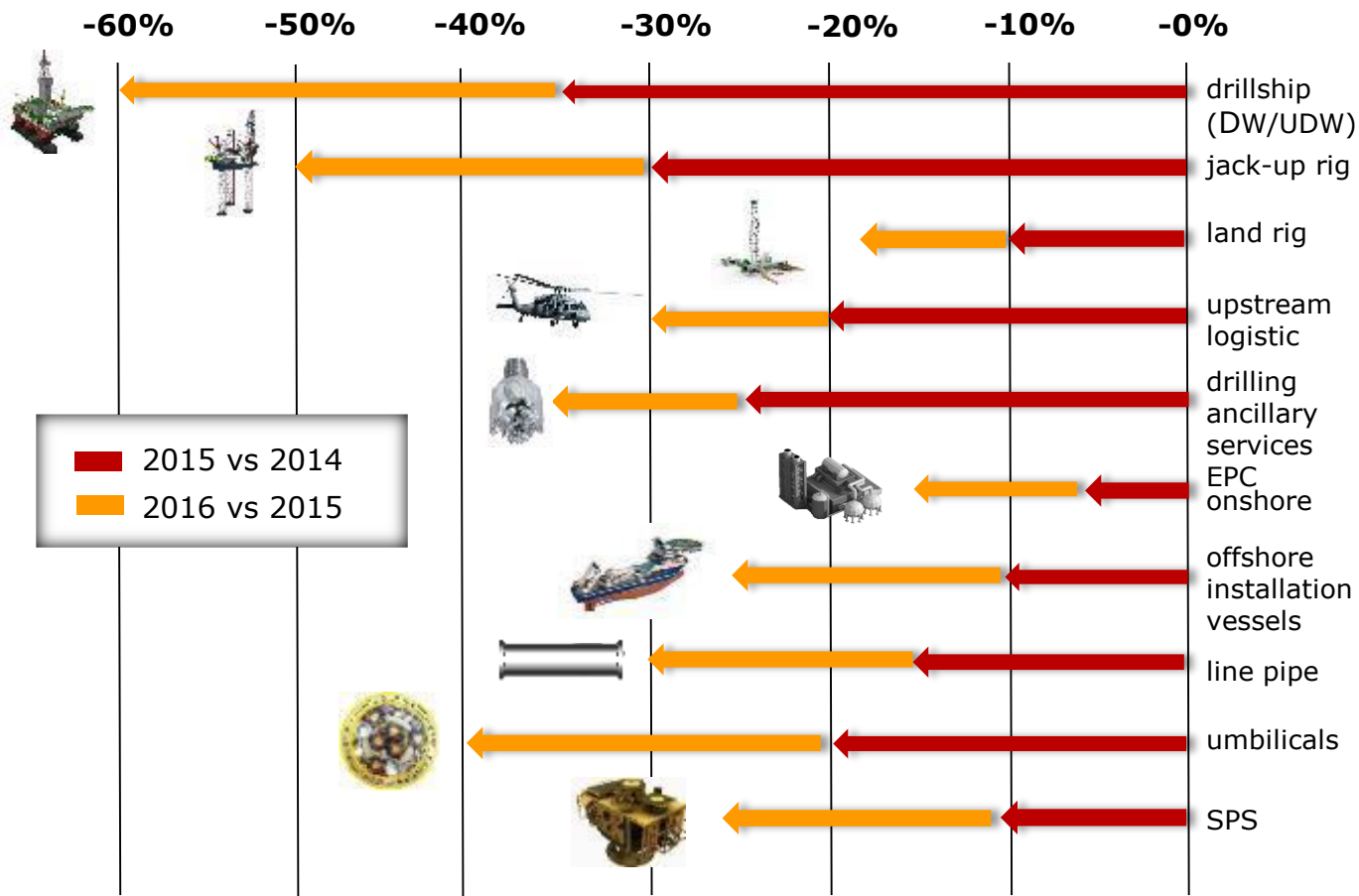
- **FID in Feb 2016 (6 months after discovery)**
- **Start-up from Q4 2017**
- **Carbonate reservoir in 1500m water depth**
- **30 Tcf (850 bln m³) OGIP**
- **Working interest: 100% eni**
- **Plateau 2.7 bcf/d or 500 kboed
(eq peak >400 kboed)**
- **20 wells and pipelines to on-shore processing plants**
- **Capex < €12 bln (100% W.I.)**
- **Sales to local market**



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

Speeding up alignment between cost and prices

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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%)

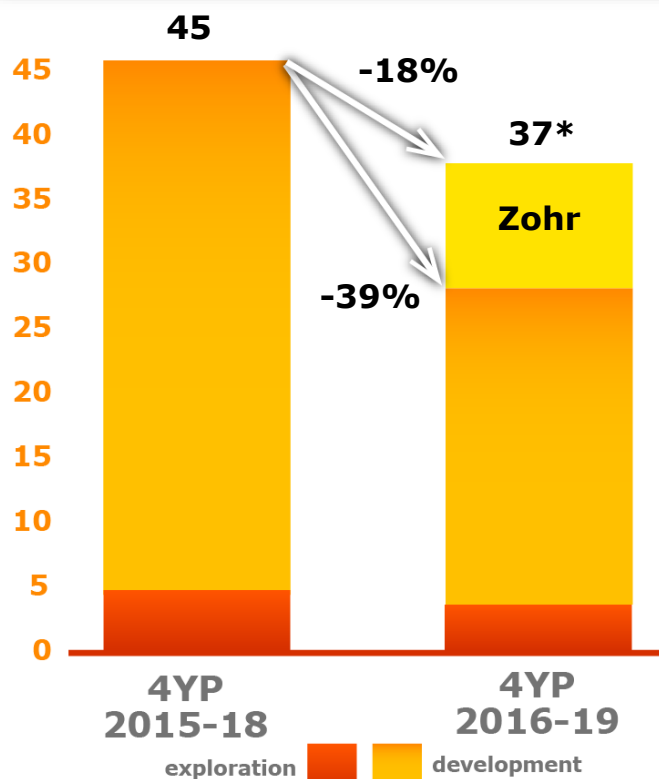
2016

Renegotiation of 1600 service contracts

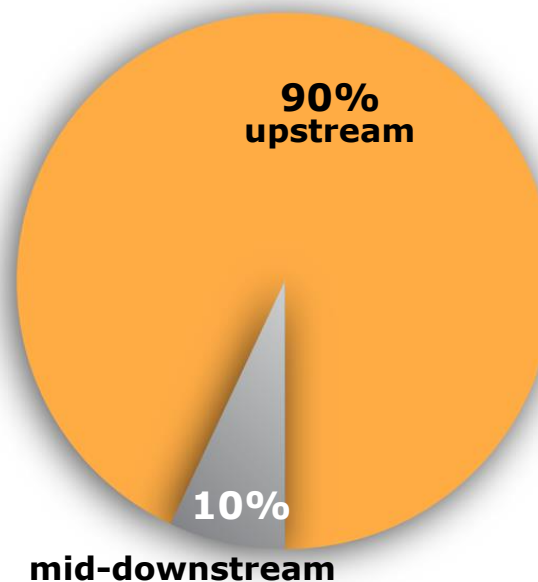
Total cost savings of €3.5 bln in the 4YP



Upstream | € bln



Group

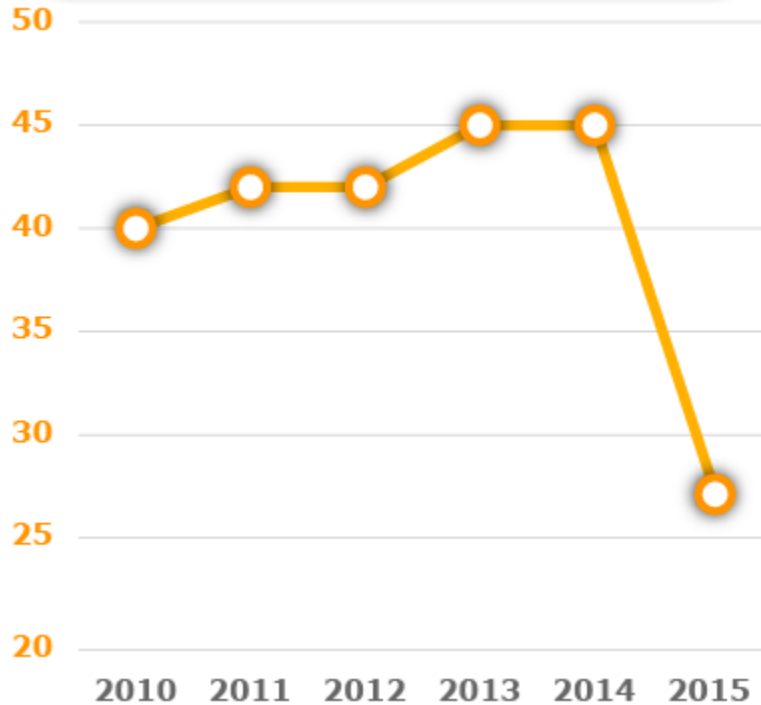


Group Capex net of disposal €37 bln

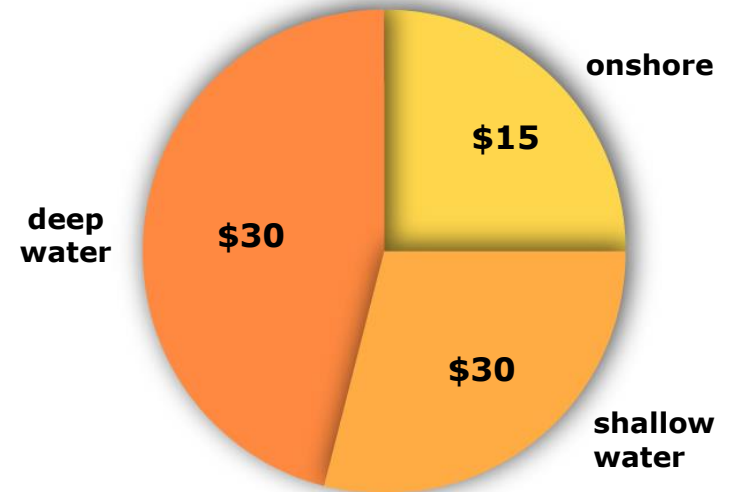
* Gross capex before disposals
2015-18 capex plan restated at 2016-2019 FX rates

A valuable portfolio of new upstream projects

New projects breakeven | \$/boe

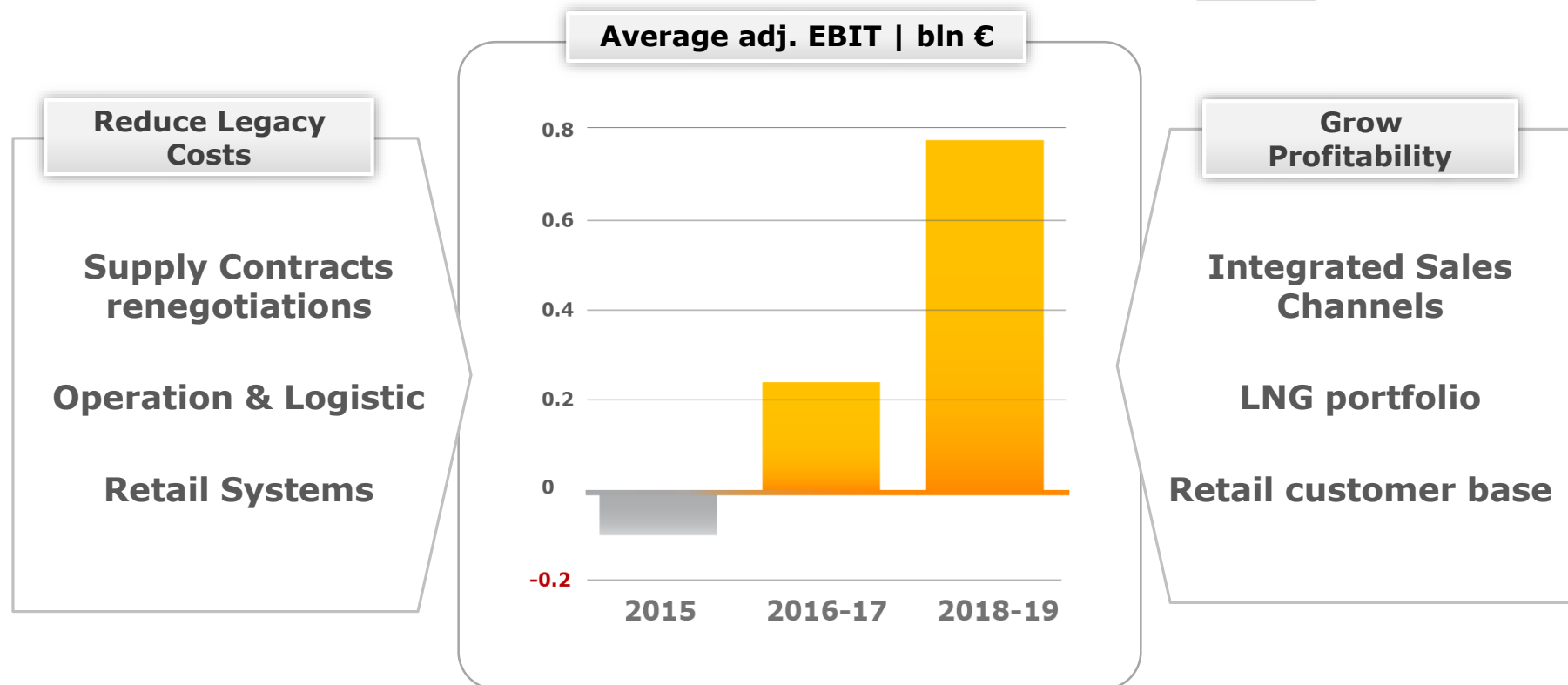


New projects 2P res | Bep \$/boe



Oil 31% - Gas 69%

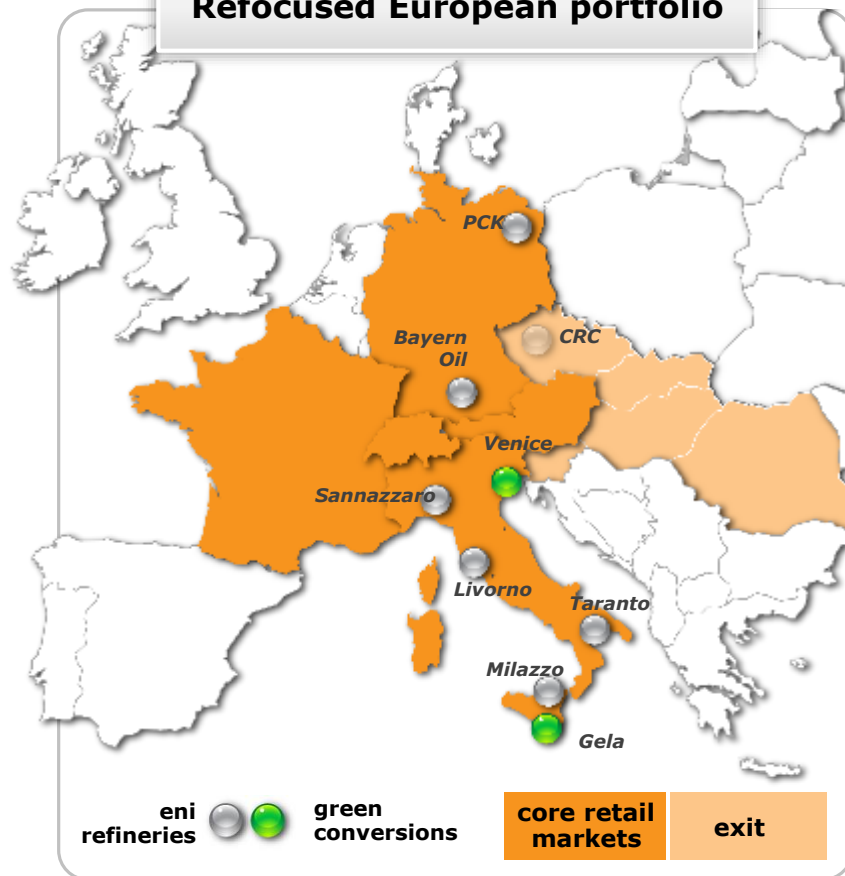
Enhancing project profitability



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

Increasing downstream resilience to scenario

Refocused European portfolio

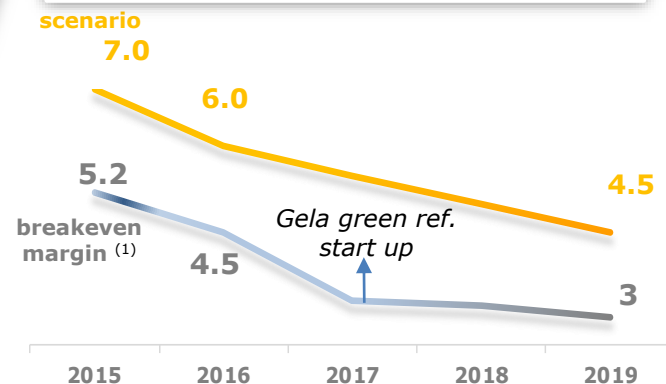


Key pillars

- 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

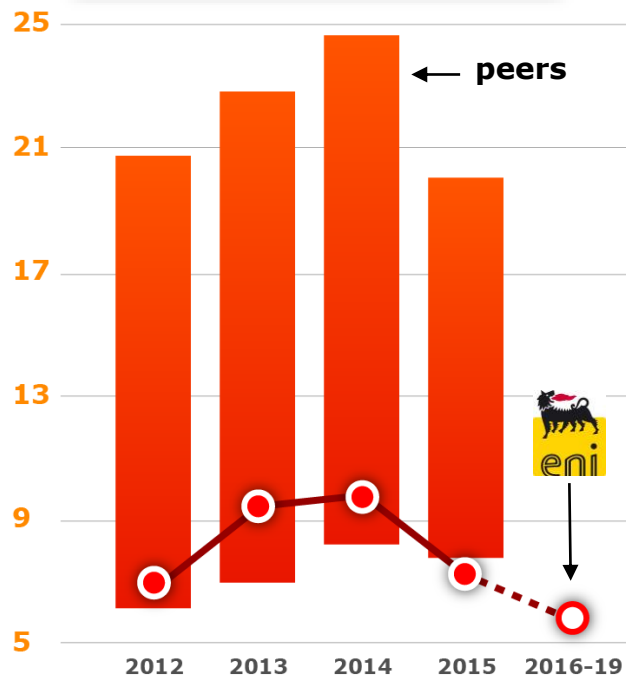
Refining margin SERM | \$/bbl



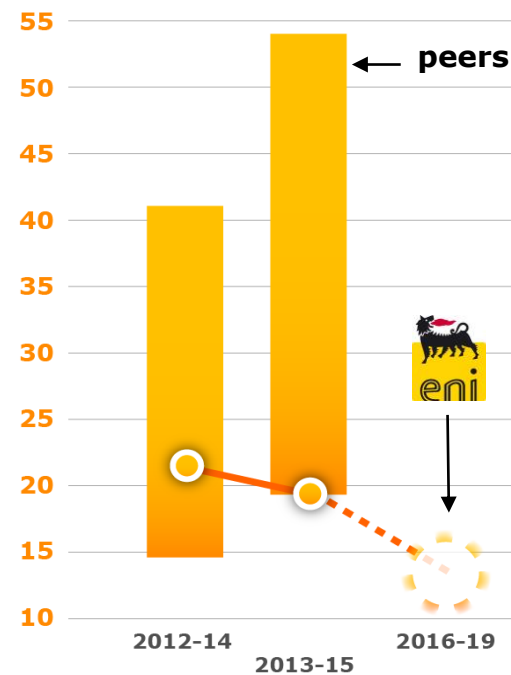
CFFO ~ €2.9 bln in 2016-2019

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

Opex \$/boe

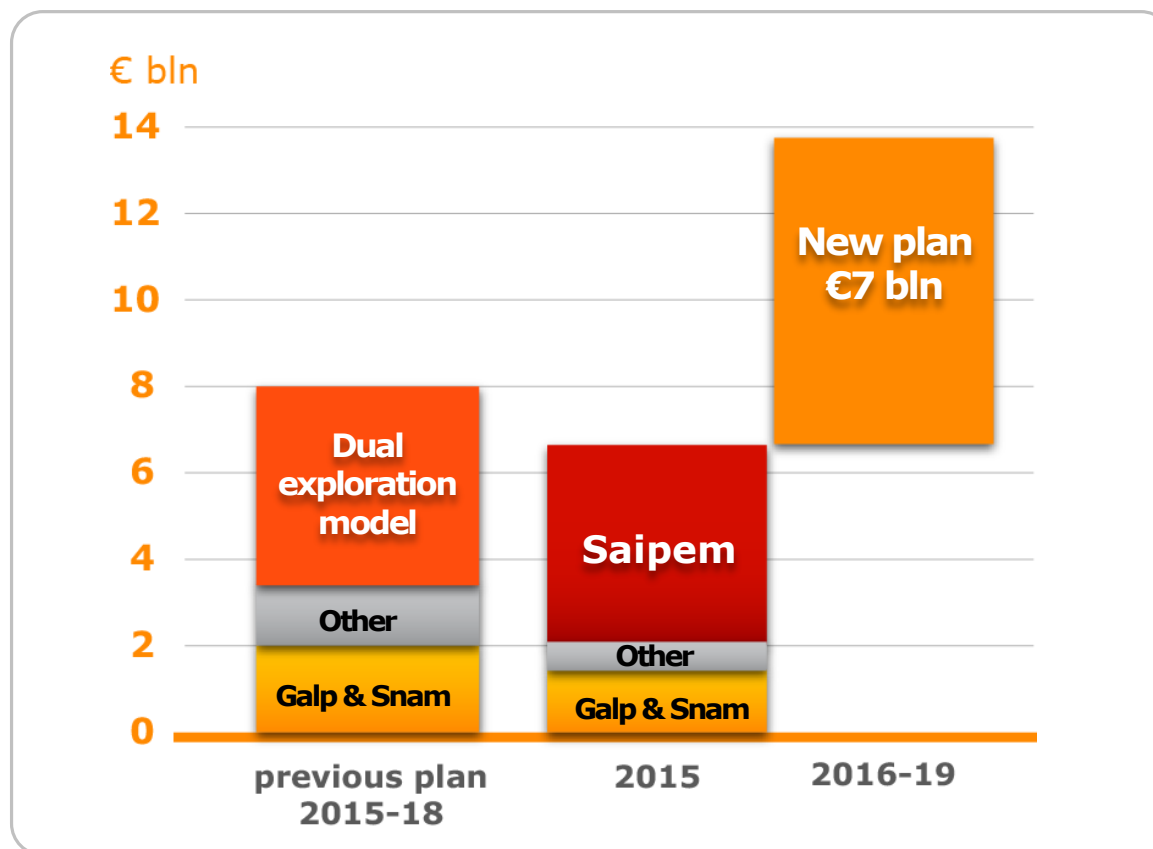


F&D avg \$/boe



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

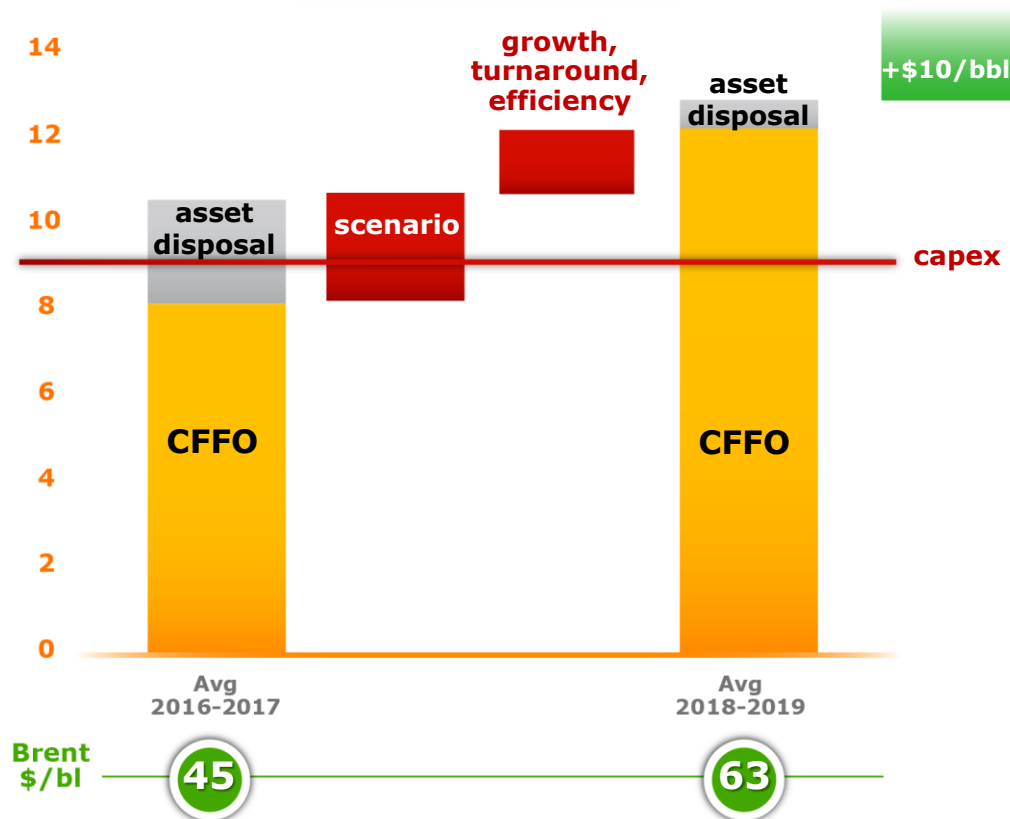
*no data available for 2015 F&D Costs



90% of previous 4YP target achieved in 2015

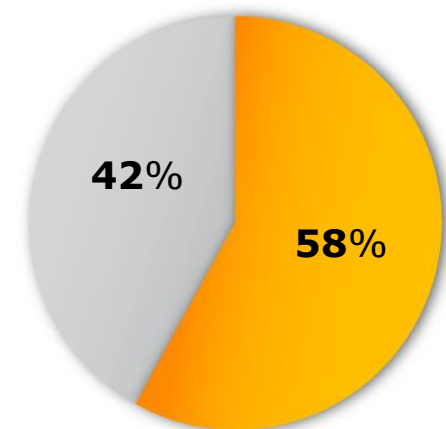
Cash flow – 4YP balance

Cash flow € bln



Capex 17-19

uncommitted



committed

Large flexibility even in a lower-for-longer scenario

**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)

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

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

