



2006-2009 Strategy

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CEO





Strategy

Operational efficiency

E&P:

grow oil and gas production and replace reserves

G&P:

grow internationally and preserve Italian gas business

R&M:

upgrade refining capacity and strengthen competitive position in marketing

Technology



Oil and Gas Outlook

E&P

- High oil prices in 2006-07 gradually declining
- Focus on organic growth
- Expand LNG business

G&P

- Growing gas market in Europe (+3% pa)
- Tight market, high gas prices
- Growing need for European infrastructure

R&M

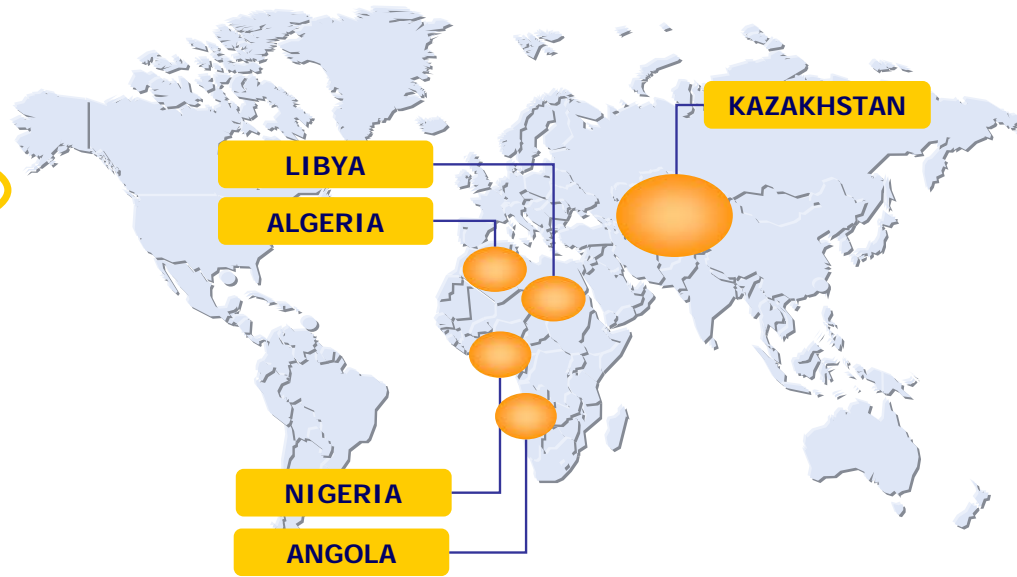
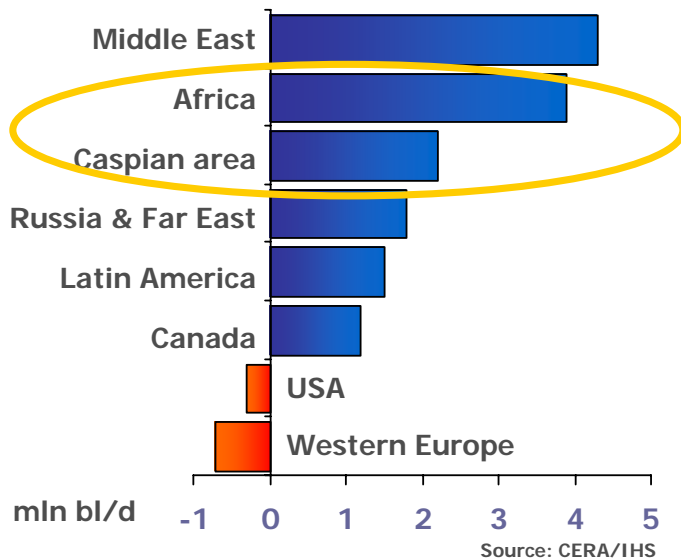
- Refining margins declining from record high
- No green field in traditional markets
- Opportunity to increase complexity and flexibility



E&P Positioning

- Large and established player in the fastest growing areas
- Exposure to world leading projects
- Widespread portfolio of producing assets

WORLD OIL CAPACITY INCREASE
2005-2010



Optimal portfolio for further growth



E&P Targets

Organic Production Growth

(Kboe/d)

~ 4%
CAGR

>2,000

1,737

2005

2009
Target

LNG sales

(bcm)

~ 16%
CAGR

~13

7.0

2005

2009
Target

Reserve Replacement

> 100%

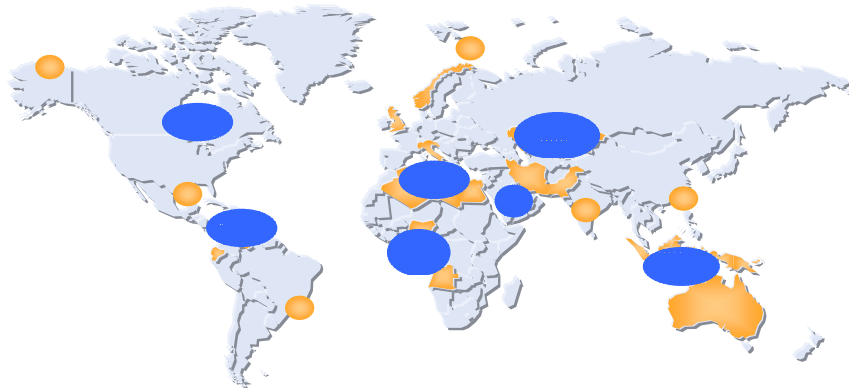
2006 - 2009



Long Term Growth

Production growth 2009-12
CAGR **~3%**

LNG sales in 2012
>20 bcm



- Orange circle: Existing Portfolio
- Blue circle: Future developments & opportunities

MAIN CONTRIBUTIONS

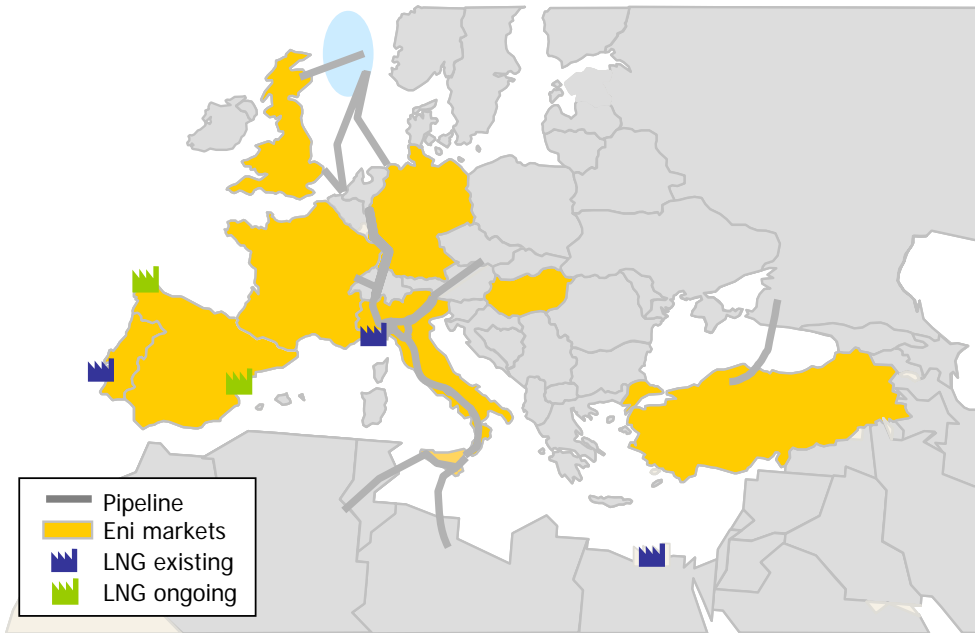
- Long life assets
 - *Kashagan, Karachaganak, Gas Libya, West Africa*
- Integrated LNG projects
 - *North Africa, West Africa*
- Successful exploration
 - *Barents Sea, North Africa, deepwater Brazil*
- New opportunities
 - *Gas projects, access to large oil reserves, non conventional*



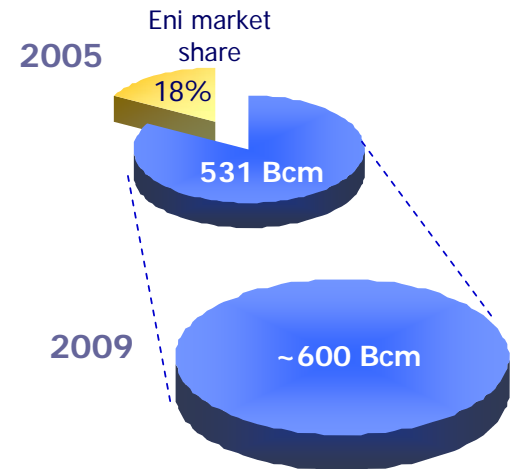
G&P Positioning

- Long term gas availability (equity and contracted)
- Widespread and integrated infrastructure
- Direct access to customers

**N° 1
international player
in the European market**



European Gas Demand



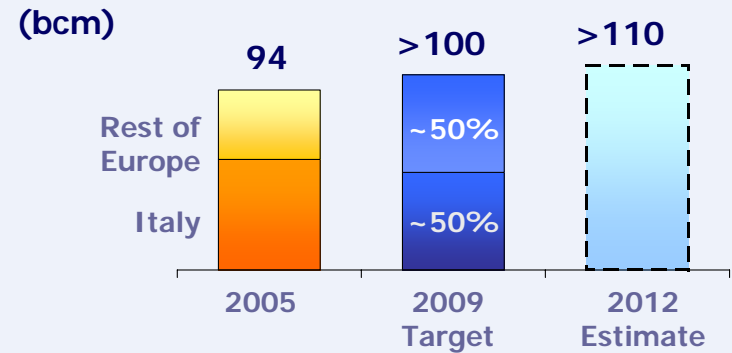
Continued growth and strong cash generation



G&P Targets and Future Trend

■ Sales in Europe

**Growth in rest of Europe 05/09:
CAGR 8%**



■ Robust free cash flow generation leveraging on:

- Growth in gas sales in Europe
- Increased contribution from transportation abroad
- Cash flow maximization from regulated gas business
- Cash contribution from powergeneration





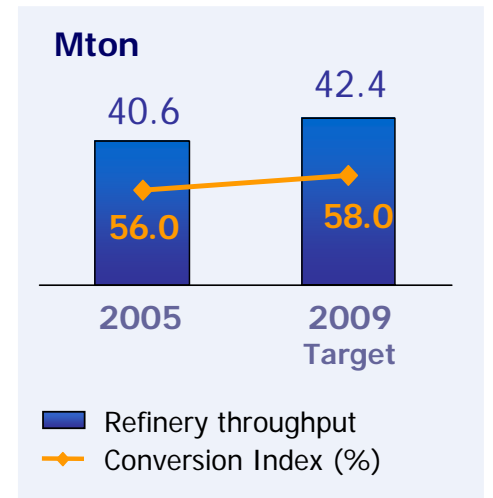
R&M Positioning and Targets

Positioning

- Complex and efficient refining system
- Integrated infrastructure
- Strong domestic retail market share

Targets

- Grow refinery throughput to 42Mton
- Increase conversion capacity and flexibility
- Improve integration with upstream



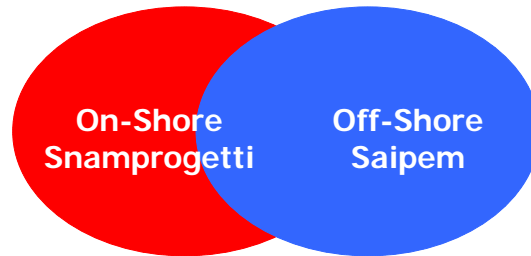
Maximize profitability



Oilfield Services and Technology

Saipem /
Snamprogetti
deal

- Unique and complementary business portfolio:



Create a world
class E&OS leader

- Exploit synergies
- Enhance competitive position in a growing market
- Access to human and intellectual capital
- Technological edge and innovation

Technology

- Leverage on Eni proprietary technology:
 - EST (heavy oil and tar sands processing)
 - TAP (High Pressure Transmission)
 - Advanced drilling technologies