Debt Issuance Programme Base Prospectus dated 9 October 2015

Eni S.p.A.

(incorporated with limited liability in the Republic of Italy)
as Issuer and as Guarantor of the Notes issued by

eni finance international SA

(incorporated with limited liability in the Kingdom of Belgium)
as Issuer

Euro 20,000,000,000
EURO MEDIUM TERM NOTE PROGRAMME DUE FROM MORE THAN 12 MONTHS FROM THE DATE OF ORIGINAL ISSUE

Under the Euro Medium Term Note Programme (the "**Programme**") described in this Debt Issuance Programme Base Prospectus (the "**Base Prospectus**"), each of Eni S.p.A. ("**Eni**" and the "**Company**") and eni finance international SA ("**EFI**" and, in its capacity as an issuer of Notes (as defined below), together with Eni in such capacity, the "*Issuers*" and each of EFI and Eni, in such capacity, individually, an "**Issuer**"), in accordance with the Distribution Agreement (as defined on page 136) and the Agency Agreement (as defined on page 52) and subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "**Notes**"). Notes issued by Eni ("**Eni Notes**") will constitute obbligazioni pursuant to Article 2410 et seq. of the Italian Civil Code. Notes issued by EFI ("**EFI Notes**") will be unconditionally and irrevocably guaranteed as to payments of principal, premium (if any) and interest (if any) by Eni (in such capacity, the "**Guarantor**"). The aggregate nominal amount of Notes outstanding will not at any time exceed euro 20,000,000,000 (or the equivalent in other currencies).

Application has been made to the Luxembourg Commission de Surveillance du Secteur Financier (the "**CSSF**"), in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 (the "**Luxembourg Prospectus Act**") relating to prospectuses for securities, for the approval of this Base Prospectus as a base prospectus for the purpose of Article 5.4 of Directive 2003/71/EC, as amended, to the extent that such amendments have been implemented in the relevant Member State of the European Economic Area (the "**Prospectus Directive**"). Pursuant to article 7(7) of the Luxembourg Prospectus Act, by approving this prospectus, the CSSF gives no undertaking as to the economic and financial soundness of the Notes to be issued hereunder or the quality or solvency of the Issuers.

Application has also been made to the Luxembourg Stock Exchange for the Notes described in this Base Prospectus to be admitted to the official list of the Luxembourg Stock Exchange (the "**Official List**") and to be admitted to trading on the regulated market of the Luxembourg Stock Exchange during the period of 12 months after the date hereof. The Luxembourg Stock Exchange's regulated market is a regulated market for the purpose of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems. The relevant Final Terms (as defined herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange and/or such other listing authority, stock exchange and/or quotation system, as the case may be, on or before the date of issue of the Notes of each Tranche (as defined on page 47).

The minimum denomination of all Notes issued under the Programme shall be euro 100,000 and integral multiples of euro 1,000 in excess thereof (or its equivalent in any other currency as at the date of issue of the Notes).

Each Series (as defined on page 47) of Eni Notes in bearer form will be represented on issue by a temporary global note in bearer form (each, a "**temporary Global Note**") or a permanent global note in bearer form (each, a "**permanent Global Note**" and, together with the temporary Global Note, the "**Global Notes**"). EFI Notes will be in bearer form only and each Series will be represented on issue by a permanent global note in bearer form (each, a "**permanent Global Note**"). Notes in registered form will be represented by registered certificates (each a, "**Certificate**"), one Certificate being issued in respect of each Noteholder's (as defined herein) entire holding of Registered Notes of one Series. Registered Notes issued in global form will be represented by registered global certificates ("**Global Certificates**"). If a Global Certificate is held under the New Safekeeping Structure (the "NSS"), the Global Certificate will be delivered on or prior to the original issue date of the relevant Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. In the case of Eni Notes, if the Global Notes are stated in the applicable Final Terms to be issued in new global note ("**NGN**") form, the Global Notes will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank SA/N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") (the "**Common Depositary**").

Global Notes which are not issued in NGN form ("**Classic Global Notes**" or "**CGNs**") and Global Certificates which are not held under the NSS may (or in the case of Notes listed on Luxembourg Stock Exchange, will) be deposited on the issue date of the relevant Tranche with a common depositary on behalf of Euroclear and Clearstream, Luxembourg. In the case of EFI Notes, Global Notes will be deposited with the operator of the X/N Clearing System, currently being the National Bank of Belgium. The provisions governing the exchange of interests in Global Notes for other Global Notes and Definitive Notes (as defined on page 85) are described in "Overview of Provisions Relating to the Notes while in Global Form".

The Programme has been rated "A-" by Standard & Poor's Credit Market Services Europe Ltd ("**Standard & Poor's**") and "A3" by Moody's Investors Service, Limited ("**Moody's**"). Standard & Poor's and Moody's are established in the European Union and registered under Regulation (EC) No 1060/2009 (as amended) on credit rating agencies (the "**CRA Regulation**"), as set out in the list of credit rating agencies registered in accordance with the CRA Regulation published on the website of the European Securities and Markets Authority ("**ESMA**") at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs, pursuant to the CRA Regulation. Tranches of Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is to be rated, such ratings may not necessarily be the same as the ratings assigned to the Programme and shall be specified in the relevant Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Whether or not each credit rating applied for in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Base Prospectus. The Base Prospectus does not describe all of the risks of an investment in the Notes.

The issue price and the amount of the relevant Notes will be determined at the time of the offering of each Tranche based on then prevailing market conditions.

Arranger for the Programme

Goldman Sachs International

Dealers

Banca IMI
BNP PARIBAS
Deutsche Bank
HSBC
Morgan Stanley
UBS Investment Bank

Barclays
Credit Suisse
Goldman Sachs International
J.P. Morgan
The Royal Bank of Scotland
UniCredit Bank

This Base Prospectus comprises two base prospectuses in respect of each of Eni and EFI for the purposes of Article 5.4 of the Prospectus Directive and for the purpose of giving information with regard to the Issuers, the Guarantor and its consolidated subsidiaries taken as a whole (the "Group"), and the Notes and the Guarantee (as defined herein) which, according to the particular nature of each Issuer, the Guarantor and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of such Issuer and the Guarantor.

Each Issuer (with respect to itself) and the Guarantor (with respect to itself and jointly and severally with EFI) (the addresses of the registered office of the Issuers and the Guarantor appear on page 156 of this Base Prospectus) accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of each Issuer (with respect to itself) and the Guarantor (with respect to itself and jointly and severally with EFI) (each having taken all reasonable care to ensure that such is the case), the information contained in this Base Prospectus is in accordance with the facts in all material respects and does not omit anything likely to affect the import of such information in any material respect, in each case in the context of the issue of Notes under the Programme.

This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents Incorporated by Reference").

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the Programme or with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuers, the Guarantor or any of the Dealers or the Arranger (as defined in "General Description of the Programme"). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuers or the Guarantor since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of either of the Issuers or the Guarantor since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Notes issued under the Programme are not intended for sale or distribution to, or to be held by, persons in any jurisdiction other than "professional", "qualified" or "sophisticated" investors (within the meaning of any applicable laws), including persons whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in any country or jurisdiction in which action for that purpose is required. The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by any applicable laws. Persons into whose possession this Base Prospectus comes are required by the Issuers, the Guarantor, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see "Plan of Distribution" below.

This Base Prospectus does not constitute nor shall it be construed as an offer of, or an invitation by or on behalf of the Issuers, the Guarantor or the Dealers to subscribe for, or purchase, any Notes.

To the fullest extent permitted by law, none of the Dealers or the Arranger accepts any responsibility for the contents of this Base Prospectus. The Arranger and each Dealer accordingly disclaim all and any liability whether arising in tort or contract which it might otherwise have in respect of the content of this Base Prospectus. None of this Base Prospectus nor any other financial statements nor any document incorporated by reference herein is intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by either of the Issuers, the Guarantor, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary.

None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuers or the Guarantor during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

In connection with the issue of any Tranche (as defined in "General Description of the Programme — Method of Issue"), the Dealer or Dealers (if any) named as the stabilising manager(s) (the "Stabilising Manager(s)") in the applicable Final Terms (or any person acting on behalf of any Stabilising Manager(s)) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, all references to "£" or "Sterling" are to the currency of the United Kingdom, all references to "U.S. dollars" are to the currency of the United States of America and all references to "€", "euro" and "Euro" are to the lawful currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended from time to time.

The language of this Base Prospectus is English. Any foreign language text that is included with or within this document, or in any document incorporated by reference in this Base Prospectus, has been included for convenience purposes only and does not form part of this Base Prospectus.

In compliance with the requirements of the Luxembourg Stock Exchange, this Base Prospectus is and, in the case of Notes listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange, the relevant Final Terms will be, available on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

For the avoidance of doubt, the contents of any websites referred to herein do not form part of this Base Prospectus.

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RISK FACTORS

The Issuers and the Guarantor believe that the following factors may affect their ability to fulfil their respective obligations under the Notes issued under the Programme and, in the case of the Guarantor, the Guarantee. All of these factors are contingencies which may or may not occur and the Issuers and the Guarantor are not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuers and the Guarantor believe may be material for the purpose of assessing the market risks associated with the Notes issued under the Programme and, in the case of the Guarantor, the Guarantee are also described below.

The Issuers and the Guarantor believe that the factors described below represent the principal risks inherent in investing in the Notes issued under the Programme, but the Issuers and the Guarantor may be unable to pay interest, principal or other amounts on or in connection with any Notes and, in the case of the Guarantor, the Guarantee for other unknown reasons and the Issuers and the Guarantor do not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Risk Factors relating to the Issuers, the Guarantor and their activities

Risk Factors relating to the Issuers, the Guarantor and their activities

Eni's operating results and cash flow and future rate of growth are exposed to the effects of fluctuating prices of crude oil, natural gas, oil products and chemicals

Prices of oil and natural gas have a history of volatility due to many factors that are beyond Eni's control. These factors include among other things:

- global and regional dynamics of oil and gas supply and demand. The price of crude oil has been on a downtrend since the second half of 2014 with oil prices falling from the level of approximately 110 $/BBL (where "**BBL**" means barrel) by mid-year down to below the 50-dollar mark in August 2015. This decline was driven by surging crude oil output mainly in non-OPEC countries (as defined below), like the United States, Russia, Brazil and Canada, in the face of a continuing slowdown in global demand. Eni believes that global oil demand will grow at a moderate pace in the short to medium term due to sluggish economic activity in Europe and other macroeconomic uncertainties, and more efficient use of fuels and energy in countries belonging to the Organisation for Economic Co-operation and Development ("**OECD**") whereas crude oil production is forecast to grow at a higher pace than demand;
- global political developments, including sanctions imposed on certain producing countries and conflict situations;
- global economic and financial market conditions;
- the influence of the Organisation of the Petroleum Exporting Countries ("**OPEC**") over world supply and therefore oil prices;
- prices and availability of alternative sources of energy (e.g., nuclear, coal and renewables);
- weather conditions;
- operational issues;

- governmental regulations and actions;
- success in development and deployment of new technologies for the recovery of crude oil and natural gas reserves and technological advances affecting energy consumption; and
- the effect of worldwide energy conservation and environmental protection efforts.

All these factors can affect the global balance between demand and supply for oil and prices of oil. Price fluctuations may have a material effect on the Group's results of operations and cash flow. Generally speaking, lower oil prices from one year to another reduce the Group's consolidated results of operations and cash flow and vice versa. The effect of changes in oil prices on Eni's average realisation for produced oil and therefore its revenues in the Exploration & Production segment is immediate. Eni estimates that its consolidated net profit and cash flow vary by approximately €0.15 billion for each one-dollar change in the price of the Brent crude oil benchmark with respect to the price case assumed in Eni's financial projections for 2015 at 55 $/BBL. Free cash flow is expected to reduce/increase by a similar amount.

In addition to the adverse effect on revenues, profitability and cash flow, lower oil and gas prices could result in debooking of proved reserves, if they become uneconomic in this type of environment, and asset impairments.

Depending on the materiality and rapidity of a decrease in crude oil prices, Eni may also need to review investment decisions and the viability of development projects.

Lower oil and gas prices over prolonged periods may also adversely affect Eni's results of operations and cash flows and hence the funds available to finance expansion projects, further reducing the Company's ability to grow future production and revenues. In addition, they may reduce returns at development projects, either planned or being implemented forcing the Company to reschedule, postpone or cancel development projects. Finally, lower oil prices over prolonged periods may trigger a review of the future recoverability of the Company's carrying amounts of oil and gas properties, resulting in the recognition of significant impairment charges, and may impact shareholder returns, including dividends and share buybacks, or share price.

Eni estimates that movements in oil prices impact approximately 50% of Eni's current production. A further 35% of Eni's current production which derives from production sharing contracts is unaffected by crude oil price movements which instead impact the Company's volume entitlements (see disclosure below). Finally, Eni estimates that exposure to changes in crude oil prices of approximately 5-10% of Eni's production is offset by equivalent and contrary movements in the procurement costs of gas in Eni's long-term supply contracts which index the cost of gas to crude oil prices.

However, high oil and gas prices can adversely impact the demand for Eni's products and consequently Eni's profitability, especially in the refining & marketing businesses. Furthermore, a high price scenario may imply increase of costs and taxes and may negatively impact the share of production and reserve to which Eni is entitled under some Production Sharing Agreements (PSAs) (See the specific risks of the Exploration & Production segment in "*Risks associated with the exploration and production of oil and natural gas*" below).

In gas markets, price volatility reflects the dynamics of demand and supply for natural gas. In 2014, gas demand in Europe dropped on average by approximately 12% in the 28 EU countries compared to the previous year driven by exceptionally mild weather conditions in the first part of the year and competition from coal and a growing share of electricity generation from renewables. Despite falling demand, gas supply has continued to increase due to a number of factors, mainly increased availability of liquefied natural gas ("**LNG**") on global scale, take-or-pay obligations provided by long-term supply contracts held by European gas wholesalers and the other trends described in the specific risk-factors section of Eni's gas & power business below. The increased liquidity of European hubs put significant downward pressure on spot prices. Eni expects those trends to continue in the foreseeable future due to

a weak outlook for gas demand and continued oversupplies. In case Eni fails to renegotiate its long-term gas supply contract in order to make its gas competitive as market conditions evolve, its profitability and cash flow in the Gas & Power segment would be significantly impacted by current downward trends in gas prices.

The Group's results from its Refining & Marketing and Chemicals businesses are primarily dependent upon the supply and demand for refined products and the associated margins on refined product sales and petrochemical products sales, with the impact of changes in oil prices on results on these segments being dependent upon the speed at which the prices of products adjust to reflect movements in oil prices.

Competition

There is strong competition worldwide, both within the oil industry and with other industries, to supply energy to the industrial, commercial and residential energy markets

Eni faces strong competition in each of its business segments.

In the current uncertain financial and economic environment, Eni expects that prices of energy commodities, in particular oil and gas, will be very volatile, with average prices and margins influenced by changes in the global supply and demand for energy, as well as in the market dynamics. This is likely to increase competition in all of Eni's businesses, which may impact costs and margins. Competition affects license costs and product prices, with a consequent effect on Eni's margins and its market shares. Eni's ability to remain competitive requires continuous focus on technological innovation, reducing unit costs and improving efficiency. It also depends on Eni's ability to get an access to new investment opportunities, both in Europe and worldwide.

- In the Exploration & Production segment, Eni faces competition from both international and state-owned oil companies for obtaining exploration and development rights, and developing and applying new technologies to maximise hydrocarbon recovery. Furthermore, Eni may face a competitive disadvantage because of its relatively smaller size compared to other international oil companies, particularly when bidding for large scale or capital intensive projects, and may be exposed to industry-wide cost increases to a greater extent compared to its larger competitors given its potentially smaller market power with respect to suppliers. If, as a result of those competitive pressures, Eni fails to obtain new exploration and development acreage, to apply and develop new technologies, and to control costs, its growth prospects and future results of operations and cash flows may be adversely affected.
- In the Gas & Power segment, Eni faces strong competition from gas and energy players to sell gas to the industrial segment, the thermoelectric sector and the retail customers both in the Italian market and in markets across Europe. Competition has been fuelled by ongoing weak trends in demand due to the downturn and macroeconomic uncertainties, oversupplies which have been supported by large availability of liquefied natural gas ("**LNG**") on global scale, and inter-fuel competition due to rising use of coal in firing power plants due to cost advantages and a dramatic growth in the adoption of renewable sources of energy (photovoltaic and solar) which have materially impacted the use of gas in the production of electricity and hence sales of gas to the thermoelectric industry. The extensive development of shale gas in the United States was another fundamental trend that aggravated the oversupply situation in Europe. The continuing growth in the production of shale gas in the United States increased global gas supplies. These market imbalances in Europe were exacerbated by the fact that throughout the last decade and up to a few years ago the market consensus projected that gas demand in the continent would grow steadily till 2020 and beyond driven by economic growth and increased use of gas-fired power production.

European gas wholesalers including Eni committed well in advance to purchasing large amounts of gas under long-term supply contracts with so-called "take-or-pay" clauses from the main producing countries bordering Europe (namely Russia and Algeria) and invested heavily to upgrade existing pipelines and to build new infrastructure along several European routes in order to expand gas import capacity to continental markets. Long-term gas supply contracts with take-or-pay clauses expose gas wholesalers to a volume risk as they are contractually required to purchase minimum annual amounts of gas or, in case of failure, to pay the underlying price. Due to the trends described above of the prolonged economic downturn and inter-fuel competition, the projected increases in gas demand failed to materialise, resulting in a situation of oversupply and pricing pressure. As demand contracted across Europe, gas supplies built, thus driving the development of very liquid continental hubs to trade spot gas. Spot prices at continental hubs became the main benchmarks to which selling prices are indexed in supplies to large industrial customers and thermoelectric utilities. The profitability of gas operators was negatively impacted by falling sales prices at those hubs, where prices have been pressured by intense competition among gas operators in the face of weak demand, oversupplies and the constraint to dispose of minimum annual volumes of gas to be purchased under long-term supply contracts. Eni believes that those headwinds have become structural ones and therefore Eni does not expect any meaningful improvement in the European gas sector for the foreseeable future. Gas demand will remain weak due to macroeconomic uncertainties and unclear EU policies regarding how to satisfy energy demand in Europe and the energy mix. Supplies at continental hubs will continue building up also in view of a possible ramp-up of LNG exports from the United States due to steady growth in gas production and ongoing projects to reconvert LNG re-gasification facilities into liquefaction export units and the start of several LNG projects in the Pacific Region and elsewhere. Eni believes that these ongoing negative trends may adversely affect the Company's future results of operations and cash flows, also taking into account the Company's contractual obligations to off-take minimum annual volumes of gas in accordance to its long-term gas supply contracts with take-or-pay clauses.

- In its Gas & Power segment, Eni is vertically integrated in the production of electricity via its gas-fired power plants which currently use the combined-cycle technology. In the electricity business, Eni competes with other producers and traders from Italy or outside of Italy who sell electricity on the Italian market. Going forward, the Company expects continuing competition due to the projections of weak economic growth in Italy and Europe over the foreseeable future, also causing outside players to place excess production in the Italian market. The economics of the gas-fired electricity business have dramatically changed over the last few years due to ongoing competitive trends. Spot prices of electricity in the wholesale market across Europe decreased due to excess supplies driven by the growing production of electricity from renewable sources, which also benefited from governmental subsidies, and a recovery in the production of coal-fired electricity generation which was helped by a substantial reduction in the price of this fuel on the back of a massive oversupply of coal which occurred on a global scale. As a result of falling electricity prices, margins on the production of gas-fired electricity went into negative territory. Eni believes that the profitability outlook in this business will remain weak in the foreseeable future.

- Eni's Refining & Marketing business faces strong competition in the marketing of refined products to final customers in the retail and wholesale markets in Italy and in certain countries in Europe where Eni has an established presence. The economics of this business have progressively deteriorated over the last few years due to structural headwinds in the industry. Refining and distribution margins have been negatively impacted by a combination of drivers, including weak demand for fuels due to the economic downturn particularly in Italy, high crude oil feedstock costs, trends in oil-linked costs of energy and other plant utilities,

excess refining capacity across Europe and increasing competition of products streams coming from Russia, the Middle East, East Asia and the United States. This latter trend is of particular concern as refiners in those areas can leverage on cost advantages due to their scale and availability of cheap raw materials. The United States for example, have become a net exporter of refined products, particularly gasoline and middle distillates, due to the tight oil revolution which has improved the competitiveness of U.S.-based refiners as prices of U.S. crudes are generally lower than the Brent crude to which crude oil purchases of European refiners are mainly indexed. Instead, Eni's margins of refined products were affected by cost disadvantages due to unfavourable geographic location and lack of scale of Eni's refineries. Furthermore, narrowing price differentials between the Brent benchmark and heavy crude qualities hit Eni's profitability of complex cycles which depends upon the availability of cheaper crude qualities than the Brent crude in order to remunerate the higher operating costs of complex plants. This latter trend reflected reduced supplies of heavy crudes in the Mediterranean area, reversing the pattern observed historically whereby heavy crude qualities traded at a discount vs. the Brent benchmark due to their relatively smaller yield of valuable products. These trends negatively affected Eni's integrated refining and marketing results of operations and cash flows in recent years. However, in the first half of 2015, this business reported operating profit due to restructuring efforts and a better margin scenario driven by falling crude oil prices. In the retail marketing of refined products both in Italy and abroad, Eni competes with oil companies and non-oil operators (such as supermarket chains and other commercial operators) to obtain concessions to establish and operate service stations. Eni's service stations compete primarily on the basis of pricing, services and availability of non-petroleum products. Eni expects that competitive pressures will continue in the foreseeable future.

- In the Chemical business, Eni faces strong competition from well-established international players and state-owned petrochemical companies, particularly in the most commoditised segments such as the production of basic petrochemical products and plastics. Many of those competitors based in the Far East and the Middle East are able to benefit from cost advantages due to scale, favourable environmental regulations, availability of cheap feedstock and proximity to end-markets. Excess capacity and sluggish economic growth in Europe have exacerbated competitive pressures with negative impacts on profitability. Furthermore, petrochemical producers based in the United States have regained market share, as their cost structure has become competitive due to the availability of cheap feedstock deriving from the production of domestic shale gas. The Company expects continuing margin pressures in its petrochemical segment in the foreseeable future as a result of those trends. However, in the first half of 2015, this business reported lower operating losses compared to the year ago interim period driven by restructuring efforts and an improved trading environment due to lower oil-based feedstock costs and a recovery in internal demand.

Management believes that the profitability outlook of Eni's Chemicals business over the long term will depend on the execution of the strategy intended to reduce the exposure to loss-making, commoditised businesses, while the Company's presence will grow in the innovative segments of bio-plastics and niche productions, particularly elastomers and styrene, which reported stable profitability in recent years. Competition in the oil field services, construction and engineering industries is primarily based on technical expertise, quality and number of services and availability of technologically advanced facilities (for example, vessels for offshore construction). Lower oil prices could result in lower margins and lower demand for oil services. Failure or inability to respond effectively to competition could adversely impact the Company's growth prospects, future results of operations and cash flows in this business.

Safety, security, environmental and other operational risks

The Group engages in the exploration and production of oil and natural gas, processing, transportation, and refining of crude oil, transport of natural gas, storage and distribution of petroleum products, production of base chemicals, plastics and elastomers. By their nature the Group's operations expose Eni to a wide range of significant health, safety, security and environmental risks. The magnitude of these risks is influenced by the geographic range, operational diversity and technical complexity of Eni's activities. Eni's future results from operations and liquidity depend on its ability to identify and mitigate the risks and hazards inherent to operating in those industries.

In the Exploration & Production segment, Eni faces natural hazards and other operational risks including those relating to the physical characteristics of oil and natural gas fields. These include the risks of eruptions of crude oil or of natural gas, discovery of hydrocarbon pockets with abnormal pressure, crumbling of well openings, leaks that can harm the environment and the security of Eni's personnel and risks of blowout, fire or explosion. Accidents at a single well can lead to loss of life, damage or destruction to property, environmental damage and consequently potential economic losses that could have a material and adverse effect on the business, results of operation, liquidity, reputation and prospects of the Group.

Eni's activities in the Refining & Marketing and Chemicals segment also entail health, safety and environmental risks related to the overall life cycle of the products manufactured, and to raw materials used in the manufacturing process, such as oil-based feedstock, catalysts, additives and monomer feedstock. These risks can arise from the intrinsic characteristics of the products involved (flammability, toxicity, or long-term environmental impacts such as greenhouse gas emissions and risks of various forms of pollution and contamination of the soil and the groundwater), their use, emissions and discharges resulting from their manufacturing process, and from recycling or disposing of materials and wastes at the end of their useful life.

All of Eni's segments of operations involve, to varying degrees, the transportation of hydrocarbons. Risks in transportation activities depend both on the hazardous nature of the products transported, and on the transportation methods used (mainly pipelines, maritime, river-maritime, rail, road, gas distribution networks), the volumes involved and the sensitivity of the regions through which the transport passes (quality of infrastructure, population density, environmental considerations). All modes of transportation of hydrocarbons are particularly susceptible to a loss of containment of hydrocarbons and other hazardous materials, and, given the high volumes involved, could present a significant risk to people and the environment.

The Company invests significant resources in order to upgrade the methods and systems for safeguarding the safety and health of employees, contractors and communities, and the environment; to prevent risks; to comply with applicable laws and policies; and to respond to and learn from unexpected incidents. Eni seeks to minimise these operational risks by carefully designing and building facilities, including wells, industrial complexes, plants and equipment, pipelines, storage sites and distribution networks, and managing its operations in a safe, compliant and reliable manner. Failure to manage these risks could effectively result in unexpected incidents, including releases or oil spills, blowouts, fire, mechanical failures and other incidents resulting in personal injury, loss of life, environmental damage, legal liabilities and/or damage claims, destruction of crude oil or natural gas wells, as well as damage to equipment and other property, all of which could lead to a disruption in operations. Eni's operations are often conducted in difficult and/or environmentally sensitive locations such as the Gulf of Mexico, the Caspian Sea and the Arctic. In such locations, the consequences of any incident could be greater than in other locations. Eni also faces risks once production is discontinued, because Eni's activities require decommissioning of productive infrastructure and environmental site remediation.

Furthermore, in certain situations where Eni is not the operator, the Company may have limited influence and control over third parties, which may limit its ability to manage and control such risks.

Eni's insurance subsidiary provides insurance coverage to Eni's entities, generally up to $1.1 billion in case of offshore incident and $1.5 billion in case of incident at onshore facilities (refineries). In addition, the Company also maintains worldwide third-party liability insurance coverage for all of its subsidiaries. Management believes that its insurance coverage is in line with industry practice and sufficient to cover normal risks in its operations. However, the Company is not insured against all potential risks. In the event of a major environmental disaster such as the BP Deepwater Horizon, for example, Eni's third-party liability insurance would not provide any material coverage and thus the Company's liability would far exceed the maximum coverage provided by its insurance. The loss Eni could suffer in the event of such a disaster would depend on all the facts and circumstances of the event and would be subject to a whole range of uncertainties, including legal uncertainty as to the scope of liability for consequential damages, which may include economic damage not directly connected to the disaster.

The occurrence of the events mentioned above could have a material adverse impact on the Group's business, competitive position, cash flow, results of operations, liquidity, future growth prospects, shareholders' return and damage the Group's reputation.

The Company cannot guarantee that it will not suffer any uninsured loss and there can be no guarantee, particularly in the case of a major environmental disaster or industrial accident, that such loss would not have a material adverse effect on the Company.

Risks associated with the exploration and production of oil and natural gas

The exploration and production of oil and natural gas requires high levels of capital expenditures and are subject to natural hazards and other uncertainties, including those relating to the physical characteristics of oil and gas fields. A description of the main risks facing the Company's business in the exploration and production of oil and gas is provided below.

Eni's oil and natural gas offshore operations are particularly exposed to health, safety, security and environmental risks

Eni has material operations relating to the exploration and production of hydrocarbons located offshore. In 2014, approximately 55% of Eni's total oil and gas production for the year derived from offshore fields, mainly in Egypt, Libya, Norway, Italy, Angola, the Gulf of Mexico, Congo, United Kingdom and Nigeria. Offshore operations in the oil and gas industry are inherently riskier than onshore activities. As the Macondo accident in the Gulf of Mexico has shown, the potential impacts of offshore accidents and spills to health, safety, security and the environment can be catastrophic due to the objective difficulties in handling hydrocarbons containment and other factors. Further, offshore operations are subject to marine risks, including severe storms and other adverse weather conditions and vessel collisions, as well as interruptions or termination by governmental authorities based on safety, environmental and other considerations. Failure to manage these risks could result in injury or loss of life, damage to property, environmental damage, and could result in regulatory action, legal liability, loss of revenues and damage to Eni's reputation and could have a material adverse effect on Eni's operations, results, liquidity, reputation and prospects.

Exploratory drilling efforts may be unsuccessful

Exploration drilling for oil and gas involves numerous risks including the risk of dry holes or failure to find commercial quantities of hydrocarbons. The costs of drilling, completing and operating wells have margins of uncertainty, and drilling operations may be unsuccessful as a result of a large variety of factors, including geological play failure, unexpected drilling conditions, pressure or heterogeneities in formations, equipment failures, well control (blowouts) and other forms of accidents, and shortages or delays in the delivery of equipment. The Company also engages in exploration drilling activities offshore, also in deep and ultra-deep waters, in remote areas and in environmentally sensitive locations (such as the Barents

Sea). In these locations, the Company generally experiences more challenging conditions and incurs higher exploration costs than onshore or in shallow waters. Failure to discover commercial quantities of oil and natural gas could have an adverse impact on Eni's future growth prospects, results of operations and liquidity. Because Eni plans to make investments in executing exploration projects, it is likely that the Company will incur significant amounts of dry hole expenses in future years. Some of these activities are high-risk high reward projects that generally involve sizeable plays located in deep and ultra-deep waters or at higher depths where operations are more challenging and costly than in other areas. Furthermore, deep and ultra-deep water operations will require significant time before commercial production of discovered reserves can commence, increasing both the operational and financial risks associated with these activities. The Company plans to conduct exploration projects offshore West Africa (Angola, Nigeria, Congo, and Gabon), East Africa (Mozambique, Kenya and South Africa), South-East Asia (Indonesia, Vietnam, Myanmar and other locations), Australia, the Norwegian Barents Sea, the Mediterranean and offshore Gulf of Mexico. In 2014, the Company spent €1.4 billion to conduct exploration projects and plans to spend approximately €1.2 billion on average in the next four-year plan on exploration activities. Unsuccessful exploration activities and failure to discover additional commercial reserves could reduce future production of oil and natural gas which is highly dependent on the rate of success of exploratory program.

Development projects bear significant operational risks which may adversely affect actual returns

Eni is executing several development projects to produce and market hydrocarbon reserves. Certain projects target the development of reserves in high-risk areas, particularly deep offshore and in remote and hostile environments or environmentally sensitive locations. Eni's future results of operations and liquidity depend heavily on its ability to implement, develop and operate major projects as planned. Key factors that may affect the economics of these projects include:

- the outcome of negotiations with co-venturers, governments and state-owned companies, suppliers, customers or others, including, for example, Eni's ability to negotiate favourable long-term contracts to market gas reserves;
- the development of reliable spot markets that may be necessary to support the development of particular production projects, or commercial arrangements for pipelines and related equipment to transport and market hydrocarbons;
- timely issuance of permits and licenses by government agencies;
- the Company's relative size compared to its main competitors which may prevent it from participating in large-scale projects or affect its ability to reap benefits associated with economies of scale, for example by obtaining more favourable contractual terms by suppliers of equipment and services;
- the ability to carefully carry out front-end engineering design so as to prevent the occurrence of technical inconvenience during the execution phase;
- timely manufacturing and delivery of critical equipment by contractors, shortages in the availability of such equipment or lack of shipping yards where complex offshore units such as FPSO and platforms are built; these events may cause cost overruns and delays impacting the time-to-market of the reserves;
- risks associated with the use of new technologies and the inability to develop advanced technologies to maximise the recoverability rate of hydrocarbons or gain access to previously inaccessible reservoirs;
- poor performance in project execution on the part of contractors who are awarded project construction activities generally based on the EPC (Engineering, Procurement and

Construction) – turn key contractual scheme. Eni believes this kind of risk may be due to lack of contractual flexibility, poor quality of front-end engineering design and commissioning delays;

- changes in operating conditions and cost overruns. In recent years, the industry has been adversely impacted by the growing complexity and scale of projects which drove cost increases and delays, including higher environmental and safety costs. Due to the recent downtrend in crude oil prices, the Company will seek to renegotiate construction contracts, daily rates for rigs and other field services and costs for materials and other productive factors to preserve margins at its development projects. In case it fail to obtaining the planned cost reductions, its profitability in the Exploration & Production segment could be adversely affected;
- the actual performance of the reservoir and natural field decline; and
- the ability and time necessary to build suitable transport infrastructures to export production to final markets.

Events such as the ones described above of poor project execution, inadequate front-end engineering design, delays in the achievement of critical events and project milestones, delays in the delivery of production facilities and other equipment by third parties, differences between scheduled and actual timing of the first oil, as well as cost overruns may adversely affect the economic returns of Eni's development projects. Failure to successfully deliver major projects on time and on budget could negatively impact results of operations, cash flow and the achievement of short-term targets of production growth. Finally, development and marketing of hydrocarbons reserves typically require several years after a discovery is made. This is because a development project involves an array of complex and lengthy activities, including appraising a discovery in order to evaluate its commercial potential, sanctioning a development project and building and commissioning related facilities. As a consequence, rates of return for such long-lead-time projects are exposed to the volatility of oil and gas prices and costs which may be substantially different from the prices and costs assumed when the investment decision was actually made, leading to lower rates of return. In addition, projects executed with partners and co-venturers reduce the ability of the Company to manage risks and costs, and Eni could have limited influence over and control of the operations and performance of its partners. Furthermore, Eni may not have full operation control of the joint ventures in which it participates and may have exposure to counterparty credit risk and disruption of operation and strategic objectives due to the nature of its relationships.

For example in the Kashagan offshore field, in the Kazakh section of the Caspian Sea, the latest issue related to the downtime of a pipeline which forced the consortium to shut down production after the start-up. The damaged pipeline needs to be replaced with the consequence of additional costs to the project and the production will resume in late 2016.

Finally, in case the Company is unable to develop and operate major projects as planned, particularly if the Company fails to accomplish budgeted costs and time schedules, it could incur significant impairment charges of capitalised costs associated with reduced future cash flows of those projects.

Inability to replace oil and natural gas reserves could adversely impact results of operations and financial condition

Eni's results of operations and financial condition are substantially dependent on its ability to develop and sell oil and natural gas. Unless the Company is able to replace produced oil and natural gas, its reserves will decline. In addition to being a function of production, revisions and new discoveries, the Company's reserve replacement is also affected by the entitlement mechanism in its PSAs and similar contractual schemes. Pursuant to these contracts, Eni is entitled to a portion of a field's reserves, the sale of which is intended to cover expenditures incurred by the Company to develop and operate the field. The

higher the reference prices for Brent crude oil used to estimate Eni's proved reserves, the lower the number of barrels necessary to recover the same amount of expenditures. The opposite occurs in case of lower oil prices. Future oil and gas production is dependent on the Company's ability to access new reserves through new discoveries, application of improved techniques, success in development activity, negotiation with national oil companies and other entities owners of known reserves and acquisitions. In a number of reserve-rich countries, national oil companies decide to develop portion of oil and gas reserves that remain to be developed. To the extent that national oil companies decide to develop those reserves without the participation of international oil companies or if the Company fails to establish partnership with national oil companies, Eni's ability to access or develop additional reserves will be limited.

An inability to replace produced reserves by finding, acquiring and developing additional reserves could adversely impact future production levels and growth prospects. If Eni is unsuccessful in meeting its long-term targets of production growth and reserve replacement, Eni's future total proved reserves and production will decline and this will negatively affect future results of operations and liquidity.

Eni expects that tightening regulation in oil and gas activities following the Macondo accident will lead to rising compliance costs and other restrictions

The production of oil and natural gas is highly regulated and is subject to conditions imposed by governments throughout the world in matters such as the award of exploration and production leases, the imposition of specific drilling and other work obligations, income taxes and taxes on production, environmental protection measures, control over the development and abandonment of fields and installations, and restrictions on production. Following the Macondo accident in the Gulf of Mexico, governments throughout the world have enacted stricter regulations on environmental protection, risk prevention and other forms of restrictions to drilling and other well operations. These new regulations and legislation, as well as evolving practices, increase the burden of compliance costs by requiring industry participants to adopt new security and risk prevention measures and procedures. They may also require changes to Eni's drilling operations and exploration and development plans and may lead to higher royalties and taxes.

Uncertainties in estimates of oil and natural gas reserves

Several uncertainties are inherent in estimating quantities of proved reserves and in projecting future rates of production and timing of development expenditures. The accuracy of proved reserve estimates depend on a number of factors, assumptions and variables, among which the most important are the following:

- the quality of available geological, technical and economic data and their interpretation and judgment;
- projections regarding future rates of production and costs and timing of development expenditures;
- changes in the prevailing tax rules, other government regulations and contractual conditions;
- results of drilling, testing and the actual production performance of Eni's reservoirs after the date of the estimates which may drive substantial upward or downward revisions; and
- changes in oil and natural gas prices which could affect the quantities of Eni's proved reserves since the estimates of reserves are based on prices and costs existing as of the date when these estimates are made. Lower oil prices or the projections of higher operating and development costs may impair the ability of the Company to economically produce reserves leading to downward reserve revisions.

Reserve estimates are subject to revisions as prices fluctuate due to the cost recovery mechanism under the Company's production sharing agreements and similar contractual schemes.

The prices used in calculating Eni's estimated proved reserves are, in accordance with the U.S. Securities and Exchange Commission (the "**U.S. SEC**") requirements, calculated by determining the unweighted arithmetic average of the first-day-of-the-month commodity prices for the preceding 12 months. For the 12-months ending December 31, 2014, average prices were based on 101 $/BBL for the Brent crude oil.

Commodity prices declined significantly in the first half of 2015 and if such prices do not increase significantly in the second half of the year, Eni's calculations of 2015 estimated proved reserves will be based on lower commodity prices, which could result in having to remove non-economic reserves from Eni's proved reserves. This effect will be counterbalanced in full or in part by increased reserves corresponding to the additional volume entitlements under Eni's PSAs relating to the cost-oil: i.e. because of lower oil and gas prices, the reimbursement of expenditures incurred by the Company requires additional volumes of reserves.

Many of these factors, assumptions and variables involved in estimating proved reserves are subject to change over time therefore impacting the estimates of oil and natural gas reserves. Any downward revision in Eni's estimated quantities of proved reserves would indicate lower future production volumes, which could adversely impact Eni's results of operations and financial condition.

Oil and gas activity may be subject to increasingly high levels of income taxes

The oil and gas industry is subject to the payment of royalties and income taxes which tend to be higher than those payable in many other commercial activities. In addition, in recent years, Eni has experienced adverse changes in the tax regimes applicable to oil and gas operations in a number of countries where the Company conducts its upstream operations. As a result of these trends, management estimates that the tax rate applicable to the Company's oil and gas operations is materially higher than the Italian statutory tax rate for corporate profit which currently stands at 31.4 per cent.

The tax rate of the Company's Exploration & Production segment for the fiscal year 2014 was estimated at approximately 60 per cent. Eni believes that the tax rate in the Company's Exploration & Production segment for the fiscal year 2015 will trend higher due to a projected higher share of taxable profit which will be reported in countries with higher taxation than this segment average.

Management believes that the marginal tax rate in the oil and gas industry tends to increase in correlation with higher oil prices which could make it more difficult for Eni to translate higher oil prices into increased net profit. However, the Company does not expect that the marginal tax rate will decrease in response to falling oil prices. Adverse changes in the tax rate applicable to the Group profit before income taxes in its oil and gas operations would have a negative impact on Eni's future results of operations and cash flows.

In the current uncertain financial and economic environment also due to falling oil prices, governments are facing greater pressure on public finances, which may increase their motivation to intervene in the fiscal framework for the oil and gas industry, including the risk of increased taxation, windfall taxes, nationalisation and expropriations.

Eni's results depend on its ability to identify and mitigate the above mentioned risks and hazards which are inherent to Eni's operation.

The present value of future net revenues from Eni's proved reserves will not necessarily be the same as the current market value of Eni's estimated crude oil and natural gas reserves and, in particular, may be reduced due to the recent significant decline in commodity prices

Investors should not assume the present value of future net revenues from Eni's proved reserves is the current market value of Eni's estimated crude oil and natural gas reserves. In accordance with U.S. SEC rules, Eni bases the estimated discounted future net revenues from proved reserves on the 12-month unweighted arithmetic average of the first-day-of-the-month commodity prices for the preceding twelve months. Actual future prices may be materially higher or lower than the U.S. SEC pricing used in the calculations. Actual future net revenues from crude oil and natural gas properties will be affected by factors such as:

- the actual prices Eni receives for sales of crude oil and natural gas;
- the actual cost and timing of development and production expenditures;
- the timing and amount of actual production; and
- changes in governmental regulations or taxation.

The timing of both Eni's production and its incurrence of expenses in connection with the development and production of crude oil and natural gas properties will affect the timing and amount of actual future net revenues from proved reserves, and thus their actual present value. In addition, the 10% discount factor Eni uses when calculating discounted future net revenues may not be the most appropriate discount factor based on interest rates in effect from time to time and risks associated with Eni's reserves or the crude oil and natural gas industry in general.

At 31 December 2014, the net present value of Eni's proved reserves totaled approximately €59.6 billion. The average prices used to estimate Eni's proved reserves and the net present value at 31 December 2014, as calculated in accordance with U.S. SEC rules, were 101 $/BBL for the Brent crude oil. Commodity prices have decreased significantly in recent months. Holding all other factors constant, if commodity prices used in Eni's year-end reserve estimates were in line with the pricing environment existing in the first half of 2015, Eni's PV-10 at 31 December 2014 could decrease significantly.

Political considerations

A substantial portion of Eni's oil and gas reserves and gas supplies are located in countries outside the EU and the North America, namely in Africa, Central Asia and Central-Southern America, where the socio- political framework and macroeconomic outlook is less stable than in the OECD countries.

As of December 31, 2014, approximately 79% of Eni's proved hydrocarbon reserves were located in such countries and 60% of Eni's supplies of natural gas came from outside OECD countries. Adverse political, social and economic developments, such as internal conflicts, revolutions, establishment of non-democratic regimes, protests, strikes and other forms of civil disorder, contraction of economic activity and financial difficulties of the local governments with repercussions on the solvency of state institutions, inflation levels, exchange rates and similar events in any of those less stable countries may negatively affect Eni's ability to continue operating in an economic way, either temporarily or permanently, and Eni's ability to access oil and gas reserves. In particular, Eni faces risks in connection with the following, possible issues:

- lack of well-established and reliable legal systems and uncertainties surrounding enforcement of contractual rights;
- unfavourable enforcement of laws, regulations and contractual arrangements leading, for example, to expropriations, nationalisations or forced divestitures of assets and unilateral cancellation or modification of contractual terms. Eni is facing increasing competition from

state-owned oil companies who are partnering Eni in a number of oil and gas projects and properties in the host countries where Eni conducts its upstream operations. These state-owned oil companies can change contractual terms and other conditions of oil and gas projects in order to obtain a larger profit share from a given project, thereby reducing Eni's profit share. Furthermore, as of the balance sheet date receivables for €663 million relating to cost recovery under certain petroleum contracts in a non-OECD country were the subject of an arbitration proceeding;

- restrictions on exploration, production, imports and exports;
- tax or royalty increases (including retroactive claims);
- political and social instability which could result in civil and social unrest, internal conflicts and other forms of protest and disorder such as strikes, riots, sabotage, acts of violence and similar incidents. These risks could result in disruptions in economic activity, loss of output, plant closures and shutdowns, project delays, the loss of personnel or assets. They may force Eni to evacuate personnel for security reasons and to increase spending on security worldwide. They may disrupt financial and commercial markets, including the supply of and pricing for oil and natural gas, and generate greater political and economic instability in some of the geographic areas in which Eni operates. Areas where Eni operates where the Company is exposed to the political risk include, but are not limited to: Libya, Egypt, Algeria, Nigeria, Angola, Indonesia, Kazakhstan, Venezuela, Iraq, Iran and Russia. In addition, any possible reprisals as a consequence of military or other action, such as acts of terrorism in the United States or elsewhere, could have a material adverse effect on Eni's business, consolidated results of operations, and consolidated financial condition. In recent years, Eni's production levels in Libya were negatively impacted by acts of local conflict, social unrest, protests, strikes, which forced Eni to temporarily interrupt or reduce its producing activities, negatively affecting Eni's results of operations and cash flow. Also Eni's activities in Nigeria have been impacted in recent years by continuing episodes of theft, acts of sabotage and other similar disruptions which have jeopardised the Company's ability to conduct operations in full security, particularly in the onshore area of the Niger Delta. Looking forward, Eni expects that those risks will continue to affect Eni's operations in those countries. Particularly, the uncertain socio-political outlook in Libya and unsafe operational conditions onshore Nigeria were factored in the Company's projections of future production levels in these two countries. For more information about the status of Eni's operations in Libya see "Risks associated with continuing political instability in North Africa and the Middle East" below;
- difficulties in finding qualified suppliers in critical operating environment; and
- complex process in granting authorisations or licences affecting time-to-market of certain development projects.

In the current low oil price environment, the financial outlook of certain countries where Eni's hydrocarbons reserves are located has significantly deteriorated due to a contraction in the proceeds associated with the exploitation of hydrocarbons resources. This may increase the risk of a sovereign default, which may cause political and macroeconomic instability. Furthermore, in certain context, Eni is partnering with the national oil companies of such countries in executing oil & gas development projects. A possible sovereign default might jeopardise the financial feasibility of ongoing projects or increase the financial exposure of Eni, which would be contractually obligated to finance the share of development expenditures of the first party. This risk is mitigated by the customary default clause, which states that in case of a default, the non-defaulting party is entitled to compensate its claims with the share of production of the defaulting party.

Eni closely monitors political, social and economical risks of approximately 60 countries in which has invested or intends to invest, in order to evaluate the economic and financial return of certain projects and to selectively evaluate projects.

While the occurrence of those events is unpredictable, it is likely that the occurrence of such events could adversely impact Eni's financial exposure.

Risks associated with continuing political instability in North Africa and the Middle East

As of the end of 2014, approximately 27% of the Company's proved oil and gas reserves were located in North Africa. Since 2011, several North African and Middle Eastern oil producing countries have been experiencing an extreme level of political instability that has resulted in changes of governments, internal conflict, unrest and violence which caused economic disruptions and shutdowns in industrial activities.

The instability of the socio-political framework in those countries still represents an area of concern involving risks and uncertainties for the foreseeable future. In particular, the internal situation in Libya continues to represent an issue to Eni's management. Following the internal conflict of 2011 and the fall of the regime which forced the Company to shutdown almost all its producing facilities including gas exports for a period of about 8 months, a period of social and political instability began which turned into disorders, strikes, protests and a resurgence of the internal conflict. These events jeopardised Eni's ability to perform its industrial activity in safety, forcing the Company to interrupt its operations on certain occasions as precautionary measure.

Considering the escalation of the geopolitical risk in the Middle East and in the Northern Africa since the end of 2014, management strengthened security measures at the company's production installation and facilities in Libya. In the first half of 2015, Eni's assets in Libya were regularly in operation. Falling crude oil prices have severely hit the financial situation of Libya and of the National Oil Company (NOC), partner of Eni in the development projects in the Country.

In spite of a moderate strengthening of the political and institutional framework, Egypt's financial stability remains at risk, as witnessed by the continued difficulties of local oil and gas companies to fulfill financial obligations towards international oil companies. As of June 30, 2015, Eni owned a significant amount of trade receivables (€966 million compared to €763 million as of December 31, 2014) in respect of supplies of its oil and gas entitlements to local companies. Management is currently addressing the recoverability of the Company's trade receivables vs. Egyptian counterparties leveraging various initiatives and commercial agreements. Eni has not experienced any disruptions in its producing activities in the Country to date.

Also Eni's activities in Nigeria have been impacted in recent years by continuing episodes of theft, acts of sabotage and other similar disruptions which have jeopardised the Company's ability to conduct operations in full security, particularly in the onshore area of the Niger Delta. These frequent and recurring events affected Eni's operations in the country.

Looking forward, Eni expects that these events will continue to affect Eni's operations in those countries. Particularly, the uncertain socio-political outlook in Libya and unsafe operational conditions onshore Nigeria were factored in the Company's projections of future production levels in these two countries and in setting the Group's production targets for the medium term.

Other geopolitical risks are associated with partnerships between Europe and certain countries in the Middle East, which may lead to the imposition of sanctions by the United States and the European Union.

An escalation of the political crisis in Russia and Ukraine could affect Eni's business in particular and the global energy supply generally

The political crisis in Ukraine and the Crimean Peninsula unfolded in February 2014 and led to the impeachment of the President of Ukraine Viktor Yanukovych and the subsequent reaction by the Russian Federation. In March 2014, the announcement of the Supreme Council of Crimea and the City Council of Sevastopol of their intention to declare Crimea's independence from Ukraine as a single united nation with the possibility of joining the Russian Federation as a federal subject was followed by a referendum where 96 per cent. of those who voted in Crimea supported joining Russia. The Russian Federation annexed Crimea immediately after the result of the referendum. The Ukrainian Parliament, the United States and the European Union consider the referendum to be illegal and unconstitutional. Sanctions were imposed by the EU and the United States on officials and politicians from Russia and Crimea. Subsequently, allegations that the Russian Government has provided military and other support to separatists in Ukraine have led to further EU and U.S. sanctions.

Eni is closely monitoring developments to the political situation in Russia, Ukraine and the Crimea Region, is adapting its business activities to the sanctions already adopted by the relevant authorities and will adapt to any further related regulations and/or economic sanctions that could be adopted by the authorities.

Approximately 30% of Eni's natural gas is supplied by Russia and Eni is currently partnering the Russian company Rosneft in executing exploration activities in the Russian sections of the Barents Sea and the Black Sea. Contracts pertaining to the above-mentioned exploration licences were entered into before the enactment of the restrictive measures and Eni started the required authorisation procedure before the relevant EU Member States' Authorities.

The EU and U.S. enacted sanctions mainly target the financial sector and the energy sector in Russia. The EU sanctions relating to the upstream sector in Russia may negatively impact Eni's ongoing activities, mainly in the exploration sector, unless the Company obtains a waiver from the relevant EU Authorities for projects entered into before enactment of restrictions. Eni started the required authorisation procedure before the relevant EU Authorities. However, the outcome is uncertain and Eni cannot exclude major delays in certain ongoing or planned oil & gas exploration projects in Russia.

It is possible that wider sanctions covering the Russian energy, banking and/or finance industries may be implemented, which may be targeted at specific individuals or companies or more generally. Further sanctions imposed on Russia, Russian individuals or Russian companies by the international community, such as sanctions enacting restrictions on purchases of Russian gas by European companies or restricting dealings with Russian counterparties could adversely impact Eni's business, results of operations and cash flow. In addition, an escalation of the crisis and of imposed sanctions could result in a significant disruption of energy supply and trade flows globally, which could have a material adverse effect on the Group's business, financial conditions, results of operations and future prospects.

Risks in the Company Gas & Power business

Risks associated with the trading environment and competition in the industry

The outlook of the European gas market is still negatively affected by oversupply, on the back of a weak macroeconomic scenario. Gas demand was hit by a steep fall in consumption in the thermoelectric sector which was affected by lower demand and an ongoing expansion of renewable sources of electricity and higher use of coal displacing gas due to cost advantages and lower rates for obtaining emission allowances in Europe. In 2015, gas demand in Italy is expected to recover slightly, increasing by 2% under normal temperatures, or 9% considering the mild winter weather conditions reported in 2014, reflecting the exceptionally high hydroelectric production in 2014.

Gas demand was severely hit by the economic slowdown in Europe and, more importantly, a steep fall in consumption in the thermoelectric sector. The latter trend was affected by an ongoing expansion of renewable sources of electricity which have benefited from governmental subsides across Europe, whilst coal has displaced gas on a large scale in firing power plants due to cost advantages and lowering rates for obtaining emission allowances in Europe due to the economic downturn. Coal prices have seen a dramatic fall in recent years due to a massive glut of coal on a global scale. Looking forward, management does not expect any meaningful recovery in gas demand in Italy and in Europe for the foreseeable future, targeting 70 billion cubic meters ("**BCM**") and 460 BCM by 2019, respectively, representing an average growth rate of approximately 1% over the period. The level of gas demand in Europe expected in 2019 will be 80 BCM lower than the pre-crisis level of 2008, as the downturn drove trends of demand destruction.

In the face of weak demand, supplies on the European marketplace have continued to increase due to a number of factors. First of all, before the beginning of the downturn, gas wholesaler operators in Europe (overestimating the projected growth rates in demand) committed to purchase large amounts of gas under long-term supply contracts with producing countries (Russia, Algeria, Libya, Norway and the Netherlands) also bearing the volume risk as a result of the take-or-pay clause of those contracts. They also upgraded pipeline capacity and LNG terminals to import gas to Europe. The "shale gas revolution" in the USA was another fundamental trend that aggravated the oversupply situation in Europe. The discovery and development of large deposits of shale gas in the USA has progressively reduced to zero the Country's dependence on LNG imports. As a result of this, upstream producers were forced to redirect large LNG supplies to markets elsewhere in the world, including Europe. Large gas availability on the marketplace in Europe fuelled by take-or-pay contracts and worldwide LNG streams has driven the development of very liquid continental hubs to trade spot gas. Shortly spot prices at continental hubs have become the main benchmarks to which selling prices are indexed in supplies to large industrial customers, thermoelectric utilities and, more recently, to the residential sector. Gas wholesalers, including Eni, lost competitiveness in the current trading environment due to lack of flexibility of long-term, take-or-pay contracts and as spot prices ceased to track the oil prices to which the purchase cost of gas in long-term supply contracts were linked, resulting in a decoupling between trends in prices and in costs. These trends were exacerbated by the need of gas wholesalers to dispose of minimum annual volumes of gas purchased under long-term supply contracts in order to contain the financial exposure dictated by the take-or-pay clause.

Due to a round of renegotiations finalised over the last couple of years and up to date, over 70% of Eni's long-term gas supply portfolio is now indexed to hub prices, thus reducing the commodity risk due to the different indexation between hub-related selling prices and the purchase cost of gas. Eni anticipates a number of risk factors to the profitability outlook of the Company's gas marketing business over the next two to three years. Those include weak demand growth due to macroeconomic uncertainties, declining thermoelectric consumption, continuing oversupplies and strong competition. Eni believes that those trends will negatively impact the gas marketing business future results of operations and cash flows by reducing gas selling prices and margins, also considering Eni's obligations under its take-or-pay supply contracts.

In particular, Eni's wholesale business results are exposed to the volatility of the spreads between spot prices at European hubs and Italian spot prices.

Against this backdrop, Eni's management will continue to execute its renegotiation strategy of the Company's long-term gas supply contracts in order to align pricing and volume terms to current market conditions. The revisions clause provided by these contracts states the right of each counterparty to renegotiate the economic terms and other contractual conditions periodically, in relation to ongoing changes in the gas scenario. Management believes that the outcome of those renegotiations is uncertain in respect of both the amount of the economic benefits that will be ultimately achieved and the timing of recognition in profit. Furthermore, in case Eni and the gas suppliers fail to agree on revised contractual terms, an arbitration procedure could be started to solve the commercial dispute. This potentially adds to

the level of uncertainty surrounding the outcome of those renegotiations. Future results of the Gas Marketing activities are subject to increasing volatility and unpredictability.

The Company is seeking to improve its cost competitiveness by renegotiating more favourable contractual terms with Eni's long-term suppliers. If it fails to achieve this its profitability could be adversely affected

The Company's long-term supply contracts provide clauses whereby the parties are entitled to renegotiate pricing terms and other contractual conditions from time to time to reflect a changed market environment. The Company plans to renegotiate better terms and pricing of Eni's long-term supply contracts in the coming years to align its cost structure which comprise the raw material purchase cost and the associated logistic costs to prices prevailing in the marketplace in order to preserve the profitability of its gas operations and to fulfill the contractual obligation of off-taking the annual minimum take in its long-term supply contracts. If it fails to obtain the planned benefits, future results and cash flow could be adversely affected.

The outcome of the planned renegotiations is uncertain in respect of both the amount of the economic benefits which will be ultimately achieved and the timing of recognition in profit. Should Eni fail to obtain revised contractual terms, Eni will evaluate whether to commence arbitration proceedings to satisfy Eni's claims. However, arbitration proceedings may require complex and lengthy processes in order to reach a ruling, thus adding to the uncertainty about the final outcome of those renegotiations.

Current, negative trends in gas demands and supplies may impair the Company's ability to fulfill its minimum off-take obligations in connection with its take-or-pay, long-term gas supply contracts

In order to secure long-term access to gas availability, particularly with a view of supplying the Italian gas market and anticipating certain trends in gas demand which actually failed to materialise, Eni has signed a number of long-term gas supply contracts with national operators of key producing countries that supply the European gas markets.

These contracts include take-or-pay clauses whereby the Company is required to off-take minimum, pre- set volumes of gas in each year of the contractual term or, in case of failure, to pay the whole price, or a fraction of that price, up to the minimum contractual quantity. The take-or-pay clause entitles the Company to off-take pre-paid volumes of gas in later years. Amounts of cash pre-payments and time schedules for off-taking pre-paid gas vary from contract to contract. Generally, cash pre-payments are calculated on the basis of the energy prices current in the year when the Company is scheduled to purchase the gas, with the balance due in the year when the gas is actually purchased.

The right to off-take pre-paid gas expires within a ten-year term in some contracts or remains in place until contract expiration in other arrangements. In addition, the right to off-take the pre-paid gas can be exercised in future years provided that the Company has fulfilled its minimum take obligation in a given year and within the limit of the maximum annual quantity. Similar considerations apply to ship-or-pay contractual obligations.

Although during the recent supply contract round of renegotiations the minimum pre-set volumes of gas that the Company is required to off-take has been significantly reduced, management believes that the current market outlook which will be driven by a weak recovery in gas demand and large gas availability, as well as strong competitive pressures in the marketplace and the possible changes in the sector specific regulation represent a risk factor to the Company's ability to fulfill its minimum take obligations associated with its long-term supply contracts, considering also the Company's plans for its sales volumes which are anticipated to remain flat or to decrease slightly in 2015 and in the subsequent years. In this scenario, management is committed to the renegotiation of long-term gas supply contracts and on portfolio optimisation, in order to reduce the exposure to take-or-pay contracts and to the related financial risk.

Thanks to contract renegotiations and effective selling activities, in 2014, the Company lifted the underlying volumes, the purchase cost of which the Company advanced to its gas supplies in previous years due to the incurrence of the take-or-pay clause, achieving a reduction in its deferred costs recorded in the balance sheet (from €2.4 billion at the end of 2012 down to approximately €0.9 billion at 2014 year end, confirmed as at 30 June 2015). Looking forward, based on trends in the supply and demand of natural gas, the Company's assumptions on sales volumes and average sales margins and the probable outcome of ongoing contract renegotiations, the Company's management plans to substantially finalise the recovery of the residual amounts of gas paid in advance by the plan period, fulfilling contractual clauses and recovering the prepaid amounts.

Risks associated with sector-specific regulations in Italy

Risks associated with the regulatory powers entrusted to the Italian Authority for Electricity Gas and Water in the matter of pricing to residential customers

Eni's Gas & Power segment is exposed to regulatory risks mainly in its domestic market in Italy. Developments in the regulatory framework may negatively affect future sales margins of gas and electricity, operating results and cash flow. Below is provided an overview of the most important aspects of the ongoing regulatory framework of the gas sector in Italy including management's evaluation of the possible impacts on future results of operations in the Gas & Power segment.

Legislative Decree No. 130 of August 13, 2010 titled "New measures to improve competitiveness in the natural gas market and to ensure the transfer of economic benefits to final customers" became effective. This new regulation replaced the previous system of gas antitrust thresholds defined by Legislative Decree No. 164 of May 23, 2000 by introducing a 40% ceiling to the wholesale market share of each Italian gas operator who inputs gas into the Italian backbone network. In the frame of Legislative Decree No. 130/2010 Eni has committed itself to build new storage capacity for 4 BCM within five years from the enactment of the Decree; as a consequence the cap provided by the Legislative Decree No. 130/2010 to its market share in Italy rises from 40% to 55%. In the case of violations of the mandatory threshold, Eni is obliged to execute gas release measures at regulated prices up to 4 BCM over a two-year period following the ascertainment of the breach. Access to the new storage capacity is reserved to industrial customers and their consortium and to gas-fired power plants.

Furthermore, the Decree establishes that upon request, industrial customers are granted, for the new storage capacity which is not yet available: from April 2012 a "virtual storage service", which consists of the possibility to deliver gas during the summer to a "virtual storage operator" at an European hub – TTF, Zeebrugge or PSV – and to collect equivalent gas quantities during the winter at the Italian PSV, paying for the service a fee equivalent to the cost of storage plus transmission costs, if any. Therefore, industrial operators benefit from the price differentials due to the seasonal swings of gas demand.

The Regulatory Authority for Electricity Gas and Water (the "**AEEGSI**") is entrusted with certain powers in the matter of natural gas pricing. Specifically, the AEEGSI holds a general surveillance power on pricing in the natural gas market in Italy and the power to establish selling tariffs for the supply of natural gas to residential and commercial users (as provided for by Resolution ARG/gas No. 64/2009) taking into account the public goal of containing the inflationary pressure due to rising energy costs. Accordingly, decisions of the AEEGSI on these matters may limit the ability of Eni to pass an increase in the cost of the raw material onto final consumers of natural gas.

In 2013, the AEEGSI changed the pricing mechanism of gas supplies to retail customers by introducing a full indexation of the raw material cost component of the tariff to spot prices, which replaced an oil-linked indexation. The new regulatory regime was introduced in a market scenario where spot gas prices were significantly lower compared to gas prices under long-term oil-linked contracts, as the Brent price at the time was about 100 $/BBL. Subsequently, the Resolution 447/2013/R/Gas introduced a

compensation mechanism to promote the renegotiation of long-term gas supply contracts. This compensation mechanism is intended to mitigate the impact of the new tariff regime to operators with long-term supply contracts (typically oil-linked) by reimbursing to them part of the higher long term gas supply costs which are no longer recoverable trough tariffs. This compensation mechanism is intended to cover the three thermal years, from October 2013 through October 2016.

The AEEGSI set the initial amount of the compensation in 2013 based on the documentation filed by each operator, taking into account the price differential between a theoretically efficient gas price under long-term contracts and spot prices at the Dutch platform TTF. The cost curve elaborated by the AEEGSI relating to Eni for the year 2013 projected supply cost trends, under various oil prices assumptions, which mirrored Eni's expected costs of gas supplies. In the light of the results, the AEEGSI based on forward prices of Eni's gas costs and certain volume assumptions established a maximum compensation of €160 million, to which Eni would be entitled for the three – thermal year period of the mechanism implementation. The AEEGSI resolution envisages that 40% of the compensation is due in the first thermal year, 40% in the second year and 20% in the third thermal year. In each thermal year, the AEEGSI updates the compensation mechanism to verify that gas operators still have right to the compensation in light of current trends in the gas costs and prices. Based on this, the initial amount of the compensation can be confirmed or reduced. It is established that reduction occurs in case spot prices exceed gas prices under long-term gas supply contracts.

In 2014, the AEEGSI updated the index of supply costs applicable to Eni's portfolio. Consequently, under a 100 $/BBL scenario, the AEEGSI ratified the first tranche of the initial amount of the compensation equal to €60 million (or the 40% of the initial amount). This gain was recognised in the group consolidated financial statements for the year 2014, according to the recognition requirements envisaged by the AEEGSI. However, in the current 60 $/BBL Brent price scenario, the index of procurement cost turned to be no longer reflective of the set-up of Eni's gas supply portfolio, which in the meantime has been largely renegotiated. Following the round of renegotiations of Eni's long-term gas supply contracts, which took place in the 2013-2014 period, the Company portfolio is currently indexed for a large portion to spot prices and as such it is not benefitting of falling crude oil prices.

In November 2015, the AEEGSI will update the index of procurement cost for thermal year 2015. In this context, two possible scenarios can be envisaged:

- the AEEGSI will determine that Eni's supply costs have evolved according to the AEEGSI projections made in 2013. Under this scenario, the initial amount of the compensation of €160 million will be confirmed (and therefore recognised in the 2015 financial statements, for a 40% tranche equal to €60 million);
- the AEEGSI will determine that Eni's supply costs have fallen below spot prices. Under this scenario, Eni could incur a loss up to three times the amount of the initial compensation or €480 million, plus giving back the €60 million amount recognised in 2014.

The final outcome is expected in the fourth quarter of 2015 when the AEEGSI is scheduled to update the supply cost index for the thermal year 2015, on which basis Eni will recognise the profit and loss impact (positive or negative as the case may be).

In the light of oil price trends, Eni prudently contested the Resolution 549/2014/R/gas, which implements the compensation mechanism. Eni claimed that the Resolution did not provided sufficient criteria for updating the compensation and could potentially determine unfair results, also contending its legitimacy. Besides that, Eni might appeal against the update of its index of procurement cost for thermal year 2015, which is expected in the fourth quarter, in case of an unfavourable outcome.

Due to a structurally adverse competitive environment in Eni's Refining & Marketing and Chemicals business, Eni's prospects to recover profitability depends on its ability to restructure those businesses

Eni's Refining & Marketing and Chemical business have been unprofitable for many years. Those trends reflected (in addition to movements in the cost of crude oil), competitive disadvantages of Eni's businesses due to industry excess capacity, lack of efficient scale at Eni's refining and chemicals plants and competition from cheaper oil products and commodities coming from Asia, Russia and the United States. Eni believes that these trends will not reverse in the foreseeable future. Eni plans on rightsizing its production capacity in those businesses through plant closure, divestments, restructuring and plant conversion to production based on renewable feedstock.

In particular, in the Refining & Marketing business Eni intends to increase conversion capacity from heavy crudes to premium products, reconvert traditional plants with low conversion index or high structural costs in plants for biofuel production leveraging on proprietary technologies, and efficiency recovery and productive process optimisation. In the Chemical business management intends to reduce the exposure to loss- making, commoditised businesses, while growing in the innovative segments of bio-plastics and niche productions.

If Eni fails to implement capacity restructuring and rationalisation as planned, its business, results of operations and financial condition and cash flow could be negatively impacted.

Antitrust and competition law

The Group's activities are subject to antitrust and competition laws and regulations in many countries of operations, especially in Europe. It is possible that the Group may incur significant loss provisions in future years relating to ongoing antitrust proceedings or new proceedings that may possibly arise. The Group is particularly exposed to this risk in its natural gas, refining and marketing and petrochemical activities due to the fact that Eni is the incumbent operator in those markets in Italy and a large European player. Furthermore, based on the findings of antitrust proceedings, plaintiffs could seek payment to compensate for any alleged damages as a result of antitrust business practices on part of Eni. Both these risks could adversely affect the Group's future results of operations and cash flows.

Environmental, health and safety regulations

Eni has incurred in the past and will incur material operating expenses and expenditures in relation to compliance with applicable environmental, health and safety regulations in future years

Eni is subject to numerous EU, international, national, regional and local environmental, health and safety laws and regulations concerning its oil and gas operations, refining, chemicals, hydrocarbons transportation and other activities. Generally, these laws and regulations require the acquisition of a permit before drilling for hydrocarbons may commence, restrict the types, quantities and concentration of various substances that can be released into the environment in connection with exploration, drilling and production activities, as well as refining, petrochemical and other Group's operations, limit or prohibit drilling activities in certain protected areas, require to remove and dismantle drilling platforms and other equipment and well plug-in once oil and gas operations have terminated, provide for measures to be taken to protect the safety of the workplace and health of communities involved by the Company's activities, and impose criminal or civil liabilities for polluting the environment or harming employees' or communities' health and safety resulting from oil, natural gas, refining, petrochemical and other Group's operations.

These laws and regulations also regulate emissions of substances and pollutants, handling of hazardous materials and discharges to surface and subsurface of water resulting from the operation of oil and natural gas extraction and processing plants, petrochemical plants, refineries, service stations, vessels, oil carriers, pipeline systems and other facilities owned by Eni. In addition, Eni's operations are

subject to laws and regulations relating to the production, handling, transportation, storage, disposal and treatment of waste materials.

Breach of environmental, health and safety laws expose the Company's employees to criminal and civil liability and the Company to the incurrence of liabilities associated with compensation for environmental, health or safety damage, as well as damage to its reputation. Additionally, in the case of violation of certain rules regarding the safeguard of the environment and safety in the workplace, the Company can be liable for negligent or willful conduct on part of its employees as per Law Decree No. 231/2001.

Environmental, health and safety laws and regulations have a substantial impact on Eni's operations. Management expects that the Group will continue to incur significant amounts of operating expenses and expenditures in the foreseeable future to comply with laws and regulations addressing the safeguard of the environment, safety on the workplace, health of employees, contractors and communities involved by the Company operations, including:

- costs to prevent, control, eliminate or reduce certain types of air and water emissions and handle waste and other hazardous materials, including the costs incurred in connection with government action to address climate change;
- remedial and clean-up measures related to environmental contamination or accidents at various sites, including those owned by third parties (see discussion below);
- damage compensation claimed by individuals and entities, including local, regional or state administrations, in case Eni causes any kind of accident, pollution, contamination or other environmental liability involving its operations or the Company is found guilty of violating environmental laws and regulations; and
- costs in connection with the decommissioning and removal of drilling platforms and other facilities, and well plugging.

Furthermore, in the countries where Eni operates or expects to operate in the near future, new laws and regulations, the imposition of tougher license requirements, increasingly strict enforcement or new interpretations of existing laws and regulations or the discovery of previously unknown contamination may also cause Eni to incur material costs resulting from actions taken to comply with such laws and regulations, including:

- modifying operations;
- installing pollution control equipment;
- implementing additional safety measures; and
- performing site clean-ups.

As a further result of any new laws and regulations or other factors, Eni may also have to curtail, modify or cease certain operations or implement temporary shutdowns of facilities, which could diminish Eni's productivity and materially and adversely impact Eni's results of operations, including profits. Security threats require continuous assessment and response measures. Acts of terrorism against Eni's plants and offices, pipelines, transportation or computer systems could severely disrupt businesses and operations and could cause harm to people.

Existing or future laws, regulations, treaties or international agreements related to greenhouse gases and climate change could have a negative impact on Eni's business and may result in additional compliance obligations with respect to the release, capture, and use of carbon dioxide that could have a material adverse effect on Eni's liquidity, consolidated results of operations, and consolidated financial condition.

Changes in environmental requirements related to greenhouse gases and climate change may negatively impact demand for oil and natural gas and production may decline as a result of environmental requirements (including land use policies responsive to environmental concerns). State, national, and international governments and agencies have been evaluating climate-related legislation and other regulatory initiatives that would restrict emissions of greenhouse gases in areas in which Eni conducts business. Because Eni's business depends on the global demand for oil and natural gas, existing or future laws, regulations, treaties, or international agreements related to greenhouse gases and climate change, including incentives to conserve energy or use alternative energy sources, could have a negative impact on Eni's business if such laws, regulations, treaties, or international agreements reduce the worldwide demand for oil and natural gas. Likewise, such restrictions may result in additional compliance obligations with respect to the release, capture, sequestration, and use of carbon dioxide that could have a material adverse effect on Eni's liquidity, consolidated results of operations, and consolidated financial condition.

Risks of environmental, health and safety incidents and liabilities are inherent in many of Eni's operations and products. Notwithstanding management's belief that Eni adopts high operational standards to ensure the safety of its operations and the protection of the environment and the health of people and employees, it is possible that incidents like blowouts, oil spills, contaminations, pollution, release in the air, soil and ground water of pollutants and other dangerous materials, liquids or gases, and similar events could occur that would result in damage to the environment, employees and communities. The occurrence of any such events could have a material adverse impact on the Group business, competitive position, cash flow, results of operations, liquidity, future growth prospects, shareholders' return and damage to the Group reputation.

Eni has incurred in the past and may incur in the future material environmental provisions in connection with the environmental impact of its past and present industrial activities. Eni is also exposed to claims under environmental requirements and, from time to time, such claims have been made against it. In Italy, environmental requirements and regulations typically impose strict liability. Strict liability means that in some situations Eni could be exposed to liability for clean-up and remediation costs, natural resource damages, and other damages as a result of Eni's conduct that was lawful at the time it occurred or the conduct of prior operators or other third parties. Also plaintiffs may seek to obtain compensation for damage resulting from events of contamination and pollution or in case the Company is found guilty of having violated any environmental laws or regulations.

Eni is periodically notified of potential liabilities at Italian sites. These potential liabilities may arise from both historical Eni operations and the historical operations of companies that Eni has acquired. Many of those potential liabilities relate to certain industrial sites that the Company disposed of, liquidated, closed or shut down in prior years where Group products were produced, processed, stored, distributed or sold, such as chemical plants, mineral-metallurgic plants, refineries and other facilities. At those industrial locations Eni has commenced a number of initiatives to restore and clean-up proprietary or concession areas that were allegedly contaminated and polluted by the Group's industrial activities. Notwithstanding the Group's position that it cannot be held liable for contaminations occurred in past years (as permitted by applicable regulations in case of declaration rendered by a guiltless owner i.e. as a result of Eni's conduct that was lawful at the time it occurred) or because Eni took over operations from third parties, nonetheless several public administrations used Eni for environmental and other damages and for clean-up and remediation measures in addition to those which were performed by the Company.

Eni expects remedial and clean-up activities at Eni's sites to continue in the foreseeable future impacting Eni's liquidity. As of 31 December 2014, the Group has accrued risk provisions to cope with all existing environmental liabilities whereby both a legal or constructive obligation to perform a clean-up or other remedial actions is in place and the associated costs can be reasonably estimated. The accrued amounts represent the management's best estimates of the Company's liability.

Management believes that it is possible that in the future Eni may incur significant environmental expenses and liabilities in addition to the amounts already accrued due to: (i) the likelihood of as yet unknown contamination; (ii) the results of ongoing surveys or surveys to be carried out on the environmental status of certain of Eni's industrial sites as required by the applicable regulations on contaminated sites; (iii) unfavourable developments in ongoing litigation on the environmental status of certain of the Company's sites where a number of public administrations and the Italian Ministry of the Environment act as plaintiffs; (iv) the possibility that new litigation might arise; (v) the probability that new and stricter environmental laws might be implemented; and (vi) the circumstance that the extent and cost of environmental restoration and remediation programs are often inherently difficult to estimate leading to underestimation of the future costs of remediation and restoration, as well as unforeseen adverse developments both in the final remediation costs and with respect to the final liability allocation among the various parties involved at the sites.

As a result of those risks, environmental liabilities could be substantial and could have a material adverse effect on Eni's liquidity, consolidated results of operations, and consolidated financial condition.

Risks related to legal proceedings and compliance with anti-corruption legislation

Eni is the defendant in a number of civil actions and administrative proceedings arising in the ordinary course of business. In addition to existing provisions accrued as of December 31, 2014 to account for ongoing proceedings, it is possible that in future years Eni may incur significant losses in addition to the amounts already accrued in connection with pending legal proceedings due to: (i) uncertainty regarding the final outcome of each proceeding; (ii) the occurrence of new developments that management could not take into consideration when evaluating the likely outcome of each proceeding in order to accrue the risk provisions as of the date of the latest financial statements; (iii) the emergence of new evidence and information; and (iv) underestimation of probable future losses due to the circumstance that they are often inherently difficult to estimate. Certain legal proceedings where Eni or its subsidiaries or its officers are parties, involve the alleged breach of anticorruption laws and regulations and ethical misconduct. Ethical misconduct and non-compliance with applicable laws and regulations, including non-compliance with anti-bribery and anti-corruption laws, by Eni, its partners, agents or others that act on the Group's behalf, could expose Eni and its employees to criminal and civil penalties and could be damaging to Eni's reputation and shareholder value.

Risks from acquisitions

Eni constantly monitors the oil and gas market in search of opportunities to acquire individual assets or companies in order to achieve its growth targets or complement its asset portfolio. Acquisitions entail an execution risk – a significant risk, among other matters, that the acquirer will not be able to effectively integrate the purchased assets so as to achieve expected synergies. In addition, acquisitions entail a financial risk – the risk of not being able to recover the purchase costs of acquired assets, in case a prolonged decline in the market prices of oil and natural gas occurs. Eni may also incur unanticipated costs or assume unexpected liabilities and losses in connection with companies or assets it acquires. If the integration and financial risks connected to acquisitions materialise, Eni's financial performance and shareholders' returns may be adversely affected.

Risks deriving from Eni's exposure to weather conditions

Significant changes in weather conditions in Italy and in the rest of Europe from year to year may affect demand for natural gas and some refined products. In colder years, demand for such products is higher. Accordingly, the results of operations of the Gas & Power segment and, to a lesser extent, the Refining & Marketing business, as well as the comparability of results over different periods may be affected by such changes in weather conditions. In general, the effects of climate change could result in less stable weather patterns, resulting in more severe storms and other weather conditions that could

interfere with Eni's operations and damage Eni's facilities. Furthermore, Eni's operations, particularly offshore production of oil and natural gas, are exposed to extreme weather phenomena that can result in material disruption to Eni's operations and consequent loss or damage of properties and facilities.

Eni's crisis management systems may be ineffective and Eni may be the target of cyber attacks

Eni has developed contingency plans to continue or recover operations following a disruption or incident. An inability to restore or replace critical capacity to an agreed level within an agreed time frame could prolong the impact of any disruption and could severely affect business and operations. Likewise, Eni has crisis management plans and capability to deal with emergencies at every level of its operations. If Eni does not respond or is not seen to respond in an appropriate manner to either an external or internal crisis, its business and operations could be severely disrupted.

Exposure to financial risk

Eni's business activities are inherently exposed to financial risk. This includes exposure to market risk, including commodity price risk, interest rate risk and foreign currency risk, as well as liquidity risk, and credit risk.

Eni's primary source of exposure to financial risk is the volatility in commodity prices. Generally, the Group does not hedge its strategic exposure to the commodity risk associated with its plans to find and develop oil and gas reserves, volume of gas purchased under its long-term gas purchase contracts which are not covered by contracted sales, its refining margins and other activities. The Group's risk management objectives in addressing commodity risk are to optimise the risk profile of its commercial activities by effectively managing economic margins and safeguarding the value of Eni assets. To achieve this, Eni engages in risk management activities seeking both to hedge Group's exposures and to profit from short-term market opportunities and trading. The Group's risk management has evolved particularly in response to the major changes which have occurred in the competitive landscape of the gas marketing business, gas volatile margins and development of liquid gas spot markets.

Eni is engaged in substantial trading and commercial activities in the physical markets. Eni also uses financial instruments such as futures, options, Over The Counter (OTC) forward contracts, market swaps and contracts for differences related to crude oil, petroleum products, natural gas and electricity in order to manage the commodity risk exposure. Eni also uses financial instruments to manage foreign exchange and interest rate risk.

The Group's approach to risk management includes identifying, evaluating and managing the financial risk using a top-down approach whereby the Board of Directors is responsible for establishing the Group risk management strategy and setting the maximum tolerable amounts of risk exposure. The Group's Chief Executive Officer is responsible for implementing the Group risk management strategy, while the Group's Chief Financial and Risk Management Officer is in charge of defining policies and tools to manage the Group's exposure to financial risk, as well as monitoring and reporting activities.

Various Group committees are in charge of defining internal criteria, guidelines and targets of risk management activities consistent with the strategy and limits defined at Eni's top level, to be used by the Group's business units, including monitoring and controlling activities. Although Eni believes it has established sound risk management procedures, trading activities involve elements of forecasting and Eni is exposed to the risks of market movements, of incurring significant losses if prices develop contrary to management expectations and of default of counterparties.

Commodity risk

Commodity risk is the risk associated with fluctuations in the price of commodities which may impact the Group's results of operations and cash flow. Exposure to commodity risk is both of a strategic and commercial nature. Generally, the Group does not hedge its strategic exposure to commodity risk.

However, the Group actively manages its exposure to commercial risk arising when a contractual sale of a commodity has occurred or it is highly probable that it will occur and the Group aims to lock in the associated commercial margin.

The Group's risk management policies have evolved particularly in response to the deep changes occurred in the competitive landscape of the gas marketing business, volatile gas margins and development of liquid markets to trade spot gas. These policies also contemplate the use of derivative contracts for speculative purposes whereby Eni is seeking to profit from opportunities available in the gas market based, among other things, on its expectations regarding trends in future prices.

As part of those trading activities, the Company is implementing strategies of asset-backed trading in order to maximise the economic value of the flexibilities associated with its assets. Management believes that the price risks related to asset-backed trading activities are mitigated by the natural hedge granted by the assets' availability.

These derivative contracts entered into for trading purposes may lead to gains, as well as losses, which, in each case, may be significant. Those derivatives are accounted for through profit and loss, resulting in higher volatility in Eni's earnings.

Exchange rate risk

Movements in the exchange rate of the euro against the U.S. dollar can have a material impact on Eni's results of operations. Prices of oil, natural gas and refined products generally are denominated in, or linked to, U.S. dollars, while a significant portion of Eni's expenses are denominated in euros. Similarly, prices of Eni's petrochemical products are generally denominated in, or linked to, the euro, whereas expenses in the Chemical segment are denominated both in euros and U.S. dollars. Accordingly, a depreciation of the U.S. dollar against the euro generally has an adverse impact on Eni's results of operations and liquidity because it reduces booked revenues by an amount greater than the decrease in U.S. dollar-denominated expenses and may also result in significant translation adjustments that impact Eni's shareholders' equity. The Exploration & Production segment is particularly affected by movements in the U.S. dollar versus the euro exchange rates as the U.S. dollar is the functional currency of a large part of its foreign subsidiaries and therefore movements in the U.S. dollar versus the euro exchange rate affect year-on-year comparability of results of operations. In 2014, the Exploration & Production results of operations were marginally affected by trends in exchange rate of the euro against the U.S. dollar as the average exchange rate for the full year was substantially flat at 1 EUR = 1.33 US$. However, the decline of the euro against the U.S. dollar in the fourth quarter 2014 resulted in an appreciation of approximately 12% of the U.S. dollar at the closing rate on December 31, 2014 with respect to the closing rate at December 31, 2013 which movements boosted the Group net equity by approximately €5 billion as a result of the translation differences of the net assets of dollar-denominated subsidiaries. This trend has continued in the first half of 2015, with a 7.83 % appreciation of the U.S. dollar against the euro (1 EUR = 1.119 U.S. dollar) resulting in an increase of €3.51 billion in total equity.

Susceptibility to variations in sovereign rating risk

Eni's credit ratings are potentially exposed to risk in reductions of sovereign credit rating of Italy. On the basis of the methodologies used by Standard & Poor's and Moody's, a potential downgrade of Italy's credit rating may have a potential knock-on effect on the credit rating of Italian issuers such as Eni and make it more likely that the credit rating of the Notes or other debt instruments issued by the Company could be downgraded.

Interest rate risk

Interest on Eni's debt is primarily indexed at a spread to benchmark rates such as the Europe Interbank Offered Rate, "Euribor", and the London Interbank Offered Rate, "Libor". As a consequence,

movements in interest rates can have a material impact on Eni's finance expense in respect to its debt. Additionally, spreads offered to the Company may rise in connection with variations in sovereign rating risks or company rating risks, as well as the general conditions of capital markets.

Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the Group may not be available, or the Group is unable to sell its assets on the marketplace in order to meet short-term financial requirements and to settle obligations. Such a situation would negatively impact the Group results of operations and cash flows as it would result in Eni incurring higher borrowing expenses to meet its obligations or, under the worst conditions, the inability of Eni to continue as a going concern. European and global financial markets are currently subject to volatility amid concerns over the European sovereign debt crisis and weak macroeconomic growth, particularly in the Euro-zone. If there are extended periods of constraints in the financial markets, or if Eni is unable to access the financial markets (including cases where this is due to Eni's financial position or market sentiment as to Eni's prospects) at a time when cash flows from Eni's business operations may be under pressure, Eni's ability to maintain Eni's long-term investment program may be impacted with a consequent effect on Eni's growth rate, and may impact shareholder returns, including dividends or share price.

The oil and gas industry is capital intensive. Eni makes and expect to continue to make substantial capital expenditures in its business for the exploration, development, exploitation and production of oil and natural gas reserves.

Historically, Eni's capital expenditures have been financed with cash generated by operations, proceeds from asset disposal, borrowings under its credit facility and proceeds from the issuance of debt and bonds. The actual amount and timing of future capital expenditures may differ materially from Eni's estimates as a result of, among others, changes in commodity prices, available cash flows, lack of access to capital, unbudgeted acquisitions, actual drilling results, the availability of drilling rigs and other services and equipment, the availability of transportation capacity, and regulatory, technological and competitive developments.

Eni's cash flows from operations and access to capital markets are subject to a number of variables, including but not limited to:

- the amount of Eni's proved reserves;
- the volume of crude oil and natural gas Eni is able to produce and sell from existing wells;
- the prices at which crude oil and natural gas are sold;
- Eni's ability to acquire, find and produce new reserves; and
- the ability and willingness of Eni's lenders to extend credit or of participants in the capital markets to invest in Eni's bonds.

If revenues or Eni's ability to borrow decrease significantly due to factors like a prolonged decline in crude oil and natural gas prices, Eni might have limited ability to obtain the capital necessary to sustain its planned capital expenditures. If cash generated by operations, cash from asset disposal, or cash available under Eni's liquidity reserve or its credit facilities is not sufficient to meet capital requirements, the failure to obtain additional financing could result in a curtailment of operations relating to development of Eni's reserves, which in turn could adversely affect its business, financial condition, results of operations, and cash flows and its ability to achieve its growth plans.

In addition, funding Eni's capital expenditures with additional debt will increase its leverage and the issuance of additional debt will require a portion of Eni's cash flows from operations to be used for the

payment of interest and principal on its debt, thereby reducing its ability to use cash flows to fund capital expenditures and dividends.

Credit risk

Credit risk is the potential exposure of the Group to losses in case counterparties fail to perform or pay due amounts. Credit risks arise from both commercial partners and financial ones. In recent years, the Group has experienced a higher than normal level of counterparty default due to the severity of the economic and financial downturn and the amount of trade receivables overdue at the balance sheet date has increased significantly. In Eni's 2014 Consolidated Financial Statements, Eni accrued an allowance against doubtful accounts amounting to €518 million (compared to €384 million in 2013), mainly relating to the Gas & Power business. Management believes that this business is particularly exposed to credit risks due to its large and diversified customer base which include a large number of medium and small sized businesses and retail customers who have been particularly impacted by the financial and economic downturn. However, trade receivable amounts due at the balance sheet date have also increased in relation to supplies of the Group's products to state-owned companies, public administrations and other governmental agencies in Italy and abroad. Eni believes that the management of doubtful accounts represents an issue to the Company which will require management focus and commitment going forward. In the future Eni cannot exclude the recognition of significant provisions for doubtful accounts.

Critical accounting estimates

The preparation of the Consolidated Financial Statements requires the use of estimates and assumptions that affect the assets, liabilities, revenues and expenses reported in the financial statements, as well as amounts included in the notes thereto, including discussion and disclosure of contingent liabilities. Estimates made are based on complex or subjective judgments and past experience and other assumptions deemed reasonable in consideration of the information available at the time. The accounting policies and areas that require the most significant judgments and estimates to be used in the preparation of the Consolidated Financial Statements are in relation to the accounting for oil and natural gas activities, specifically the determination of proved and proved developed reserves, impairment of fixed assets, intangible assets and goodwill, asset retirement obligations, business combinations, pensions and other post-retirement benefits, recognition of environmental liabilities and other risk provisions and recognition of revenues in the oilfield services construction and engineering businesses. Although management believes these estimates to represent the best outcome of the estimation process, actual results could differ from such estimates, due to, among other things, the following factors: uncertainty, lack or limited availability of information, availability of new informative elements, variations in economic conditions such as prices, costs, other significant factors including evolution in technologies, industrial practices and standards (e.g. removal technologies) and the final outcome of legal, environmental or regulatory proceedings.

Digital infrastructure is an important part of maintaining Eni's operations, and a breach of Eni's digital security could result in serious damage to business operations, personal injury, damage to assets, harm to the environment, breaches of regulations, litigation, legal liabilities and reparation costs

The reliability and security of Eni's digital infrastructure is critical to maintaining the availability of Eni's business applications, including the reliable operation of technology in Eni's various business operations and the collection and processing of financial and operational data, as well as the confidentiality of certain third-party information. If Eni's systems for protecting Eni's digital security prove not to be sufficient, either due to intentional actions such as cyber-attacks or due to negligence, Eni could be adversely affected by, among other things, loss or damage of intellectual property, proprietary information, or customer data, having Eni's business operations interrupted, and increased costs to prevent, respond to, or mitigate potential risks to Eni's digital infrastructure; also, in some circumstances,

failures to protect digital infrastructure could result in injury to people, damage to assets, harm to the environment, breaches of regulations, litigation, legal liabilities and reparation costs.

The Company's auditors, like all other independent registered public accounting firms operating in Italy, are not permitted to be subject to inspection by the Public Company Accounting Oversight Board, and accordingly, investors may be deprived of the benefits of such inspection.

The independent registered public accounting firm that issues the audit reports included in Eni's annual reports filed with the U.S. SEC, as auditor of companies that are traded publicly in the United States and firms registered with the Public Company Accounting Oversight Board ("**PCAOB**"), is required by the laws of the United States to undergo regular inspections by the PCAOB to assess its compliance with SEC rules and PCAOB professional standards.

Because Eni's auditor is a registered public accounting firm in Italy, a jurisdiction where the PCAOB is currently unable under Italian law to conduct inspections pending the mutual agreement between the PCAOB and the Italian Authorities, Eni's auditor, like all other independent registered public accounting firms in Italy, is currently not inspected by the PCAOB. Inspections of audit firms that the PCAOB has conducted where allowed have identified deficiencies in those firms' audit procedures and quality control procedures, which may be addressed as part of the inspection process to improve future audit quality. The lack of PCAOB inspections in Italy prevents the PCAOB from regularly evaluating Eni's auditor's audits and quality control procedures. As a result, the inability of the PCAOB to conduct inspections of auditors in Italy may deprive investors of the benefits of PCAOB inspections.

Risks connected to the credit ratings of Eni and the Notes

As at the date of this Base Prospectus, Eni has been assigned long-term ratings of A- and A3 by the rating agencies Standard & Poor's and Moody's, respectively. The ratings attributed to Eni provide an indication of Eni's ability to discharge its own financial liabilities, including the liabilities associated with the issue of Notes by it or EFI.

Standard & Poor's and Moody's are established in the EEA and registered under the CRA Regulation. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the ratings assigned to Eni, as, in addition to the evaluation of the Issuer's credit rating, the rating assigned to a Tranche of Notes will also depend upon a series of different factors, such as the structure of a particular Tranche of Notes, or any other factor that may have an influence on the market value of the Notes. There is no guarantee that the rating assigned to the Notes will provide a comprehensive indication of all the risks associated with the investment, or that such a rating will remain unchanged for the life of the Notes and not be subject to any change or withdrawal from the rating agencies.

Any adverse change in an applicable credit rating could adversely affect the trading price for the Notes. In particular, any such adverse change may result in the increase in the Issuer's credit spread, resulting in a reduction in the market value of the Notes. Conversely, there is no guarantee that an increase in the rating of the Issuer or of the Notes will result in a decrease in the Issuer's credit spread, nor an increase in the market value of the Notes or a reduction in the other investment risks related to the Notes.

In accordance with the methodology adopted by both Moody's and Standard & Poor's, any downgrade of the Italian sovereign credit rating, or the perception that such a downgrade may occur, may also have a material adverse effect on the credit rating of public companies in Italy and therefore may affect Eni's rating. This may have repercussions on the market price of Eni Notes or EFI Notes.

The Group's ability to access the capital markets and other forms of financing (or refinancing), and the costs connected with such activities, depend on the credit ratings assigned to it. Any worsening of the credit ratings could limit the Group's ability to access capital markets and other forms of financing (or refinancing) or increase the costs related thereto, with related adverse effects on Eni and on the Group's business prospects, financial condition and results of operations.

Risks related to the European sovereign debt crisis and the political uncertainties regarding the Eurozone. The escalation of the sovereign debt of certain European countries could lead to instability of the Euro and the Eurozone

Since the final quarter of 2007, disruption in the global credit markets has created difficult conditions in the financial markets. The global financial system has yet to overcome these disruptions and difficult conditions. Financial market conditions remain challenging and in certain respects, such as in relation to sovereign credit risk and fiscal deficits in European countries, have deteriorated in the last few years. In particular, in 2010, a financial crisis emerged in Europe, triggered by high budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal and Spain, which created concerns about the ability of these European Union states to continue to service their sovereign debt obligations.

Concerns about sovereign finances intensified during 2011, the first half of 2012 and in 2015, leading to a risk of default of Greece. Due to these concerns, the financial markets and the global financial system in general were impacted by significant turmoil and uncertainty resulting in wide and volatile credit spreads on the sovereign debt of many European Union countries, a fall in liquidity and a consequent increase in funding costs as well as increased instability in the bond and equity markets. In response to the crisis, assistance packages were granted to certain European Union countries and measures were announced, and partially enacted, by the European Union International Monetary Fund to recapitalise certain European banks, encourage greater long term fiscal responsibility on the part of the individual Member States and bolster market confidence in the Euro as well as the ability of Member States to service their sovereign debt. Despite these and other plans to implement various other measures designed to alleviate these concerns, including the adoption by the European Central Bank of a program of "outright monetary transactions" in 2012 and, more recently, the Expanded Asset Purchase Programme* (more commonly known as Quantitative Easing) launched on 22 January 2015 by the European Central Bank ("**ECB**") under which the ECB has, starting in March 2015, begun purchasing euro-denominated, investment-grade securities issued by euro area governments and European institutions up to Euro 60 billion each month, uncertainty over the outcome of the European Union governments' financial support programs and more general concern about sovereign finances still persist.

Even if the above mentioned measures are implemented, there is no guarantee that they will ultimately and finally resolve uncertainties regarding the ability of Eurozone states to continue to service their sovereign debt obligations. Further, even if such long-term structural adjustments are ultimately implemented, the future of the Euro in its current form, and with its current membership, remains uncertain. Ongoing concern about the debt crisis in Europe, as well as the possible exit from the Eurozone of one or more Member States and/or the replacement of the Euro by one or more successor currencies to which the foregoing could lead, could have a detrimental impact on the global economic recovery and the repayment of sovereign and non-sovereign debt in these countries, including Italy, as well as on the financial condition of European institutions (both financial and corporate).

There can be no assurance that the market disruption in Europe will not worsen, nor can there be any assurance that current or future assistance packages will be available or, even if provided, will be sufficient to stabilise the affected countries and markets and secure the position of the Euro.

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*The programme is intended to be carried out until September 2016, and in any case until there are signs of a sustained adjustment in the path of inflation or deflation that is consistent with the aim of achieving inflation rates approaching 2%. There will be a risk-sharing mechanism in place under which 80% of any losses incurred by the euro system on bond purchases will be borne by national central banks, with the remaining 20% of any losses borne by the ECB.

These difficulties, the substantial bailouts of financial and other institutions by governments as well as measures designed to reignite economic growth have led to significant increases in the debt of several countries.

The Group's business may be adversely affected by disruptions in the global credit markets and associated impacts

Conditions in Euro-zone countries deteriorated in 2011 amid rising yields on certain sovereign debt instruments issued by certain Euro-zone states, including Italy and the market perception that the single European currency is facing an institutional crisis of confidence related to contagion from sovereign debt. Such deterioration has raised concerns regarding the financial condition of European financial institutions and their exposure to such countries and such concerns may have an impact on the ability of the Group to fund its business via such financial institutions in a similar manner and at a similar cost to the funding raised in the past. Challenging market conditions have resulted in greater volatility and, in some cases, reduced liquidity, widening of credit spreads and a lack of price transparency in credit markets. Changes in investment markets, including changes in interest rates, exchange rates and returns from equity, property and other investments, may affect the financial performance of the Group. In addition, the financial performance of the Group could be adversely affected by a worsening of general economic conditions in the markets in which it operates.

Risk factors specific to EFI

Risks arising from changes to interest rates and exchange rates

The activities of EFI are affected by fluctuation in interest rates and exchange rates. Should interest rates and exchange rates vary, they may adversely affect a range of variables, including: (i) Group companies' ability to repay the borrowings received; or (ii) EFI's ability to realise positive margins, as there may be a reduced differential between the interest or exchange rates they may lend at and the interest or exchange rates at which they may be able to borrow funds. There can be no assurance that the activities of EFI will not suffer a material adverse effect as a result of risks arising from changes to interest rates and exchange rates.

Risks associated with the legislative, accounting and regulatory context

The activities of EFI are subject to risks associated with the legislative, accounting and regulatory context in which they operate. These activities are subject to specific legislation and regulation. Any changes to the legislative and/or regulatory context in which EFI operates, including those relating to fiscal or accounting matters, could have a material adverse effect on EFI's activities.

Risks connected with information technology

The activities of EFI are subject to risks associated with information technology. These activities rely upon integrated technology systems. EFI relies on the correct functioning and reliability of such systems to protect its network infrastructure, information technology equipment and information about the Group from losses caused by technical failure, human error, natural disaster, sabotage, power failures and other losses of function. The loss of information regarding the Group or other information central to EFI's activities, or material interruption in its service, could have a material adverse effect on its results of operations. In addition, upgrades to its information technology may require significant investments. There can be no assurance that the activities of EFI will not suffer a material adverse effect as a result of information technology risk.

Operational risk

The activities of EFI are subject to operational risk. As a risk type, operational risk has acquired its own distinct position in the finance world. It is defined as "the risk of losses resulting from failure of internal processes, people or systems or from external events". Events of recent decades in modern international finance have shown on several occasions that ineffective control of operational risks can lead to substantial losses. There can be no assurance that the activities of EFI will not suffer a material adverse effect as a result of operational risk.

Country risk

The activities of EFI are subject to country risk. With respect to country risk, a distinction can be made between transfer risk and collective debtor risk. Transfer risk relates to the possibility of foreign governments placing restrictions on funds transferred from debtors in that country to creditors abroad. Collective debtor risk relates to the situation where a large number of debtors cannot meet their commitments for the same reason (e.g. war, political and social unrest, natural disasters, and also government policy that does not succeed in creating macro-economic and financial stability). There can be no assurance that the activities of EFI will not suffer a material adverse effect as a result of country risk.

Funding and liquidity risk

The activities of EFI are subject to funding and liquidity risk. The average maturity of loans as well as the degree of diversification of shorter-term and longer-term lending contracts, liquidity limits, funding concentration ratios and exposures are regularly monitored. In the current situation, considering the large availability of funds and lines of credit, EFI believes it has access to sufficient funding to meet currently foreseeable borrowing requirements. However, there can be no assurance that the activities of EFI will not suffer a material adverse effect as a result of funding or liquidity risk.

Credit risk

Credit risk represents EFI's exposure to incur a loss in the event of non-performance by a counterparty. Due to EFI's role within the Group, its credit risk is influenced by the business and markets in which the Group operates. As for financial investments and the utilisation of financial instruments, including derivatives, EFI follows the guidelines set by Eni identifying the eligible (external) counterparties in financial transactions. EFI currently does not have any case of non-performance of counterparties. However, there can be no assurance that the activities of EFI will not suffer a material adverse effect as a result of credit risk. Besides credit risk on external counterparties, EFI could incur also credit risk on Eni S.p.A. and its subsidiaries, as a result of its function within the Group in the event that Eni S.p.A. does not ensure the solvency of its subsidiaries through parent company guarantees or equity injections.

Market risk

The activities of EFI may be subject to market risk. In this regard, EFI follows the Guidelines set by Eni to monitor the relevant risk factors. Market risk may affect the value of any financial assets held which are subject to risks arising from price movements in the market. Price changes include prices of interest rate products, equities, currencies, certain commodities and derivatives. Adverse market movements relative to the following risk factors — interest rates, equity and market indices, foreign exchange rates, implicit volatilities and spreads in credit default swaps — are monitored regularly where relevant. However, there can be no assurance that the activities of EFI will not suffer a material adverse effect as a result of market risk.

Risk factors relating to the Notes and the Guarantee

Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in the light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the relevant Issuer

An optional redemption feature is likely to limit the market value of Notes. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a lower rate. Potential investors should consider reinvestment risk in the light of other investments available at that time.

In addition, Notes issued by EFI may not be held by investors who are not Qualifying Investors, as defined herein. EFI Notes which are held by investors other than Qualifying Investors may be subject to early redemption in accordance with the Conditions.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Notes to which Condition 5(d) (*Interest and other Calculations – Change of Interest Basis*) applies may bear interest at a rate that the relevant Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The relevant Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since such Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate, the spread on such Notes may be less favourable than the prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the relevant Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than the prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Modification

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

EU Directive on the taxation of savings income

Under Council Directive 2003/48/EC (the "**Savings Directive**") on the taxation of savings income, each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income (within the meaning of the Savings Directive) paid by a Paying Agent (within the meaning of the Savings Directive) established within its jurisdiction to, or collected by,

such a Paying Agent (within the meaning of the Savings Directive) for the benefit of an individual resident or Residual Entities (within the meaning of Article 4.2 of the Savings Directive) established in that other Member State except that Austria instead imposes a withholding system for a transitional period (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld) unless during such period it elects otherwise. Luxembourg elected out of the withholding tax system in favour of an automatic exchange of information under the Savings Directive with effect as from 1 January 2015.

The Council of the European Union has adopted a Directive (the "**Amending Directive**") which will, when implemented, amend and broaden the scope of the requirements of the Savings Directive described above. In particular, when implemented, the Amending Directive will *inter alia* (i) extend the scope of the Savings Directive to payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an individual resident in a Member State, and (ii) provide for a wider definition of interest subject to the Savings Directive. Investors who are in any doubt as to their position should consult their professional advisers. The Amending Directive requires Member States to adopt national legislation necessary to comply with it by 1 January 2016, which legislation must apply from 1 January 2017. The Savings Directive may, however, be repealed in due course in order to avoid overlap with the amended Council Directive 2011/16/EU on administrative cooperation in the field of taxation, pursuant to which Member States will be required to apply other new measures on mandatory automatic exchange of information from 1 January 2016 (except that Austria is allowed to start applying these measures up to one year later).

If a payment to an individual were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment pursuant to the Savings Directive or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26–27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent with a specified office in an EU Member State that is not obliged to withhold or deduct tax pursuant to any law implementing the Savings Directive or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26–27 November 2000.

Risk factor relating to U.S. Foreign Account Tax Compliance Act ("FATCA") or applicable Intergovernmental Agreements ("IGAs") to Improve Tax Compliance and to Implement FATCA

Whilst the Notes are in global form and held within Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme (together, the "**ICSDs**"), in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the ICSDs (see "*Taxation – Foreign Account Tax Compliance Withholding*"). Indeed, the payments do not qualify as U.S. Withholdable Payments on which FATCA withholding is currently applicable (indeed under the current FATCA regime, "foreign passthru payments" are excluded from the scope of income on which FATCA withholding may be withheld). In case the notion 'passthru payments' would be introduced, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose their custodians or intermediaries with care (to ensure each is

compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. The Issuers' obligations under the Notes are discharged once it has made payment to, or to the order of, the common depositary or common safekeeper for the ICSDs (as bearer or registered holder of the Notes, as the case may be) and the Issuer has therefore no responsibility for any amount thereafter transmitted through the ICSDs and custodians or intermediaries. Further, foreign financial institutions in a jurisdiction which has entered into an intergovernmental agreement with the United States (an "**IGA**") are generally not expected to be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments they make. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how it may affect them.

Change of law

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

Bearer Notes where denominations involve integral multiples

In relation to any issue of Notes in bearer form which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that the Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination (as defined in the Conditions). In such a case, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time will not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

If Definitive Notes are issued, Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities, liquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The relevant Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency and/or the Specified Currency may impose or modify exchange controls. An appreciation of the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes; (2) the Investor's Currency-equivalent value of the principal payable on the Notes; and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in Fixed Rate Notes or in Notes to which Condition 5(d) (*Interest and other Calculations – Change of Interest Basis*) applies involves the risk that subsequent changes in market interest rates may adversely affect the value of such Notes.

Credit ratings may not reflect all risks

One or more independent credit-rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, and the additional factors discussed above or factors that may affect the value of the Notes. The ratings do not address, *inter alia*, the following: (i) the likelihood that the principal will be redeemed on the Notes, as expected, on the scheduled redemption dates; (ii) possibility of the imposition of Italian or European withholding taxes; (iii) the marketability of the Notes, or any market price for the Notes; or (iv) whether an investment in the Notes is a suitable investment.

A credit rating is not a recommendation to buy, sell or hold securities and may be revised, placed on "creditwatch", suspended or withdrawn by the assigning rating agency at any time. There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by any of the rating agencies as a result of changes in or unavailability of information or if, in the sole judgement of the rating agencies, the credit quality of the Notes has declined or is in question. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the value of the Notes.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it; (2) Notes can be used as collateral for various types of borrowing; and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following:

(i) the annual audited financial statements of each of the Issuers as at and for the years ended 31 December 2013 and 31 December 2014 (the "**Annual Reports**"), as further described below:

  (a) in relation to Eni, the 2013 Annual Report shall be the English language version thereof, in consolidated form, the 2014 Annual Report shall be the 2014 Annual Report on Form 20-F and both shall include the Auditors' Reports of Reconta Ernst & Young S.p.A. dated respectively 10 April 2014 and 2 April 2015; and

  (b) in relation to EFI, the Annual Reports shall be the non-consolidated English translation thereof and shall include the Auditors' Reports of Ernst & Young Réviseurs d'Entreprises SCCRL dated respectively 28 February 2014 and 6 March 2015;

(ii) the unaudited interim financial statements of each of the Issuers as at and for the six months ended 30 June 2014 and 30 June 2015, as published subsequently to the Annual Reports of each of the Issuers (the "**Interim Financial Statements**"), as further described below:

  (a) in relation to Eni, the unaudited consolidated Interim Financial Statements shall be the English language version thereof, as contained in the reports for the six months ended 30 June 2014 and 30 June 2015; and

  (b) in relation to EFI, the Unaudited Interim Financial Statements (consisting of a balance sheet, income statement and appropriation account) shall be the non-consolidated English version thereof for the six months ended 30 June 2014 and 30 June 2015;

(iii) the Annual Reports for the financial years ended 31 December 2013 and 31 December 2014 on Form 20-F in relation to Eni, including the exhibits thereto, pursuant to the U.S. Securities Exchange Act of 1934, as amended; and

(iv) the Terms and Conditions contained in the Debt Issuance Programme Base Prospectus dated 10 October 2014, pages 54-82 (inclusive), prepared by the Issuers and the Guarantor in connection with the Programme.

The documents listed at (i)-(iv) have been previously published, or are published simultaneously with, this Base Prospectus and have been filed with the CSSF.

Such documents shall be incorporated in and form part of this Base Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus may be obtained from the offices of the Paying and Transfer Agent in Luxembourg (as set out herein) and will also be available on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Any information contained in any of the documents specified above which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus (in line with Article 28(4) of Regulation (EC) No. 809/2004 implementing the Prospectus Directive (the "**Prospectus Regulation**").

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For ease of reference, the tables below set out the relevant page references for the statutory financial statements, the notes to the statutory financial statements and the Independent Auditors' reports as of and for the years ended 31 December 2013 and 31 December 2014 as set out in the English versions of the audited financial statements of EFI. Any information not listed in the cross-reference table but included in the documents incorporated by reference is given for information purposes only and is not required by the relevant annexes of the Prospectus Regulation.

Financial Statements for the Fiscal Year ended 31 December 2013

1	Balance sheet	pages 39-40
	Income statement	pages 41-42
	Appropriation account	page 43
2	Notes to financial statements	pages 44-78
3	Report of Ernst & Young Réviseurs d'Entreprises SCCRL, Independent Auditors	pages 32-33

Financial Statements for the Fiscal Year ended 31 December 2014

1	Balance sheet	pages 41-42
	Income statement	pages 43-44
	Appropriation account	Page 45
2	Notes to financial statements	pages 46-81
3	Report of Ernst & Young Réviseurs d'Entreprises SCCRL, Independent Auditors	pages 33-34

For ease of reference, the tables below set out the relevant page references for the unaudited interim financial statements as set out in the English version of the unaudited interim financial statements for the six months ended 30 June 2014 and 30 June 2015 of EFI. Any information not listed in the cross-reference table but included in the documents incorporated by reference is given for information purposes only and is not required by the relevant annexes of the Prospectus Regulation.

Unaudited Interim Financial Statements as of and for the six months ended 30 June 2014

1	Balance sheet	pages 26-27
	Income Statement	pages 28-29
	Appropriation account	page 30

Unaudited Interim Financial Statements as of and for the six months ended 30 June 2015

1	Balance sheet	pages 26-27
	Income Statement	pages 28-29
	Appropriation account	page 30

Eni

For ease of reference, the tables below set out the relevant page references for the consolidated financial statements, the notes to the consolidated financial statements and the auditors' reports for the years ended 31 December 2013 and 31 December 2014 as set out in the 2013 Annual Report and the 2014 Annual Report on Form 20-F of Eni. Any information not listed in the cross-reference table but included in the documents incorporated by reference is given for information purposes only and is not required by the relevant annexes of the Prospectus Regulation.

Consolidated Financial Statements for the fiscal year ended 31 December 2013

1	Consolidated financial statements	pages 111-119
	Balance sheet	page 112
	Profit and loss account	page 113
	Statement of comprehensive income	page 114
	Statement of changes in shareholders' equity	pages 115-117
	Statement of cash flows	pages 118-119
2	Basis of presentation and principles of consolidation	pages 120-121
3	Notes to consolidated financial statements	pages 120-206
4	List of Eni's subsidiaries for the year 2013	pages 222-227
5	Report of Reconta Ernst & Young S.p.A., independent auditors	pages 264-265
6	Legal proceedings	pages 179-187

Consolidated Financial Statements for the fiscal year ended 31 December 2014

1	Consolidated financial statements	pages F3-F10
	Balance sheet	page F3
	Profit and loss account	page F4
	Statement of comprehensive income	page F5
	Statement of changes in shareholders' equity	pages F6-F8
	Statement of cash flows	pages F9-F10
2	Basis of presentation and principles of consolidation	pages F11-F14
3	Notes to consolidated financial statements	pages F11-F137
4	List of Eni's investments as of December 31, 2014	pages F115-F134
5	Report of Reconta Ernst & Young S.p.A., independent auditors	pages F1-F2
6	Legal proceedings	pages F84-F94

For ease of reference, the tables below set out the relevant page references for the consolidated financial statements, the notes to the consolidated financial statements and the Independent Auditors report, as set out in the unaudited consolidated Interim Financial Statements of Eni for the six month periods ended 30 June 2014 and 30 June 2015. Any information not listed in the cross-reference table but included in the documents incorporated by reference is given for information purposes only and is not required by the relevant annexes of the Prospectus Regulation.

Consolidated Financial Statements for the six months ended 30 June 2014

1	Condensed consolidated interim financial statements	pages 63-71
	Balance sheet	page 64
	Profit and loss account	page 65
	Statement of comprehensive income	page 66
	Statement of changes in shareholders' equity	pages 67-69
	Statement of cash flows	pages 70-71
2	Basis of presentation, changes in accounting policies and use of accounting estimates	pages 72-74
3	Notes to the condensed consolidated interim financial statements	pages 72-114
4	List of companies owned by Eni as of 30 June, 2014	pages 117-150
5	Review Report of Reconta Ernst & Young S.p.A., independent auditors	page 116
6	Legal proceedings	pages 102-104

Consolidated Financial Statements for the six months ended 30 June 2015

1	Condensed consolidated interim financial statements	pages 65-72
	Balance sheet	page 66
	Profit and loss account	page 67
	Statement of comprehensive income	page 68
	Statement of changes in shareholders' equity	pages 69-70
	Statement of cash flows	pages 71-72
2	Basis of presentation	page 73
3	Notes to the condensed consolidated interim financial statements	pages 73-130
4	List of companies owned by Eni as of 30 June, 2015	pages 134-165
5	Review Report of Reconta Ernst & Young S.p.A., independent auditors	page 132
6	Legal proceedings	pages 108-114

PROSPECTUS SUPPLEMENT AND DRAWDOWN PROSPECTUS

Each Issuer (with respect to itself) and the Guarantor (with respect to itself and jointly and severally with EFI) has given an undertaking to each Dealer and the Arranger that if at any time during the duration of the Programme there is a significant new factor, material mistake or material inaccuracy relating to information contained in this Base Prospectus whose inclusion in this Base Prospectus or removal is capable of affecting the assessment of the Notes, the Issuers and the Guarantor shall prepare a supplement to this Base Prospectus as envisaged by Article 16 of the Prospectus Directive and Article 13 of the Luxembourg Prospectus Act or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer and to the Luxembourg Stock Exchange such number of copies of such supplement hereto as (i) such Dealer may reasonably request; and (ii) the Luxembourg Stock Exchange shall require.

In case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context otherwise requires.

Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuers and the Guarantor and the relevant Notes or (2) by a registration document containing the necessary information relating to the Issuers and the Guarantor, a securities note containing the necessary information relating to the relevant Notes and, if necessary, a summary note.

GENERAL DESCRIPTION OF THE PROGRAMME

The following general description is qualified in its entirety by the remainder of this Base Prospectus.

Issuers	Eni S.p.A. ("**Eni**") eni finance international SA ("**EFI**")
Guarantor	Eni S.p.A. (in such capacity, the "**Guarantor**") will unconditionally and irrevocably guarantee the due payment of all sums expressed to be payable under the Notes and Coupons issued by EFI in accordance with the Amended and Restated Distribution Agreement and the Amended and Restated Agency Agreement.
Description	Euro Medium Term Note Programme
Size	Euro 20,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Arranger	Goldman Sachs International
Dealers	Banca IMI S.p.A. Barclays Bank PLC BNP PARIBAS Credit Suisse Securities (Europe) Limited Deutsche Bank AG, London Branch HSBC Bank plc J.P. Morgan Securities plc Morgan Stanley & Co. International plc The Royal Bank of Scotland plc UBS Limited UniCredit Bank AG The Issuers may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to "**Permanent Dealers**" are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to "**Dealers**" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches. Any of the Issuers may be appointed as Dealers under the Programme, except that EFI shall not act as Dealer for Notes other than EFI Notes.
Fiscal Agent	The Bank of New York Mellon

Method of Issue	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each, a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the final terms document (the "**Final Terms**") or in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**"). Eni Notes will be issued outside the Republic of Italy.
Issue Price	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. The Issue Price will be defined in the relevant Final Terms.
Form of Notes	Eni Notes may be in bearer form only ("**Bearer Notes**"), in bearer form exchangeable for registered notes ("**Exchangeable Bearer Notes**") or in registered form only ("**Registered Notes**"). EFI Notes must be Bearer Notes and will be cleared through the clearing system operated by the National Bank of Belgium or any successor thereto (the "**X/N Clearing System**"). Each Tranche of Bearer Notes and Exchangeable Bearer Notes issued by Eni will be represented on issue by a temporary Global Note if (i) Definitive Notes (as defined in "Overview of Provisions Relating to the Notes while in Global Form — Delivery of Notes" below) are to be made available to Noteholders (as defined herein) following the expiry of 40 days after their issue date; or (ii) such Notes are being issued in compliance with the D Rules (as defined in "Selling Restrictions" below), otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Registered Notes issued in global form will be represented by registered global certificates ("**Global Certificates**"). EFI Notes will be issued in compliance with the C Rules (as defined in "Selling Restrictions" below) and will be represented on issue by a permanent Global Note in bearer form.
Clearing Systems	Clearstream, Luxembourg, Euroclear, the X/N Clearing System (in respect of EFI Notes) and, in relation to any Tranche, such other clearing system as may be agreed

	between the Issuer, the Fiscal Agent and the relevant Dealer.
Initial Delivery of Notes	In respect of Eni Notes, if the relevant Global Note is a NGN, or the relevant Global Certificate is held under the NSS, the Global Note or Global Certificate will be delivered to the Common Safekeeper for Euroclear and Clearstream, Luxembourg on or before the issue date for each Tranche. In respect of Eni Notes, if the relevant Global Note is a CGN, or the relevant Global Certificate is not held under the NSS, the relevant Global Note representing Bearer Notes or Exchangeable Bearer Notes or the Global Certificate representing Registered Notes may (or, in the case of Notes listed on the Official List, shall) be deposited with the Common Depositary for Euroclear and Clearstream, Luxembourg on or before the issue date for each Tranche. Global Notes representing Bearer Notes issued by EFI shall be deposited with the operator of the X/N Clearing System, being the National Bank of Belgium or its successor. Global Notes or Global Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the relevant Issuer, the Fiscal Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the relevant Issuer, the Guarantor (in the case of EFI Notes) and the relevant Dealers. Issues of Eni Notes will constitute *obbligazioni* pursuant to Article 2410 et seq. of the Italian Civil Code and will comply with the regulatory requirements or guidelines of the Bank of Italy, including any relevant reporting requirements of the Bank of Italy relating to the issue of debt obligations including, without limitation, the reporting requirements of Article 129 of Legislative Decree No. 385 of 1 September 1993, as amended.
Maturities	Subject to compliance with all relevant laws, regulations, directives and the by-laws of the relevant Issuer and the Guarantor, any maturity greater than 12 months.
Specified Denomination	Definitive Notes will be in such denominations as may be specified in the relevant Final Terms, provided that each Note shall be in an amount not less than euro 100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

Fixed Rate Notes	Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.
Floating Rate Notes	Floating Rate Notes will bear interest determined separately for each Series as follows: (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc.; or (ii) by reference to LIBOR or EURIBOR (or such other benchmark as may be specified in the relevant Final Terms) as adjusted for any applicable margin. Interest periods will be specified in the relevant Final Terms.
Zero Coupon Notes	Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.
Interest Periods and Interest Rates	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.
Redemption	The Final Terms will specify the basis for calculating the redemption amounts payable.
Other Notes	Terms applicable to high interest Notes, low interest Notes, step up Notes and step-down Notes that the relevant Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Final Terms or Supplement to the Base Prospectus or the Drawdown Prospectus, as the case may be.
Optional Redemption	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the relevant Issuer (either in whole or in part) and/or the holders and, if so, the terms applicable to such redemption.
Status of Notes	The Notes will constitute unsubordinated and (in the case of Eni Notes, unless the Notes are required to be secured pursuant to Article 2412 of the Italian Civil Code) unsecured obligations of the Issuer, all as described in "Terms and Conditions of the Notes — Status".
Status of Guarantee	The guarantee in respect of EFI Notes will constitute unsubordinated and unsecured obligations of the

	Guarantor, all as described in "Terms and Conditions of the Notes — Status".
Negative Pledge	See "Terms and Conditions of the Notes — Negative Pledge".
Cross-Default	See "Terms and Conditions of the Notes — Events of Default".
Rating	The Programme has been rated "A-" by Standard & Poor's and "A3" by Moody's. Standard & Poor's and Moody's are established in the European Union and registered under the CRA Regulation. Tranches of Notes issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the ratings assigned to the Programme and will be specified in the relevant Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Whether or not each credit rating applied for in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms.
Early Redemption	Except as provided in "— Optional Redemption" above, Notes will be redeemable at the option of the relevant Issuer prior to maturity only for tax reasons. See "Terms and Conditions of the Notes — Redemption, Purchase and Options".
Withholding Tax	All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the Kingdom of Belgium (in the case of EFI Notes held in an exempt X-Account in the X/N Clearing System) and the Republic of Italy subject to certain exceptions, all as described in "Terms and Conditions of the Notes — Taxation". See also "Belgian Taxation", "Italian Taxation" and "EU Directive on the taxation of savings income".
Governing Law	The Notes and any non-contractual obligations arising out of or in connection with the Notes shall be governed by, and shall be construed in accordance with, English law. Condition 10 (*Meetings of Noteholders and Notifications*) is subject to compliance with Italian law (in the case of Eni Notes) and Conditions 10 (*Meetings of Noteholders and Notifications*) and 11 (*Replacement of Notes, [Certificates], Coupons and Talons*) are subject to compliance with Belgian law (in the case of EFI Notes).
Listing and Admission to Trading	Each Series may be listed on the official list of the Luxembourg Stock Exchange. Each Series may be admitted to trading on the regulated market of the Luxembourg Stock Exchange and/or such other listing

	authority, stock exchange and/or quotation system as specified in the relevant Final Terms or may be issued on the basis that the Notes will not be admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system.
Selling Restrictions	The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by laws, regulations and directives. Specifically, selling restrictions in respect of the United States, the United Kingdom, the Kingdom of Belgium, the Republic of Italy, the Netherlands and Japan are set out in this Base Prospectus. See "Plan of Distribution".
TEFRA Exemptions	Eni Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the "**D Rules**") unless (i) the relevant Final Terms state that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the "**C Rules**") or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable. EFI Notes will be issued in compliance with the C Rules unless the Notes are issued other than in compliance with the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under TEFRA, which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.
Qualifying Investor	In respect of EFI Notes, any investor holding directly or indirectly EFI Notes that is not an individual (*personne physique*/*natuurlijke persoon*).

TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, as completed in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.*

Unless the context requires otherwise, references in these Conditions to any law, statutory provision or legislative enactment of mandatory effect are subject to amendment to the extent that such law, provision or legislative enactment is altered or re-enacted with retroactive effect.

The Notes[, which are deemed to be *obbligazioni* pursuant to Article 2410 et seq. of the Italian Civil Code,][1] are issued pursuant to an Amended and Restated Agency Agreement dated 9 October 2015 (as amended and supplemented from time to time, the "**Agency Agreement**") between Eni S.p.A. ("**Eni**") and eni finance international SA ("**EFI**") (each an "**Issuer**" and, together, the "**Issuers**" and also, in the case of Eni, as guarantor of EFI Notes, the "**Guarantor**"), The Bank of New York Mellon as fiscal agent and the other agents named in the Agency Agreement and with the benefit of an Amended and Restated Deed of Covenant dated 9 October 2015 (as amended and supplemented from time to time, the "**Deed of Covenant**") executed by the Issuers in relation to the Notes and an Amended and Restated Guarantee dated 9 October 2015 (as amended and supplemented from time to time, the "**Guarantee**") executed by the Guarantor in relation to the guarantee of the EFI Notes. The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent), the "**Registrar**", the "**Transfer Agents**" and the "**Calculation Agent(s)**". The Noteholders (as defined herein), the holders of the interest coupons (the "**Coupons**") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") (the "**Couponholders**") are deemed to have notice of all of the provisions of the Agency Agreement, the Deed of Covenant and the Guarantee applicable to them.

Copies of the Agency Agreement, the Deed of Covenant and the Guarantee are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

1 Form, Denomination and Title

The Notes are issued in bearer form ("**Bearer Notes**"[, which expression includes Notes that are specified to be Exchangeable Bearer Notes])[1] [, in registered form ("**Registered Notes**") or in bearer form exchangeable for Registered Notes ("**Exchangeable Bearer Notes**") in each case][1] in the Specified Denomination(s) shown hereon, save that the minimum Specified Denomination shall be euro 100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest Basis shown hereon.

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1 The words in square brackets will only apply to Notes issued by Eni.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable.

[Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c) (*Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes – Exercise of Options or Partial Redemption in Respect of Registered Notes*), each Certificate shall represent the entire holding of Registered Notes by the same holder.][2]

Title to the Bearer Notes, Coupons and Talons shall pass by delivery. [Title to the Registered Notes shall pass by endorsement of the relevant Certificates and by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.][2]

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note [or the person in whose name a Registered Note is registered (as the case may be)][2], "**holder**" (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon [or the person in whose name a Registered Note is registered (as the case may be)][1] and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 [Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes

(a) Exchange of Exchangeable Bearer Notes

Subject as provided in Condition 2(f) (*Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes – Closed Periods*), Exchangeable Bearer Notes may be exchanged for the same nominal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 7(b) (*Payments and Talons – Registered Notes*) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one

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2 The words in square brackets will only apply to Notes issued by Eni.

Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.

(c) **Exercise of Options or Partial Redemption in Respect of Registered Notes**

In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) **Delivery of New Certificates**

Each new Certificate to be issued pursuant to Condition 2(a) (*Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes – Exchange of Exchangeable Bearer Notes*), Condition 2(b) (*Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes – Transfer of Registered Notes*) or Condition 2(c) (*Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes – Exercise of Options or Partial Redemption in Respect of Registered Notes*) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined in Condition 6(f) (*Redemption, Purchase and Options – Purchases*)) and/or surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to the relevant holder or, at the option of a holder and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at that holder's risk to such address as it may specify, unless such holder requests otherwise and pays in advance to the relevant Agent the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) **Exchange**

Exchange and transfer of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require), which tax or charge shall be borne by the relevant Noteholder.

(f) **Closed Periods**

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of, that Note, (ii) during the

period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(e) (*Redemption, Purchase and Options – Redemption and the Option of Noteholders*), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.][3]

(g) **Delivery of Bearer Notes in Belgium**

To the extent an Issuer is prevented by applicable law from delivering, or procuring the delivery of, Bearer Notes in Belgium, it will deliver these Bearer Notes outside Belgium and will not be obliged to deliver these Bearer Notes in Belgium.

3 Status of the Notes [and the Guarantee][4]

[(a)][4] **Notes**

The Notes and Coupons relating to them constitute (subject to Condition 4 (*Negative Pledge*)) direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and Coupons relating to them [and of the Guarantor under the Guarantee][4] shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4 (*Negative Pledge*), at all times rank at least equally with all other unsecured and unsubordinated indebtedness of the Issuer [and the Guarantor respectively,][4] present and future.

[(b) **Guarantee**

The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by EFI under the Notes and Coupons. Its obligations in that respect are contained in the Guarantee.][4]

4 Negative Pledge

(a) So long as any of the Notes or Coupons remain outstanding (as defined in the Agency Agreement) [neither][5] the Issuer [nor the Guarantor][5] shall [not][6] create, incur, guarantee or assume after the date hereof any notes, bonds, debentures or other similar evidences of indebtedness for money borrowed ("**Relevant Debt**") secured by any mortgage, pledge, security interest, lien or other similar encumbrance (a "**Security Interest**") on any Principal Property (as defined below) or on any shares of stock or indebtedness of any Restricted Subsidiary (as defined below) (which for the avoidance of doubt shall not include shares in the Issuer [or in the Guarantor][5]), without effectively providing concurrently with the creation, incurrence, guarantee or assumption of such Relevant Debt that the Notes will be secured equally and rateably with (or prior to) the Relevant Debt, so long as the Relevant Debt will be so secured.

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3 The words in square brackets will only apply to Notes issued by Eni.

4 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

5 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

6 The words in square brackets will only apply to Notes issued by Eni.

This restriction will not apply to:

(i) Security Interests on property, shares of stock or indebtedness of any corporation existing at the time it becomes a subsidiary of the Issuer [or of the Guarantor, as the case may be,][5] provided that any such Security Interest was not created in contemplation of becoming a subsidiary;

(ii) Security Interests on property or shares of stock existing at the time of the acquisition thereof by the Issuer [or the Guarantor][5] or to secure the payment of all or any part of the purchase price thereof or all or part of the cost of the improvement, construction, alteration or repair of any building, equipment or facilities or of any other improvements on all or any part of the property or to secure any Relevant Debt incurred prior to, at the time of, or within 12 months after, in the case of shares of stock, the acquisition of such shares and, in the case of property, the later of the acquisition, the completion of construction (including any improvements, alterations or repairs on an existing property) or the commencement of commercial operation of such property, which Relevant Debt is incurred for the purpose of financing all or any part of the purchase price thereof or all or part of the cost of improvement, construction, alteration or repair thereon;

(iii) Security Interests on any Principal Property or on shares of stock or indebtedness of any subsidiary of the Issuer [or the Guarantor, as the case may be,][5], to secure all or any part of the cost of exploration, drilling, development, improvement, construction, alteration or repair of any part of the Principal Property or to secure any Relevant Debt incurred to finance or refinance all or any part of such cost;

(iv) Security Interests existing on the issue date of the Notes;

(v) Security Interests on property owned or held by any company or on shares of stock or indebtedness of any entity, in either case existing at the time such company is merged into or consolidated or amalgamated with either the Issuer [or the Guarantor, as the case may be,][5] or any of [its][6] [the Issuer or the Guarantor's][5] subsidiaries, or at the time of a sale, lease or other disposition of the properties of a company as an entirety or substantially as an entirety to the Issuer [or the Guarantor, as the case may be,][5] or any of [its][6] [the Issuer or the Guarantor's][5] subsidiaries;

(vi) Security Interests arising by operation of law (other than by reason of default);

(vii) Security Interests to secure Relevant Debt incurred in the ordinary course of business and maturing not more than 12 months from the date incurred;

(viii) Security Interests arising pursuant to the specific terms of any licence, joint operating agreement, unitisation agreement or other similar document evidencing the interest of the Issuer [or the Guarantor, as the case may be,][7] or a subsidiary of the Issuer [or the Guarantor][7] in any oil or gas field and/or facilities (including pipelines), provided that any such Security Interest is limited to such interest;

(ix) Security Interests to secure indebtedness for borrowed money incurred in connection with a specifically identifiable project where the Security Interest relates to a Principal Property to which such project has been undertaken and the recourse of the creditors in respect of such Security Interest is substantially limited to such project and Principal Property;

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7 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

(x) Security Interests created in accordance with normal practice to secure Relevant Debt of the Issuer [or of the Guarantor][7] whose main purpose is the raising of finances under any options, futures, swaps, short sale contracts or similar or related instruments which relate to the purchase or sale of securities, commodities or currencies; and

(xi) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Security Interests referred to in (i) through (x) of this paragraph, or of any Relevant Debt secured thereby; provided that the principal amount of Relevant Debt secured thereby shall not exceed the principal amount of Relevant Debt so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement Security Interest shall be limited to all or any part of the same property or shares of stock that secured the Security Interest extended, renewed or replaced (plus improvements on such property), or property received or shares of stock issued in substitution or exchange therefor.

(b) Notwithstanding the foregoing, the Issuer [or the Guarantor][7] may create, incur, guarantee or assume Relevant Debt secured by a Security Interest or Security Interests which would otherwise be subject to the foregoing restrictions in an aggregate amount which does not at the time of creation exceed 10 per cent. of Eni's consolidated total shareholders' equity (as determined by reference to the most recent audited consolidated financial statements of Eni).

The following types of transactions, among others, shall not be deemed to create a Relevant Debt secured by a Security Interest:

(i) the sale or other transfer, by way of security or otherwise, of (A) oil, gas or other minerals in place or at the wellhead or a right or licence granted by any governmental authority to explore for, drill, mine, develop, recover or get such oil, gas or other minerals (whether such licence or right is held with others or not) for a period of time until, or in an amount such that, the purchaser will realise therefrom a specified amount of money (however determined) or a specified amount of such oil, gas or other minerals, or (B) any other interest in property of the character commonly referred to as "production payment";

(ii) Security Interests on property in favour of the United States or any state thereof, or the Republic of Italy, or the Kingdom of Belgium, or any other country, or any political subdivision of any of the foregoing, or any department, agency or instrumentality of the foregoing, to secure partial progress, advance or other payments pursuant to the provisions of any contract or statute including, without limitation, Security Interests to secure indebtedness of the pollution control or industrial revenue bond type, or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or cost of construction of the property subject to such Security Interests; provided that any such Security Interest in favour of any country (other than the United States or the Republic of Italy or the Kingdom of Belgium), or any political subdivision thereof, or any department, agency or instrumentality of any of the foregoing, shall be restricted to the property located in such country; and

(iii) the issue of notes, bonds, debentures or other similar evidences of indebtedness for money borrowed that are convertible, exchangeable or exercisable for the shares of any Restricted Subsidiary, and any arrangements with respect to such shares entered into in connection with any such issue.

(c) For purposes of this Condition:

(i) "**Principal Property**" means an interest in (A) any oil or gas producing property (including leases, rights or other authorisations to conduct operations over any producing property), (B) any refining or manufacturing plant and (C) any pipeline for the transportation of oil or gas, which in each case under (A), (B) and (C) above, is of material importance to the total business conducted by the Issuer [or the Guarantor][8] and [its][9] [the Issuer or the Guarantor's][8] subsidiaries as a whole; and

(ii) "**Restricted Subsidiary**" means any subsidiary of Eni which owns a Principal Property.

For the avoidance of doubt nothing herein contained shall in any way restrict or prevent the Issuer [or the Guarantor][8] from incurring or guaranteeing any other indebtedness.

5 Interest and other Calculations

(a) **Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest on its outstanding nominal amount from either (i) the Interest Commencement Date or (ii) if a Change of Interest Basis is specified in the relevant Final Terms as being applicable, the date from which the Fixed Rate Note provisions are stated to apply, at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(i) (*Interest and other Calculations – Definitions*). Where so specified in the Final Terms, a Fixed Rate Note will bear interest, during its life, on the basis of different fixed Rates of Interest indicated therein.

(b) **Interest on Floating Rate Notes**

(i) *Interest Payment Dates*

Each Floating Rate Note bears interest on its outstanding nominal amount from either (i) the Interest Commencement Date or (ii) if a Change of Interest Basis is specified in the relevant Final Terms as being applicable, the date from which the Floating Rate Note provisions are stated to apply, at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h) (*Interest and other Calculations – Determination and Publication of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption and Optional Redemption Amounts*). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date (or, as the case may be, the date from which the Floating Rate Note provisions are stated to apply).

(ii) *Business Day Convention*

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is

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8 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

9 The words in square brackets will only apply to Notes issued by Eni.

not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month [(except in the case of Notes clearing through the X/N Clearing System)][8], in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month [(except in the case of Notes clearing through the X/N Clearing System)][10], in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day [(except in the case of Notes clearing through the X/N Clearing System)].[10]

(iii) *Rate of Interest for Floating Rate Notes*

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending on which is specified hereon.

(A) **ISDA Determination for Floating Rate Notes**

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A),

"**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(x) the Floating Rate Option is as specified hereon;

(y) the Designated Maturity is a period specified hereon; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions.

(B) **Screen Rate Determination for Floating Rate Notes**

(x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

(1) the offered quotation; or

10 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

(2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, only one of such quotations) and the lowest (or, if there is more than one such lowest quotation, only one of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon;

(y) if the Relevant Screen Page is not available or if, sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page or if subparagraph (x)(2) above applies and fewer than three such offered quotations appear on the Relevant Screen Page in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and

(z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be:

(i) the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, (if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date) deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, (if the Reference Rate is LIBOR) the London inter-bank market or, (if the Reference Rate is EURIBOR) the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the

Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate; or

(ii) the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, (if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date) any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(C) Where Linear Interpolation is specified hereon as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified hereon as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified hereon as applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

"**Applicable Maturity**" means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

(c) **Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note as determined in accordance with Condition 6(b) (*Redemption, Purchase and Options – Early Redemption*).

As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i) (*Redemption, Purchase and Options – Early Redemption*)).

(d) **Change of Interest Basis**

If Change of Interest Basis is specified hereon as applicable in the applicable Final Terms, the interest payable in respect of the Notes will be calculated in accordance with Condition 5(a) (*Interest and other Calculations – Interest on Fixed Rate Notes*) or Condition 5(b) (*Interest and other Calculations – Interest on Floating Rate Notes*), each applicable only for the relevant periods specified in the applicable Final Terms.

If Change of Interest Basis is specified as applicable in the applicable Final Terms, and a Switch Option is also specified as applicable in the applicable Final Terms, the Issuer may, on one or more occasions, as specified in the applicable Final Terms, at its option (any such option, a "**Switch Option**"), having given notice to the Noteholders in accordance with Condition 13 (*Notices*) on or prior to the relevant Switch Option Expiry Date, and delivering a copy of such notice to the Fiscal Agent, change the Interest Basis of the Notes from Fixed Rate to Floating Rate or from Floating Rate to Fixed Rate or as otherwise specified in the applicable Final Terms with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date (or, where more than one Switch Option Effective Date is specified in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date), provided that (A) the Switch Option may be exercised only in respect of all the outstanding Notes, (B) upon exercise of a Switch Option, the Interest Basis change will be effective from (and including) the relevant Switch Option Effective Date until the Maturity Date (or, where more than one Switch Option Effective Date is specified as applicable in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date to the extent the related Switch Option is exercised), and (C) where a Switch Option has not been exercised prior to the relevant Switch Option Expiry Date, the Issuer shall no longer be entitled to exercise such Switch Option and the Interest Basis shall not change, but without prejudice to the next following Switch Option, if any.

"**Switch Option Expiry Date**" shall mean the date specified as such in the applicable Final Terms, such date being no less than 2 Business Days prior to the Switch Option Effective Date; and

"**Switch Option Effective Date**" shall mean any date specified as such in the applicable Final Terms provided that any such date (i) shall be an Interest Payment Date and (ii) shall be deemed as such subject to the exercise of the relevant Switch Option having been notified by the Issuer pursuant to this Condition 5 and in accordance with Condition 13 (*Notices*) prior to the relevant Switch Option Expiry Date.

(e) **Accrual of Interest**

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8 (*Taxation*)).

(f) **Margin, Maximum/Minimum Rates of Interest and Redemption Amounts and Rounding**

(i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the

case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin, subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified hereon, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified hereon), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (provided that if the eighth significant figure is a 5 or greater, the seventh significant figure shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of Japanese yen, which shall be rounded down to the nearest Japanese yen. For these purposes, "unit" means the lowest amount of such currency that is available as legal tender in the country of such currency.

(g) **Calculation**

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(h) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption and Optional Redemption Amounts**

The Calculation Agent shall, as soon as practicable on each Interest Determination Date, or such other time as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where

any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii) (*Interest and other Calculations – Interest on Floating Rate Notes*), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10 (*Meetings of Noteholders and Modifications*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 5 but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(i) **Definitions**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Business Day**" means:

(i) in the case of a currency other than euro, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or

(ii) in the case of euro, a day on which the TARGET system is operating (a "**TARGET Business Day**"); and/or

(iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual — ISDA**" is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified hereon, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/360**" is specified hereon, the actual number of days in the Calculation Period divided by 360;

(iv) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [360 \times (M_2 - M_1)] + D_2 - D_1}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(v) if "**30E/360**" or "**Eurobond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [360 \times (M_2 - M_1)] + D_2 - D_1}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30;

(vi) if "30E/360 (ISDA)" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [360 \times (M_2 - M_1)] + D_2 - D_1}{360}$$

where:

"Y_1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y_2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M_1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M_2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"D_1" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"D_2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30; and

(vii) if "**Actual/Actual-ICMA**" is specified hereon:

(a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(b) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"**Determination Date**" means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s); and

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date;

(viii) [for the following types of Notes which are denominated in euro and which clear through the X/N Clearing System:

(a) Fixed Rate Notes with a maturity of more than one year: the actual number of days elapsed divided by the actual number of days in the period from and including the immediately preceding Interest Payment Date (or, if none, the immediately preceding anniversary of the first Interest Payment Date) to but excluding the next scheduled Interest Payment Date;

(b) Floating Rate Notes or any Notes with a maturity of one year: the actual number of days in the Calculation Period divided by 360 ("**Actual/360**").][11]

11 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

"**Euro-zone**" means the region comprising Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community as amended.

"**Interest Accrual Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

"**Interest Amount**" means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified hereon.

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling; or (ii) the day falling two Business Days in London for the Relevant Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro; or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

"**Interest Period**" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified hereon.

"**ISDA Definitions**" means the 2006 ISDA Definitions (as amended and supplemented) published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

"**Reference Banks**" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London interbank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone interbank market, in each case selected by the Calculation Agent or as specified hereon.

"**Reference Rate**" means the rate specified as such hereon.

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified hereon.

"**Specified Currency**" means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

"**TARGET System**" means the Trans-European Automated Real-Time Gross-Settlement Express Transfer (known as TARGET2) System which utilises a single shared platform and which was launched on 19 November 2007 or any successor thereto.

"**Tranche**" means Notes which are identical in all respects.

(j) **Calculation Agent**

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6 Redemption, Purchase and Options

(a) **Final Redemption**

Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, subject to any purchase, cancellation, early redemption or repayment, expressed as the amount per Calculation Amount specified in the relevant Final Terms, is its nominal amount).

(b) **Early Redemption**

(i) *Zero Coupon Notes*

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) (*Redemption, Purchase and Options – Redemption for Taxation Reasons and Redemption in respect of non-Qualifying Investors*), Condition 6(d) (*Redemption, Purchase and Options – Redemption at the Option of the Issuer*) or Condition 6(e) (*Redemption, Purchase and Options – Redemption at the Option of Noteholders*) or upon it becoming due and payable as provided in Condition 10 (*Meetings of Noteholders and Modifications*), shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(B) Subject to the provisions of sub-paragraph (c) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the

issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) (*Redemption, Purchase and Options – Redemption for Taxation Reasons and Redemption in respect of non-Qualifying Investors*), Condition 6(d) (*Redemption, Purchase and Options – Redemption at the Option of the Issuer*) or Condition 6(e) (*Redemption, Purchase and Options – Redemption at the Option of Noteholders*) or upon it becoming due and payable as provided in Condition 10 (*Meetings of Noteholders and Modifications*) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as described in (B) above, except that such sub-paragraph shall have effect as though the reference therein to the date on which the Note becomes due and payable were the Relevant Date (as defined in Condition 8 (*Taxation*)). The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c) (*Interest and other Calculations – Zero Coupon Notes*).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) *Other Notes*

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) (*Redemption, Purchase and Options – Redemption for Taxation Reasons and Redemption in respect of non-Qualifying Investors*), Condition 6(d) (*Redemption, Purchase and Options – Redemption at the Option of the Issuer*) or Condition 6(e) (*Redemption, Purchase and Options – Redemption at the Option of Noteholders*) or upon it becoming due and payable as provided in Condition 10 (*Meetings of Noteholders and Modifications*), shall be the Final Redemption Amount (which, subject to any purchase, cancellation, early redemption or repayment, expressed as the amount per Calculation Amount specified in the relevant Final Terms, is its nominal amount).

(c) **Redemption for Taxation Reasons and Redemption in respect of non-Qualifying Investors**

(A) The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (as described in Condition 6(b) (*Redemption, Purchase and Options – Early Redemption*) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer [(or, if the Guarantee were called, the Guarantor)][12] has or will become obliged to pay additional amounts as provided or referred to in

12 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of [the Kingdom of Belgium or the Republic of Italy][14] [the Republic of Italy][13] or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Issuer [(or the Guarantor, as the case may be)][14] taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer [(or the Guarantor, as the case may be)][12] would be obliged to pay such additional amounts were a payment in respect of the Notes [(or the Guarantee, as the case may be)][14] then due;

(B) In respect of Notes issued by EFI only, certain Notes may be redeemed at the option of the Issuer on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the relevant Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (as described in Condition 6(b) (*Redemption, Purchase and Options – Early Redemption*) above) (together with interest accrued to the date fixed for redemption), if such Notes are held by an investor which is not a Qualifying Investor.

Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by a duly authorised officer of the Issuer [(or the Guarantor, as the case may be)][14] stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (in the case of paragraph (A) above) an opinion of independent legal advisers of recognised standing to the effect that the Issuer [(or the Guarantor, as the case may be)][14] has or will become obliged to pay such additional amounts as a result of such change or amendment.

(d) **Redemption at the Option of the Issuer**

If Call Option is specified hereon, the Issuer may, subject to applicable law, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) (*Redemption, Purchase and Options – Early Redemption*) above)), together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition 6.

In the case of a partial redemption, the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed, which shall have been drawn in such place and in such manner as the Issuer and the Fiscal Agent may agree, taking account of prevailing

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market practices, subject to compliance with any applicable laws and stock exchange requirements.

(e) **Redemption at the Option of Noteholders**

If Put Option is specified hereon, the Issuer shall at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) (*Redemption, Purchase and Options – Early Redemption*) above)) together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) **Purchases**

The Issuer[, the Guarantor][16] and any of [its][15] [their][16] subsidiaries may at any time purchase Notes (provided that all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price. Such Notes may be held, resold or, at the option of the Issuer, surrendered to the Fiscal Agent or the Registrar, as the case may be, for cancellation.

(g) **Cancellation**

All Notes purchased by or on behalf of the Issuer[, the Guarantor][16] or any of [its][15] [their][16] subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Fiscal Agent and[, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case][15], if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer [and the Guarantor][16] in respect of any such Notes shall be discharged.

7 Payments and Talons

(a) **Bearer Notes**

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition [7(f)][15] [7(e)] (*Payments and Talons –Unmatured Coupons and unexchanged Talons*))[16] or Coupons (in

15 The words in square brackets will only apply to Notes issued by Eni.

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the case of interest, save as specified in Condition [7(f)][15] [7(e)] (*Payments and Talons – Unmatured Coupons and unexchanged Talons*))[16], as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. "Bank" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

(b) **[Registered Notes**

(i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.][15]

[(c)] [(b)][18] **Payments in the United States**

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer or the Guarantor.

[(d)][17] [[(c)][18] **Payments Subject to Fiscal Laws**

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives and neither the Issuer nor the Guarantor will be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements but without prejudice to the provisions of Condition 8 (*Taxation*). No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

[(e)] [(d)][18] **Appointment of Agents**

The Fiscal Agent, the Paying Agents[, the Registrar, the Transfer Agents][17] and the Calculation Agent initially appointed by the Issuer [and the Guarantor][18] and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents[, the Registrar, the Transfer Agents][17] and the Calculation Agent(s) act solely as agents of the Issuer [and the Guarantor][18] and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer [and the Guarantor][18] reserve[s] the right at any

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time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent[, the Registrar, any Transfer Agent][17] or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) Paying Agents having specified offices in at least two major cities, at least one of which must be outside the Republic of Italy (including Luxembourg so long as the Notes are listed on the official list of the Luxembourg Stock Exchange), (iv) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 and [(v) a Registrar in relation to Registered Notes, (vi) a Transfer Agent in relation to Registered Notes which, as long as the Notes are listed on the official list of the Luxembourg Stock Exchange, shall have its specified offices in Luxembourg,][17] [(vii)][19] [(v)][20] such other agents as may be required by the rules of any other stock exchange on which the Notes may be listed.

In addition, the Issuer [and the Guarantor][18] shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph [(c)][19][(b)][20] above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

[(f)][19] [(e)][20] **Unmatured Coupons and unexchanged Talons**

(i) Upon the due date for redemption thereof, Bearer Notes which comprise Fixed Rate Notes should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9 (*Events of Default*)).

(ii) Upon the due date for redemption of any Bearer Note comprising a Fixed Rate Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Where the Bearer Note that provides that the relative unmatured coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

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19 The words in square brackets will only apply to Notes issued by Eni.

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(v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be.

[(g)][19] [(f)][20] **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9 (*Events of Default*)).

[(h)][21] [(g)][22] **Non-Business Days**

If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as a "**Financial Centre**" hereon and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of a payment in euro) which is a TARGET Business Day[; or

(iii) a day on which the X/N Clearing System is operating].[22]

8 Taxation

All payments of principal and interest in respect of the Notes and the Coupons [or under the Guarantee][22] by or on behalf of the Issuer [or the Guarantor][22] shall be made free and clear of, and without withholding or deduction for, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by [the Kingdom of Belgium or, where a payment is made under the Guarantee, the Republic of Italy][22] [the Republic of Italy][21] or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer [or, as the case may be, the Guarantor][22] shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note or Coupon [or under the Guarantee][22]:

(a) to, or to a third party on behalf of, a holder who is (i) entitled to avoid such deduction or withholding by making a declaration of non-residence or other similar claim for exemption to the competent tax authority; or (ii) liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with [the Kingdom of Belgium or the Republic of Italy][22] [the Republic of Italy][21] other than the mere holding of the Note or Coupon; or

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(b) presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day; or

(c) in relation to any payment or deduction of any interest, principal or other proceeds of any Note or Coupon on account of *imposta sostitutiva* pursuant to Italian Legislative Decree No. 239 of 1 April 1996 or any secondary legislation implementing the same (each as amended and/or supplemented from time to time); or

(d) in relation to any payment or deduction of any interest, principal or other proceeds of any Note or Coupon where such withholding or deduction is required pursuant to Italian Presidential Decree No. 600 of 29 September 1973 or any secondary legislation implementing the same (each as amended and/or supplemented from time to time); or

(e) [to a holder who, at the time of issue of the Notes, was not an eligible investor within the meaning of Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax or to a holder who was such an eligible investor at the time of issue of the Notes but, for reasons within the holder's control, ceased to be an eligible investor or, at any relevant time on or after the issue of the Notes, otherwise failed to meet any other condition for the exemption of Belgian withholding tax pursuant to the law of 6 August 1993 relating to certain securities; or][23]

(f) in relation to any payment or deduction of any interest, principal or other proceeds of any Note or Coupon presented for payment in the Republic of Italy; or

(g) where such withholding or deduction is imposed on a payment to an individual or "**residual entities**" within the meaning of European Council Directive 2003/48/EC and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or

(h) where such withholding is required by application of Sections 1471 – 1474 of the U.S. Internal Revenue Code of 1986, as amended, including any administrative regulations or intergovernmental agreements relating thereto; or

(i) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note (or relative Certificate) or Coupon to another Paying Agent in a Member State of the European Union.

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) "**principal**" shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 (*Redemption, Purchase and Options*) or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 (*Interest and other*

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23 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

Calculations) or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition 8.

9 Events of Default

If any of the following events ("**Events of Default**") occurs and is continuing, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable, unless such Event of Default shall have been remedied prior to the receipt of such notice by the Fiscal Agent and except that the holders of the Notes may, by an Extraordinary Resolution, waive any default and rescind and annul a previously given notice of default and the consequences thereof if (i) the rescission or waiver would not conflict with any judgment or decree and (ii) all existing Events of Default have been waived by such Extraordinary Resolution or otherwise cured except for non-payment of principal or interest that has become due solely because of the acceleration following the notice of default; provided, however, that if any event specified in clause (v) below occurs and is continuing, the Notes shall become immediately repayable, with accrued interest to the date of payment, without any declaration, notification or other act on the part of any holder of Notes:

(i) **Non-Payment**

default is made for more than 30 days in the case of interest or principal in the payment on the due date of interest or principal in respect of any of the Notes; or

(ii) **Breach of Other Obligations**

the Issuer [or the Guarantor][24] does not perform or comply with any one or more of its other obligations in respect of the Notes which default is incapable of remedy or, if capable of remedy, is not remedied within 90 days after notice of such default shall have been given to the Fiscal Agent at its specified office by any Noteholder; or

(iii) **Enforcement Proceedings**

a distress, attachment, execution or other legal process is levied, enforced or sued out on or against, or an encumbrancer takes possession of the whole or substantially the whole of, the property, assets or revenues of the Issuer [or the Guarantor][24] and in each case is not released, discharged or stayed within 90 days; or

(iv) **Cross-Default**

any other present or future, actual or contingent indebtedness of Eni for or in respect of borrowed money and being in aggregate amount greater than 3 per cent. of Eni's consolidated total shareholders' equity (as determined by reference to the most recent audited consolidated financial statements of Eni) is not paid when due or within any applicable grace period originally specified; or

(v) **Insolvency**

[either of][24] the Issuer [or the Guarantor][24] is (or is deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt or unable to pay its debts, or stops, suspends or threatens to stop or suspend payment of its debts generally, proposes or makes a general assignment or an arrangement or composition with or for the benefit of its creditors generally in respect of its debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or substantially all of the debts of the Issuer [or the Guarantor][24] [provided that a *gerechtelijk akkoord*/*concordat judiciaire* will not constitute an Event of Default][24]; or

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24 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

(vi) **Winding-up**

an administrator is appointed, an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer [or the Guarantor][24] and such order or resolution is not discharged or cancelled within 90 days, or the Issuer [or the Guarantor][24] ceases or threatens to cease to carry on all or substantially all of its business or operations, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation either (i) on terms previously approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders or (ii)where [(x)][24] in the case of a reconstruction, amalgamation, reorganisation, merger or consolidation of the Issuer, the surviving entity effectively assumes the entire obligations of the Issuer under the Notes [and (unless such surviving entity is the Guarantor) such obligations continue to be guaranteed by the Guarantor, or (y) in the case of a reconstruction, amalgamation, reorganisation, merger or consolidation of the Guarantor, the surviving entity effectively assumes the entire obligations of the Guarantor under the Guarantee][25] or any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in this paragraph][26] [; or

(vii) **Guarantee**

the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect.][25]

10 Meetings of Noteholders and Modifications

(a) **Meetings of Noteholders**

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions.

[All meetings of holders of Notes will be held in accordance with applicable provisions of Italian law in force at the time. In accordance with Article 2415 of the Italian Civil Code, the meeting of Noteholders is empowered to resolve upon the following matters: (i) the appointment and revocation of a joint representative (*rappresentante comune*) of the Noteholders; (ii) any amendment to these Conditions; (iii) motions for composition with creditors (*concordato*) of the relevant Issuer; (iv) establishment of a fund for the expenses necessary for the protection of the common interests of the Noteholders and the related statements of account; and (v) on any other matter of common interest to the Noteholders. Such a meeting may be convened by the Board of Directors of the relevant Issuer or by the joint representative of the Noteholders when the Board of Directors or the joint representative, as the case may be, deems it necessary or appropriate, and such a meeting shall be convened when a request is made by the Noteholders holding not less than 5 per cent. in principal amount of the Notes for the time being outstanding, in each case in accordance with Article 2415 of the Italian Civil Code. The constitution of meetings and the validity of resolutions thereof shall be governed pursuant to the provision of Italian laws (including, without limitation, Legislative Decree No. 58 of 24 February 1998 (the "**Testo Unico della Finanza**" or "**TUF**") and the Issuer's by-laws in force from time to time. Italian law currently provides that (subject as provided below) at any such meeting, (i) in the case of a sole call meeting, one or more persons present holding Notes or representing in the

25 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

26 The words in square brackets will only apply to Notes issued by Eni.

aggregate at least one-fifth of the nominal amount of the Notes for the time being outstanding or such other majority as may be provided for in the Issuer's by-laws, or (ii) in case of a multiple call meeting (a) in the case of a first meeting, one or more persons present holding Notes or representing in the aggregate not less than one-half of the aggregate nominal amount of the Notes for the time being outstanding or such other majority as may be provided for in the Issuer's by-laws, (b) in the case of a second meeting following adjournment of the first meeting for want of quorum, one or more persons present holding Notes or representing in the aggregate more than one-third of the aggregate nominal amount of the Notes for the time being outstanding or such other majority as may be provided for in the Issuer's by-laws, (c) in the case of a third meeting, or any subsequent meeting following a further adjournment for want of quorum, one or more persons present holding Notes or representing in the aggregate at least one-fifth of the aggregate nominal amount of the Notes for the time being outstanding or such other majority as may be provided for in the Issuer's by-laws, shall form a quorum for the transaction of business and no business shall be transacted at any meeting unless the requisite quorum is present at the commencement of the relevant business. The majority required at any such meeting under (i) and (ii) above (including any adjourned meetings, if applicable) for passing an Extraordinary Resolution shall (subject as provided below) be at least two-thirds of the aggregate nominal amount of Notes represented at the meeting, provided that at any meeting the business of which includes a modification to the Conditions of the Notes as provided under Article 2415, paragraph 1, item 2 of the Italian Civil Code (including, for the avoidance of doubt, (a) any reduction or cancellation of the amount payable or, where applicable, modification of the method of calculating the amount payable or modification of the date of maturity or redemption or any date for payment of interest or, where applicable, of the method of calculating the date of payment in respect of any principal or interest in respect of the Notes, and (b) any alteration of the currency in which payments under the Notes are to be made or the denomination of the Notes), the majority required to pass the requisite Extraordinary Resolution shall be the higher of (i) one or more persons present holding Notes or representing in the aggregate not less than one-half of the aggregate nominal amount of the Notes for the time being outstanding and (ii) one or more persons present holding Notes or representing in the aggregate not less than two thirds of the Notes represented at the meeting pursuant to paragraph 3 of Article 2415 of the Italian Civil Code, provided that the Issuer's by-laws may in each case (to the extent permitted under applicable Italian law) provide for higher majorities. The Notes shall not entitle the Issuer to participate and vote in the Noteholders' meetings. Directors and statutory auditors of the Issuer shall be entitled to attend the Noteholders' meetings. The resolutions validly adopted in meetings are binding on Noteholders whether present or not.][26]

[All meetings of Noteholders will be held in accordance with the Belgian Code of Companies. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in principal amount of the Notes outstanding. The quorum at any such meeting convened to consider a Resolution will be two or more persons holding or representing at least 50 per cent. of the aggregate principal amount of Notes then outstanding or, at any adjourned meeting after publication of a new convening notice pursuant to Condition 13 (*Notices*), two or more persons being or representing Noteholders whatever the aggregate principal amount of the Notes so held or represented. A Resolution requires the approval of Noteholders holding or representing at least 75 per cent. of the aggregate principal amount outstanding of the Notes present or represented at the meeting and taking part in the vote. If however a Resolution is adopted by Noteholders holding or representing less than one-third of the aggregate principal amount outstanding of the Notes (whether present or represented at the meeting or not), such Resolution is not binding unless approved by the

competent Court of Appeal in the district where the Issuer's registered office is located. The above quorum and special majority requirements do not apply to Resolutions relating to interim measures taken in the common interest of the Noteholders or to the appointment of a representative of the Noteholders. In such cases, the Resolutions are adopted by Noteholders holding or representing at least a majority of the aggregate principal amount of the Notes outstanding present or represented at the meeting. A Resolution duly passed in accordance with the provisions of the Belgian Code of Companies at any meeting of Noteholders and, to the extent required by law, approved by the relevant Court of Appeal, will be binding on all Noteholders, whether or not they are present at the meeting and whether or not they vote in favour thereof, and on all holders of coupons relating to EFI Notes.

For the purpose of these Conditions, "**Resolution**" means a resolution of Noteholders duly passed at a meeting called and held in accordance with the provisions of the Belgian Code of Companies.

The matters listed in Article 568 of the Belgian Code of Companies in respect of which a Resolution may be adopted include modifying or suspending the date of maturity of Notes, postponing any day for payment of interest thereon, reducing the rate of interest applicable in respect of such Notes, deciding urgent interim actions in the common interest of Noteholders, accepting a security in favour of the Noteholders, accepting a transformation of Notes into shares on conditions proposed by the Issuer, and appointing a special agent of the Noteholders to implement the resolutions of the meeting of Noteholders.][27]

(b) **Modification of Agency Agreement**

The Issuer [and the Guarantor][27] shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders and in giving such permission, waiver or authorisation the Issuer [and the Guarantor][27] shall have regard to interests of the Noteholders as a class and shall not have regard to the consequences of such permission, waiver or authorisation for individual Noteholders or Couponholders.

11 Replacement of Notes, [Certificates][28], Coupons and Talons

If a Note, [Certificate,][28] Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Coupons or Talons) [and of the Registrar (in the case of Certificates)] or such other Paying Agent [or Transfer Agent][28], as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees, costs, taxes and duties incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, [Certificate,][28] Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, [Certificates,][28] Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, [Certificates,][28] Coupons or Talons must be surrendered before replacements will be issued.

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[Notwithstanding the above, in the case of loss, destruction, theft or any other event of involuntary dispossession of a Note the provisions of the Belgian Law of 24 July 1921 relating to involuntary dispossession of bearer securities, as amended on 22 July 1991 (the "**Law**") will apply. Provided such an event of involuntary dispossession with respect to any Note has been notified and published in accordance with the procedure of opposition provided for by the Law, this will impose certain obligations upon the Issuer or the Fiscal Agent including attaching such Note, reinvesting the principal and, in some cases, the revenues of such Note as specified, and refusing any payment on such Note for a period of four years starting from 1 January following the first publication in the Bulletin of Oppositions (*"Bulletin des oppositions — Bulletijn der met verzet aangetekende waarden"*).][29]

12 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in the conditions of such Notes to "**Issue Date**" shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to "**Notes**" shall be construed accordingly.

13 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing and so long as the Notes are listed on the official list of the Luxembourg Stock Exchange and the rules of that Stock Exchange so require published in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of that Stock Exchange (*www.bourse.lu*).[28] Notices to the holders of Bearer Notes shall, save where another means of effective communication has been specified in the relevant Final Terms, be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*) or, in the case of a temporary Global Note or permanent Global Note, if delivered to Euroclear and Clearstream, Luxembourg, and/or any other applicable clearing system for communication by them to the persons shown in their respective records as having interests therein and, provided that so long as the Notes are listed on the official list of the Luxembourg Stock Exchange and the rules of that Stock Exchange so require, such notice shall be given in a daily newspaper with general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of that Stock Exchange (*www.bourse.lu*). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

[In addition to the above publications, with respect to notices for a meeting of Noteholders, any convening notice for such meeting shall be made in accordance with the relevant provisions of the Italian Civil Code and Eni's by-laws.][30]

[In addition to the above publications, with respect to notices for a meeting of Noteholders, any convening notice for such meeting shall be made in accordance with Article 570 of the Belgian Code of Companies, by an announcement to be inserted at least 15 days prior to the meeting, in the Belgian Official Gazette (*Moniteur belge — Belgisch Staatsblad*) and in a newspaper with national coverage. Resolutions to be submitted to the meeting must be described in the convening notice.][31]

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30 The words in square brackets will only apply to Notes issued by Eni.

31 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 13.

14 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note or Coupon is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer [or the Guarantor][31] or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer [or the Guarantor][31] shall only constitute a discharge to the Issuer [or the Guarantor, as the case may be][31] to the extent of the amount in the currency of payment under the relevant Note or Coupon that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be due to the recipient under any Note or Coupon (such amount being the "**shortfall**") the Issuer [failing whom the Guarantor][30] shall indemnify the recipient in an amount equal to the shortfall and, if a purchase is made, against the cost of making any such purchase. For the purposes of this Condition 14, it shall be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that a shortfall would have arisen had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Issuer's [and the Guarantor's][31] other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or Coupon or any other judgment or order.

15 Governing Law, Jurisdiction and Service of Process

(a) **Governing Law**

The Notes, the Coupons, the Talons, (and any non contractual obligations arising out of or in connection with them)[,][31] [and] the Deed of Covenant [and the Guarantee][31] are governed by, and shall be construed in accordance with, English law. [Condition 10 (*Meetings of Noteholders and Modifications*) and the provisions of Schedule 3 of the Agency Agreement which relate to the convening of meetings of Noteholders and the appointment of a Noteholders' representative are subject to compliance with Italian law.][32] [Conditions 10 (*Meetings of Noteholders and Modifications*) and 11 (*Replacement of Notes, [Certificates], Coupons and Talons*) and the provisions of Schedule 3 of the Agency Agreement which relate to the convening of meetings of Noteholders are subject to compliance with Belgian law.][33]

(b) **Jurisdiction**

The courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes Coupons, Talons[,][33] [and][32] the Deed of Covenant [and the Guarantee][33] and accordingly any legal action or proceedings arising out of or in connection with any Notes Coupons, Talons[,][32] [and][32] the Deed of Covenant [and the Guarantee][32] ("**Proceedings**") may be brought in such courts. [Each of the Issuer and the Guarantor][33] [The Issuer][32] irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the

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32 The words in square brackets will only apply to Notes issued by Eni.

33 The words in square brackets will only apply to Notes issued by EFI and guaranteed by Eni.

Proceedings have been brought in an inconvenient forum. [These submissions are][33] [This submission is][32] made for the benefit of each of the holders of the Notes, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) **Service of Process**

[Each of the Issuer and the Guarantor][33] [The Issuer][32] irrevocably appoints Eni UK Limited of Eni House, 10 Ebury Bridge Road, London SW1W 8PZ as their agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not it is forwarded to and received by the Issuer [or the Guarantor][33]). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, [each of the Issuer and the Guarantor][33] [the Issuer][32] irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 13 (*Notices*). Nothing shall affect the right to serve process in any manner permitted by law.

16 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

OVERVIEW OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Initial Issue of Notes

If the Global Notes or the Global Certificates issued by Eni are stated in the applicable Final Terms to be issued in new Global Note ("**NGN**") form or to be held under the NSS (as the case may be), the Global Notes will be delivered on or prior to the original issue date of the Tranche to the Common Safekeeper. Depositing the Global Notes or the Global Certificates with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global Notes which are issued in classic Global Note ("**CGN**") form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to the Common Depositary.

If the Global Note is a CGN, upon the initial deposit of a Global Note with the Common Depositary for Euroclear and Clearstream, Luxembourg or, in the case of EFI Notes, with the operator of the X/N Clearing system, being the National Bank of Belgium or its successor, or, in the case of Eni Notes, registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relative Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg, or, where relevant, the operator of the X/N Clearing System will credit each of its participants acting as depositary for subscribers with a nominal amount of Notes represented by such Global Note equal to the nominal amount thereof for which the subscribers for whom such participant acts as depositary have subscribed and paid.

If the Global Note issued by Eni is an NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg, held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system including, in respect of EFI Notes, the X/N Clearing System, may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg, or other clearing systems.

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, or any other clearing system as the holder of a Note represented by a Global Note or, in the case of issues of Notes by Eni, a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg, or such other clearing system (as the case may be) for his share of each payment made by the relevant Issuer or the Guarantor to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such clearing system (as the case may be). Subject to mandatory provisions of Belgian law in the case of EFI Notes, such persons shall have no claim directly against the relevant Issuer or the Guarantor in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the relevant Issuer or the Guarantor will be discharged by payment to

the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

Exchange

1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined in 6 below):

(i) if the relevant Final Terms indicate that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "Selling Restrictions"), in whole, but not in part, for the Definitive Notes defined and described below; and

(ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes. The X/N Clearing System of the National Bank of Belgium currently does not provide such certificate as to non-U.S. beneficial ownership.

Each temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder (except, in the case of (ii) below, where the holder requests the exchange and is liable for any taxes and duties arising in connection with such exchange), on or after its Exchange Date in whole but not, except as provided under 4 below, in part for Definitive Notes or, in the case of 2(iii) below, Registered Notes:

(i) unless principal in respect of any Notes is not paid when due, by the Issuer giving notice to the Noteholders and the Fiscal Agent of its intention to effect such exchange;

(ii) if the relevant Final Terms provide that such Global Note is exchangeable at the request of the holder, by the holder giving notice to the Fiscal Agent of its election for such exchange;

(iii) if the permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Fiscal Agent of its election to exchange the whole or a part of such Global Note for Registered Notes; and

(iv) otherwise, (1) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg, or any other clearing system (an "**Alternative Clearing System**") and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so or (2) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange.

In the case of EFI Notes, each permanent Global Note will only be exchangeable for Definitive Notes in the circumstances set out in 2(i) and 2(iv) above.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

3 Permanent Global Certificates

If the Final Terms state that the Eni Notes are to be represented by a permanent Global Certificate on issue, transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) (*Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes – Transfer of Registered Notes*) may only be made in part:

(i) if the Notes represented by the Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg, or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

(ii) if principal in respect of any Notes is not paid when due; or

(iii) with the consent of the relevant Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to 3(i) or 3(ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

4 Partial Exchange of Permanent Global Notes

Subject to the provisions of 2 above, for so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions (i) for Registered Notes if the permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes, or (ii) for Definitive Notes if principal in respect of any Notes is not paid when due.

5 Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the relevant Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be or (iii) if the Global Note is a NGN, Eni will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system. In this Base Prospectus, "**Definitive Notes**" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons

in respect of interest that has not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the relevant Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

Delivery of Bearer Notes in Belgium

Pursuant to the Belgian law of 14 December 2005 on the suppression of bearer securities, the Issuers are not allowed to deliver Bearer Notes in Belgium, other than deliveries to a clearing system, a depositary or another institution for the purpose of their immobilisation, and will make all deliveries of Bearer Notes, other than these permitted deliveries, outside Belgium.

6 Exchange Date

"**Exchange Date**" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Base Prospectus. The following is an overview of certain of those provisions:

1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note in CGN form will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes. Condition 7(d)(iv) (*Payments and Talons – Appointment of Agents*) (in the case of EFI Notes) or 7(e)(iv) (*Payments and Talons – Appointment of Agents*) (in the case of Eni Notes) and Condition 8(f) (*Taxation*) will apply to the definitive Bearer Notes only.

If the Global Note is a NGN or if the Global Certificate is held under the NSS, Eni shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under an NGN will be made to its holder. Each payment so made

will discharge Eni's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge.

For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "**business day**" set out in Condition 7(g) (*Payments and Talons – Non-Business Days*) (in the case of EFI Notes) or 7(h) (*Payments and Talons – Non-Business Days*) (in the case of Eni Notes).

All payments in respect of Registered Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

2 Prescription

Claims against the relevant Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8 (*Taxation*)).

3 Meetings

Without prejudice to mandatory rules of the Belgian Code of Companies in the case of EFI Notes and to mandatory rules of Italian civil law in the case of Eni Notes, including, without limitation, Article 2415 et seq. of the Italian Civil Code, for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.

4 Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.

5 Purchase

Notes represented by a permanent Global Note may be purchased by the relevant Issuer (where the Issuer is not Eni), the Guarantor or any of their respective subsidiaries.

6 Issuer's Option

Any option of the relevant Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer in accordance with applicable law giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no

drawing of Notes shall be required. In the event that any option of the relevant Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion), or such other clearing system (as the case may be).

7 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note in accordance with applicable law giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is a CGN, presenting the permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation.

Where the Global Note is a NGN, Eni shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

8 NGN nominal amount

Where the Global Note is a NGN or where the Global Certificate is held under the NSS, Eni shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

9 Events of Default

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 9 (*Events of Default*) by stating in the notice to the Fiscal Agent the nominal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due (subject, for the avoidance of doubt, to any applicable grace periods expressed in the Conditions), the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the relevant Issuer under the terms of the Deed of Covenant dated 9 October 2015 (as amended and supplemented from time to time) to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion of Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

10 Notices

Without prejudice to mandatory rules of the Belgian Code of Companies in the case of EFI Notes, so long as any Notes are represented by a Global Note and such Global Note is held by or on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note except that so long as the Notes are listed on the official list of the Luxembourg Stock Exchange and the rules of that exchange so require, notices shall also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or the website of that Stock Exchange (*www.bourse.lu*).

USE OF PROCEEDS

The net proceeds of the sale of the Notes will be used for general corporate purposes.

ENI

Eni is the parent company of the Group, and, together with its consolidated subsidiaries, is engaged in oil and gas exploration and production, gas marketing operations, power generation, chemicals, oil field services and engineering industries. Eni has operations in 83 countries and 84,405 employees as of 31 December 2014.

Eni, the former *Ente Nazionale Idrocarburi*, a public law agency, established by Law No. 136 of 10 February 1953, was transformed into a joint stock company by Law Decree No. 333 published in the Official Gazette of the Republic of Italy No. 162 of 11 July 1992 (converted into law on 8 August 1992, by Law No. 359, published in the Official Gazette of the Republic of Italy No. 190 of 13 August 1992). The Shareholders' Meeting of 7 August 1992 resolved that the company be called ENI S.p.A., and then, on 4 December 1998, Eni S.p.A. On 29 April 2010, the extraordinary Shareholders' Meeting resolved that the company name may be written with an upper case or lower case initial. Eni is registered at the Companies Register of Rome, register tax identification number 00484960588, R.E.A. Rome No. 756453. Eni is expected to remain in existence until 31 December 2100; its duration can however be extended by resolution of the shareholders.

Eni's registered head office is located at Piazzale Enrico Mattei 1, Rome, Italy (telephone number: +39-0659821). Eni branches are located at: (i) San Donato Milanese (Milan), Via Emilia, 1; and (ii) San Donato Milanese (Milan), Piazza Ezio Vanoni, 1. Its internet address is www.eni.com.

Business overview[34] — Principal activities

Exploration & Production

Eni's Exploration & Production segment engages in exploring for and recovering crude oil and natural gas, including participation to projects for the liquefaction of natural gas, in 40 countries, including Italy, Libya, Egypt, Norway, the UK, Angola, Congo, Nigeria, the United States, Kazakhstan, Russia, Algeria, Australia, Venezuela, Iraq, Ghana and Mozambique. In the first half of 2015, Eni's production of oil and natural gas amounted to 1,654,000 barrels of oil equivalent per day ("**BOE/d**") on an available-for-sale basis (1,496,000 BOE/d in 2014). As of 31 December 2014, Eni's proved reserves of subsidiaries stood at 6,602 million barrel of oil equivalent ("**mmBOE**"); Eni's share of reserves of equity-accounted entities amounted to 830 mmBOE).

In the first half of 2015, Eni's Exploration & Production segment reported net sales from operations (including inter-segment sales) of euro 11,412 million (euro 28,488 million in the full year 2014) and an operating profit of euro 2,769 million (euro 10,766 million in the full year 2014).

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34 As of 1 January 2015, Eni's segment information was modified to align Eni's reportable segments to certain changes in the organisation and in profit accountability defined by Eni's top management. The main changes adopted compared to the previous setup of the segment information related to:

- results of the oil and products trading activities and related risk management activities were transferred to the Gas & Power segment, consistently with the new organisational setup. In previous reporting periods, results of those activities were reported within the Refining & Marketing segment as part of a reporting structure which highlighted results for each stream of commodities. In 2014, this activity reported net sales from operations of approximately euro 50 billion and an operating loss of euro 122 million;
- Refining & Marketing and Versalis operating segments are now combined into a single reportable segment because a single manager is accountable for both the two segments, they show similar long-term economic performance, have comparable products and production processes;
- the previous reporting segments "Corporate and financial companies" and "Other activities" have been combined being residual components of the Group, in order to reduce the number of reportable segments in line with the segmental reporting of the comparable oil&gas players.

The segmental financial information reported to the CEO comprises segment revenues, operating profit, as well as segmental assets and liabilities, which are reviewed only on occasion of the statutory reports (the annual and the interim reports) (for further information see also note No. 34 to the condensed consolidated interim financial statements of 2015).

As of June 30, 2015, Eni's reportable segments have been regrouped as described in the principal activities disclosure.

Gas & Power

Eni's Gas & Power segment engages in supply and marketing of natural gas at wholesale and retail markets, supply and marketing of LNG and supply, production and marketing of power at retail and wholesale markets. Gas & Power is also engaged in supply and marketing of crude oil and oil products targeting the operational requirements of Eni's refining business and in commodity trading (including crude oil, natural gas, oil products, power, emission allowances, etc.) targeting to both hedge and stabilise the Group industrial and commercial margins according to an integrated view and to optimise margins. In the first half of 2015, Eni's worldwide sales of natural gas amounted to 48.01 billion cubic metres ("**BCM**") (89.17 BCM in the full year 2014), including 1.60 BCM of gas sales made directly by Eni's Exploration & Production segment in Europe and the United States of America (3.06 BCM in the full year 2014). Sales in Italy amounted to 21.11 BCM (34.04 BCM in the full year 2014); sales in European markets were 26.90 BCM (55.13 BCM in the full year 2014). Eni produces electricity and steam in Italy with a total installed capacity of approximately 4.9 GW as of 30 June 2015. In the first half of 2015, sales of electricity totalled 16.82 terawatthour ("**TWh**") (33.58 TWh in the full year 2014) which included both produced and purchased volumes.

In the first half of 2015, Eni's Gas & Power segment reported net sales from operations (including inter-segment sales) of euro 30,636 million (euro 73,434 million in the full year 2014) and an operating profit of euro 213 million (euro 64 million in the full year 2014).

Refining & Marketing and Chemicals

Eni's Refining & Marketing and Chemicals segment engages in manufacturing, supply and distribution and marketing activities for oil products and chemicals. In the first half of 2015, processed volumes of crude oil and other feedstock amounted to 13.50 mm tonnes (25.03 mm tonnes in the full year 2014) and sales of refined products were 17.81 mm tonnes (34.58 mm tonnes in the full year 2014), of which 12.98 mm tonnes in Italy (24.48 mm tonnes in the full year 2014). Retail sales of refined products at operated service stations amounted to 4.33 mm tonnes including Italy and the rest of Europe (9.21 mm tonnes in the full year 2014). Eni's retail market share for the first half of 2015 was 24.3% (25.5 per cent. in the full year 2014). In the first half of 2015, Eni sold 1.87 mm tonnes of petrochemical products (3.46 mm tonnes in the full year 2014).

In the first half of 2015, Eni's Refining & Marketing and Chemicals segment reported net sales from operations (including inter-segment sales) of euro 12,051 million (euro 28,994 million in the full year 2014) and an operating profit of euro 219 million (compared to an operating loss of euro 2,811 million in the full year 2014).

Engineering & Construction

Eni through its subsidiary Saipem S.p.A. ("**Saipem**") which is listed on the Italian Stock Exchange (Eni's share being 43.11%) is engaged in the design, procurement and construction of industrial complexes, plants and infrastructures for the oil&gas industries and in supplying drilling and other oilfield services. Order backlog was euro 19,018 million at 30 June 2015 (euro 22,147 million as of 31 December 2014).

In the first half of 2015, Eni's Engineering & Construction segment reported net sales from operations (including intragroup sales) of euro 5,373 million (euro 12,873 million in the full year 2014) and registered an operating loss of euro 788 million (compared to a profit of euro 18 million in the full year 2014).

Corporate and other activities

This segment represents the key support functions, comprising holdings and treasury, headquarters, central functions like IT, HR, real estate, self-insurance activities, as well as the Group environmental clean-up and remediation activities performed by the subsidiary Syndial S.p.A. ("**Syndial**").

Material Developments

In August 2015, Eni has made a world class supergiant gas discovery with the Zohr 1X NFW well, in the Shorouk block (Eni's interest 100 per cent), located in the Egyptian offshore Mediterranean Sea. Preliminary estimates of the discovery account for a potential of 30 trillion cubic feet of gas in place (5.5 billion barrels of oil equivalent in place). The Zohr discovery is the largest gas discovery ever made in Egypt and in the Mediterranean Sea and could become one of the world's largest natural-gas finds. Eni will immediately appraise the field with the aim of accelerating a fast track development of the discovery leveraging on the existing offshore and onshore infrastructures.

On 2 October 2015, the judge for the preliminary hearing of the Court of Milan decided to dismiss the case against Eni and members of its management for the alleged bribery case relating to Saipem's activities in Algeria.

Results of operations for the first half of 2015

Due to the seasonality in demand for natural gas and certain refined products and the changes in a number of external factors affecting Eni's operations, such as prices and margins of hydrocarbons and refined products, Eni's results of operations and changes in average net borrowings for the first half of the year cannot be extrapolated for the full year.

Net profit

In the first half of 2015, net profit attributable to Eni's shareholders amounted to euro 591 million, down by euro 1,370 million or 69.9 per cent from the first half of 2014, driven by sharply lower oil prices (average price of Brent dated crude oil down by approximately 47 per cent) reducing net sales from operations of the Exploration & Production segment and significantly lower results at Saipem which were adversely impacted by write-downs of pending revenues, trade receivables and fixed assets (vessels and logistic hubs) reflecting the deteriorating competitive environment in the oil services sector. These effects were partly offset by higher production levels and appreciation of US dollar vs euro, as well as an improvement in the performance of the Refining & Marketing and Chemicals due to the combination of efficiency and optimisation gains and ongoing margin recovery. The decreasing net profit was also affected by lower income from investments (down by euro 167 million) and higher financial expenses (down by euro 89 million).

The Group tax rate increased by approximately 29 percentage points due to the non-deductible asset write-downs which were recognised by Saipem, and a higher share of taxable profit reported in Countries with higher taxation, partially offset by a lower share of Group profit before taxes earned by the Exploration & Production segment and the reversal of deferred taxation due to changes in the United Kingdom tax law.

Operating profit

In the first half of 2015, Eni's operating profit of euro 1,945 million decreased by 67 per cent from the corresponding period of 2014.

The main decreases were mainly due to a lower operating performance recorded by the following segments:

- **Exploration & Production** (down euro 3,452 million, or 55.5 per cent) driven by lower hydrocarbons realisations in dollar terms (down 44% on average) related to the marker Brent trend (down 46.8%) and the weakness of gas market in Europe and the United States. These negatives were offset by the depreciation of the euro vs the dollar, higher production sold and lower exploration expenses;
- **Engineering & Construction** (down euro 1,079 million) driven by impairments at the book value of the net working capital, mainly relating to pending revenues and trade receivables, which were adversely impacted by a rapidly deteriorating competitive environment in the oil services sector against the backdrop of weak oil prices;
- **Gas & Power** (down euro 379 million, or 64 per cent) due to lower one-off effects associated with contract renegotiations relating to the purchase costs of volumes supplied in previous reporting periods. The operating profit was also impacted by an inventory loss of euro 79 million (pre-tax) compared to a profit of euro 108 million in the first half of 2014. These negatives were partly offset by the improved competitiveness of the wholesale business thanks to the renegotiation of substantial part of long-term gas supply contracts, as well as the improved performance reported by the retail gas segment, due to higher volumes sold in France and more typical winter weather conditions compared to winter months of 2014.

These negatives were partly offset by the higher operating profit reported by the Refining & Marketing and Chemicals segment (up euro 1,067 million). The better performance is mainly attributable to the Refining & Marketing business helped by efficiency and optimisation initiatives, particularly capacity reductions. Marketing activity registered a stable performance due to efficiency initiatives, which helped to absorb almost totally the effects of competitive pressure. In addition, the Chemical business improvement reflected efficiency initiatives carried out in previous years, higher product margins in ethylene, polyethylene and styrene, but was also due to the temporary shortage of certain products, unscheduled facility shutdowns and lower competitiveness of imported products reflecting the euro devaluation.

Net sales from operations

In the first half of 2015, Eni's net sales from operations (euro 45,979 million) decreased by euro 10,577 million or 18.7 per cent from the first half of 2014, driven by weak prices of energy commodities. This negative effect was partly offset by the impact of the depreciation of the euro against the dollar and overall increasing volumes sold/produced (hydrocarbon productions, refining throughputs and gas sales; fuel sales on the retail network and petrochemical production decreased). The decrease in the Engineering & Construction segment was due to write-downs of pending revenues because of updated assumptions to settle negotiations for determining variations and claims of the underlying projects, as well as delays and cancellation of sanctioned projects.

Capital expenditure

In the first half of 2015, capital expenditure amounted to euro 6,237 million (compared to euro 5,524 million in the first half of 2014) relating mainly to:

- development activities deployed mainly in Egypt, Angola, Norway, Congo, Kazakhstan, Italy, the United States and Indonesia and exploratory activities of which 97% was spent outside Italy, primarily in Libya, Cyprus, Gabon, Congo, Egypt, the United Kingdom, the United States and Indonesia;

- upgrading the fleet used in the Engineering & Construction segment (euro 268 million);
- refining (euro 117 million) with projects designed to improve the conversion rate and flexibility of refineries, as well as the upgrade of the refined product retail network (euro 38 million);
- initiatives to improve flexibility of the combined cycle power plants (euro 25 million).

Net borrowings

As of 30 June 2015, net borrowings amounted to euro 16,477 million, up by euro 2,792 million from 31 December 2014. Proceeds from disposals amounted to euro 644 million and mainly related to the divestment of non-strategic assets in the Exploration & Production business. These inflows funded part of cash outlays relating to capital expenditure totaling euro 6,237 million and the payment of the 2014 balance dividend amounting to euro 2,017 million.

Total debt amounted to euro 27,460 million, of which euro 9,114 million was short-term debt (including the portion of long-term debt due within 12 months equal to euro 4,015 million) and euro 18,346 million was long-term debt.

At 30 June 2015, the ratio of net borrowings to shareholders' equity including non-controlling interests — a leverage ratio — was 0.26 (0.22 as of 31 December 2014). This increase was due to greater net borrowings partly offset by higher total equity, which was helped by a sizable appreciation of the US dollar against the euro in the translation of the financial statements of Eni's subsidiaries that uses the US dollar as functional currency, resulting in an equity gain of euro 3,507 million. The US dollar was up by 7.8 per cent against the euro at the closing rates of 30 June 2015 compared to 31 December 2014.

On 17 September 2015, Eni's Board of Directors resolved the distribution to the Shareholders of an interim dividend for the fiscal year 2015 of euro 0.40 per share outstanding as at 21 September 2015, payable from 23 September 2015.

Administrative, Management and Supervisory bodies

The Board of Directors: appointment, competence and delegation of powers

The corporate governance structure of Eni is based on the traditional Italian model that, respecting the duties of the Shareholders' Meeting, assigns the management of Eni to the Board of Directors, the heart of the organisational system, and supervisory functions to the Board of Statutory Auditors. Auditing is carried out by the Audit Firm appointed by the Shareholders' Meeting.

Eni complies with the Italian Corporate Governance Code for listed companies (the "**Corporate Governance Code**").

In accordance with Eni's by-laws, the Board of Directors appointed a Chief Executive Officer while reserving decisions on certain issues to itself.

The chosen model makes a clear distinction between the functions of the Chairman and those of the Chief Executive Officer, both of whom are empowered to represent Eni, in accordance with Article 25 of Eni's by-laws. In addition, the Board of Directors resolved that the Chairman carries out her functions under the by-laws as legal representative managing institutional relationships in Italy, together with the Chief Executive Officer.

In accordance with Article 17, paragraph 6 of Eni's by-laws and consistently with internationally accepted principles of corporate governance, the Board of Directors established internal committees with consulting and advisory functions (see "Board Committees" below).

Furthermore, the Board of Directors deliberated that, in accordance with the Corporate Governance Code, the Head of Internal Audit reports to the Board, and on its behalf, to the Chairman.

In accordance with Article 18, paragraph 2 of Eni's by-laws, on 9 May 2014, acting upon a proposal of the Chairman, the Board of Directors appointed a Board Secretary and Corporate Governance Counsel.

Moreover, in accordance with Article 24 of Eni's by-laws, acting upon a proposal of the Chief Executive Officer, in agreement with the Chairman, following consultation with the Nomination Committee and with the approval of the Board of Statutory Auditors, the Board of Directors appointed the Company's Chief Financial and Risk Management Officer as the Manager charged with preparing the Company's financial reports (Financial Reporting Officer). Furthermore, acting upon a proposal of the Chairman, in agreement with the Chief Executive Officer (in his capacity as the Director in charge of the internal control and risk management system), following consultation with the Board of Statutory Auditors and the Nomination Committee and with the favourable opinion of the Control and Risk Committee, the Board of Directors appointed the Head of Internal Audit Department.

On 28 May 2014 Eni's Board of Directors approved a new organisational structure, which replaced the previous divisional model with an integrated operational structure strongly focused on industrial objectives. Therefore, activities previously managed within E&P, R&M, Versalis S.p.A. ("**Versalis**") and Syndial S.p.A. ("**Syndial**") have been redistributed amongst the following business units: Exploration; Development, Operations & Technology; Upstream and Downstream & Industrial.

These business units joined the existing business units of Midstream and Retail Market Gas & Power. At the same time, staff functions such Human Resources and Planning & Control have been centralised. The new organisational structure has been in effect since 1 July 2014.

On 19 February 2015 the business line of the Chief Midstream Officer has been renamed Chief Midstream Gas & Power Officer and the business line of the Downstream & Industrial Operations Officer has been renamed Chief Refining & Marketing and Chemicals Officer.

The Chief Exploration Officer, along with the Chief Development, Operations & Technology Officer, the Chief Upstream Officer, the Chief Midstream Gas & Power Officer, the Chief Refining & Marketing and Chemicals Officer, the Chief Retail Market Gas & Power Officer, the Chief Financial and Risk Management Officer, the Chief Services & Stakeholder Relations Officer, the Chief Legal & Regulatory Affairs, the Senior Executive Vice President Internal Audit Department, the Senior Executive Vice President Corporate Affairs & Governance Department as well as the Executive Vice President Procurement Department, the Executive Vice President External Communication Department, the Executive Vice President Government Affairs Department and the Chief Executive Officer of Versalis are members of the Management Committee, which provides advice and support to the Chief Executive Officer. Other managers may be invited to attend meetings based on the agenda. The Chairman of the Board is invited to attend meetings. The duties of Committee Secretary are performed by the Senior Executive Vice President Corporate Affairs & Governance Department.

Other managerial committees in addition to the Management Committee have been formed. Those with responsibilities involving corporate governance include the Compliance Committee and the Risk Committee.

The Compliance Committee is comprised of: the Chief Legal & Regulatory Affairs; the Senior Executive Vice President Corporate Affairs & Governance Department; the Senior Executive Vice President Internal Audit Department; the Executive Vice President Accounting and Financial Statements Department and the Executive Vice President Human Resources and Organisation Department. The Committee provides advice and support concerning compliance and governance matters to the Chief Executive Officer.

The Risk Committee is chaired by the Chief Executive Officer and is comprised of: the Chief Exploration Officer, the Chief Development, Operations & Technology Officer, the Chief Upstream Officer, the Chief Midstream Gas & Power Officer, the Chief Refining & Marketing and Chemicals Officer, the Chief Retail Market Gas & Power Officer, the Chief Financial and Risk Management Officer, the Chief Services & Stakeholder Relations Officer, the Chief Legal & Regulatory Affairs, the Senior Executive Vice President Corporate Affairs & Governance Department, the Senior Executive Vice President Internal Audit Department, the Executive Vice President Procurement Department, the Executive Vice President External Communication Department, the Executive Vice President Government Affairs Department and the Chief Executive Officer of Versalis. The Committee provides advice to the Chief Executive Officer on the major risks and, specifically, reviews and offers its opinion, at the Chief Executive Officer's request, on the primary results of the Integrated Risk Management process.

Appointment

In accordance with Article 17 of Eni's by-laws, the Board of Directors is made up of three to nine members. The Shareholders' Meeting determines the number within these limits. Moreover, in order to comply with provisions of Law No. 120 of 12 July 2011 and CONSOB Resolution No. 18098 of 8 February 2012 concerning the gender balance on the governing and control bodies of listed companies, the Extraordinary Shareholders' Meeting of 8 May 2012 amended Articles 17 and 28 of Eni's by-laws. The provisions directed to ensure gender, balance were applied for the first time in the elections of the Board of Directors and the Board of Statutory Auditors at the Shareholders' Meeting held on 8 May 2014, when three directors out of nine, including the Chairman, were drawn from the less represented gender (female), thereby already reaching the ratio of one third of the directors, instead of the ratio of one fifth as provided by the law for the first relevant election of the Board. The same ratio of one third of the Directors belonging to the less represented gender shall also apply to the next two subsequent terms of the Board of Directors.

In order to ensure that the Board of Directors includes representatives of the minority shareholders, directors are elected by a list voting system. According to Article 17, paragraph 3 of Eni's by-laws and the provisions of Law No. 474 of 30 July 1994 as amended by Legislative Decree No. 27 of 27 January 2010, shareholders who, severally or jointly, represent at least 1 per cent. of voting share capital (CONSOB reduced this percentage to 0.5 per cent. with regard to Eni) have the right to submit lists of candidates for the appointment of directors. The Board of Directors also has the right to submit lists for the appointment of directors. Each shareholder may only submit (or contribute to) and vote for a single list. Controlling persons, subsidiaries and companies under common control may not submit or participate in the submission of other lists, nor can they vote on them, either directly or through nominees or trustees.

Each candidate may stand on one list only, on penalty of disqualification.

Once the voting formalities are satisfied, seven tenths of the directors to be elected (rounded off in the event of a decimal number to the next lowest whole number) are drawn, in the order that they appear on the list, from the list that receives the most votes of the shareholders. The remaining directors are drawn from the other lists, which shall not be connected in any way, directly or indirectly, to the shareholders who have submitted or voted the list that received the largest number of votes.

The list voting system shall only apply to the election of the entire Board of Directors.

If during the year, the office of one or more directors should be vacated, he/she shall be replaced in accordance with Article 2386 of the Italian Civil Code. In any case, compliance with the required minimum number of independent directors and the applicable rules concerning gender balance shall not be affected. If a majority of the directors should vacate their offices, the entire Board of Directors shall be considered to have resigned, and the Board shall promptly call a Shareholders' Meeting to elect a new Board of Directors.

Directors must satisfy the integrity requirements established by applicable laws and they must declare that there are not grounds making them ineligible or incompatible for such position. In addition, (i) if there are no more than five directors, at least one director or (ii) if there are more than five directors, at least three directors must satisfy the requirements of independence set for statutory auditors of listed companies, as per Article 148, paragraph 3 of Legislative Decree No. 58 of 24 February 1998 ("**Testo Unico della Finanza**" or "**TUF**"). Eni's by-laws provide for an additional mechanism to the ordinary election system for ensuring that the requirement of a minimum number of independent directors is satisfied. The Corporate Governance Code establishes further independence requirements and recommends that at least one-third (rounded down in the event of a decimal number to the next lowest whole number) of the Board members of issuers belonging to FTSE-Mib index must be independent directors.

The directors shall notify Eni if they should no longer satisfy the above-mentioned requirements or if issues of ineligibility or incompatibility should arise.

In accordance with Article 17, paragraph 3 of Eni's by-laws and the Corporate Governance Code, after the appointment and periodically, the Board of Directors shall evaluate the independence and integrity of its members and whether issues of ineligibility or incompatibility have arisen, giving disclosure of its evaluations to the market. If the independence or integrity requirements established by applicable legislation should no longer be met by a director or if issues of ineligibility or incompatibility should have arisen, the Board of Directors shall declare the director disqualified and replace him/her or invite him/her to rectify the situation of incompatibility by a deadline set by the Board of Directors itself, on penalty of disqualification.

Under Eni's by-laws, directors are not subject to any age limits or requirement of share ownership.

The Shareholders' Meeting held on 8 May 2014 set the number of directors at nine and appointed the Board of Directors and its Chairman for a three year term, until date of the Shareholders' Meeting called to approve Eni's financial statements for financial year ending 31 December 2016.

In the same Shareholders' Meeting held on 8 May 2014, Emma Marcegaglia, Claudio Descalzi, Andrea Gemma, Diva Moriani, Fabrizio Pagani and Luigi Zingales were appointed from the list of candidates submitted by the Ministry of Economy and Finance; Pietro A. Guindani, Karina Litvack and Alessandro Lorenzi were appointed from the list submitted by institutional investors.

On 9 May 2014, the Board of Directors appointed Claudio Descalzi as Chief Executive Officer and General Manager.

On 2 July 2015 Luigi Zingales resigned from the Board of Directors. On 29 July 2015 the Board of Directors co-opted Alessandro Profumo as Director, replacing Luigi Zingales. Pursuant to Article 2386, Paragraph 1 of the Italian Civil Code, Alessandro Profumo will remain in office until the next Shareholders' Meeting, which will take the pertaining resolutions.

Furthermore, the Board of Directors ascertained, shortly after its appointment on 9 May 2014, on the basis of the statements provided by the relevant parties and the information available to Eni, that all its members satisfy the integrity requirements, that there were no reasons for incompatibility and ineligibility affecting any of the directors and that the Chairman Emma Marcegaglia as well as the Directors Andrea Gemma, Pietro A. Guindani, Karina Litvack, Alessandro Lorenzi, Diva Moriani and Luigi Zingales meet the independence requirements set by law, as quoted in Eni's by-laws. Furthermore, Directors Gemma, Guindani, Litvack, Lorenzi, Moriani and Zingales are considered independent by the Board pursuant to the criteria and parameters recommended by the Corporate Governance Code, while Chairman Marcegaglia, who declared her independence both pursuant to the law and Corporate Governance Code at her candidature, cannot be considered independent, pursuant to the Corporate Governance Code, as she is a significant representative of the Company.

On 17 February 2015, based upon the investigation performed by the Nomination Committee, the Board of Directors confirmed its previous assessment of its members' compliance with the integrity and

independence requirements and determined that there were no circumstances rendering any of the directors ineligible or incompatible, including with regard to any Eni holdings in financial, banking and/or insurance companies.

On 29 July 2015, the Board of Directors ascertained that Alessandro Profumo meets the integrity requirements and the independence requirements provided for by law, as cited in Eni's by-laws, and recommended by the Corporate Governance Code and that there were no reasons for his incompatibility and ineligibility.

The table below sets out the names of the nine members of the Board of Directors, their positions and the year when each was initially appointed as a director.

Name	Position	Year first appointed to Board of Directors
Emma Marcegaglia	Non-executive Independent* Chairman	2014
Claudio Descalzi	Chief Executive Officer	2014
Andrea Gemma	Non-executive Independent Director	2014
Pietro A. Guindani	Non-executive Independent Director	2014
Karina Litvack	Non-executive Independent Director	2014
Alessandro Lorenzi	Non-executive Independent Director	2011
Diva Moriani	Non-executive Independent Director	2014
Fabrizio Pagani	Non-executive Director	2014
Alessandro Profumo**	Non-executive Independent Director	2015

Note:

* Emma Marcegaglia is independent pursuant to the TUF and Eni's by-laws. She cannot be considered independent pursuant to the Corporate Governance Code, being a significant representative of Eni.

** Alessandro Profumo was co-opted by Eni's Board to replace Luigi Zingales, who resigned on 2 July 2015.

The business address of the members of the Board of Directors is Piazzale Enrico Mattei 1, Rome, Italy.

The biographies of Eni's directors are set out below.

Emma Marcegaglia has been Chairman of the Board of Eni since May 2014. She was born in Mantua in 1965. She graduated in Business Economics from Bocconi University in Milan and earned a Master in Business Administration at New York University. She is President of Businesseurope and Luiss Guido Carli University, Deputy Chairman and CEO of Marcegaglia S.p.A., Member of the Board of Directors of Bracco S.p.A., Italcementi S.p.A. and Gabetti Property Solutions S.p.A.. She is also Chairman of Fondazione Eni Enrico Mattei, appointed in November 2014. From May 2008 to May 2012, she was President of Confindustria. She was also a Member of the Management Board of Banco Popolare and Director of FinecoBank S.p.A.. From May 2004 to May 2008 she was appointed as Deputy Vice President of Confindustria for infrastructures, energy, transport and environment, also acting as the Italian Representative for the High Level Group established by the European Commission for energy, competitiveness and environment. From 2000 to 2002, she was Vice President of Confindustria for Europe; from 1996 to 2000 President of the Young Italian Entrepreneurs Association of Confindustria; from 1997 to 2000 President of the European Confederation of Young Entrepreneurs (YES) and from 1994 to 1996 she was National Vice President of the Young Italian Entrepreneurs Association of Confindustria.

Claudio Descalzi has been CEO of Eni since May 2014. Born in Milan in 1955, he graduated in physics in 1979 from the University of Milan. He is currently Member of the General Board of Confindustria and Director of Fondazione Teatro alla Scala. He joined Eni in 1981 as Oil & Gas field petroleum engineering and project manager, for the development of North Sea, Libya, Nigeria and Congo. In 1990

he was appointed Head of reservoir and operating activities for Italy. In 1994 he was named Managing Director of Eni subsidiary in Congo and in 1998 Vice Chairman & Managing Director of Naoc, Eni subsidiary in Nigeria. From 2000 to 2001 he held the position of Executive Vice President for Africa, Middle East and China. From 2002 to 2005 he was Executive Vice President for Italy, Africa, Middle East covering also the role of Member of the Board of several Eni subsidiaries in the area. In 2005 he was appointed Deputy Chief Operating Officer of Eni – Exploration & Production Division. From 2006 to 2014 he was President of Assomineraria. From 2008 to 2014 he was Chief Operating Officer of Eni – Exploration & Production Division. From 2010 to 2014 he held the position of Chairman of Eni UK. In 2012 Claudio Descalzi was the first European in the field of Oil & Gas to receive the prestigious "Charles F. Rand Memorial Gold Medal 2012" award by the Society of Petroleum Engineers and the American Institute of Mining Engineers.

Andrea Gemma has been Director of Eni since May 2014. Born in Rome in 1973, he is Professor of Private Law at Roma Tre University, Department of Jurisprudence, Member of the Strategic Board of the American University of Rome, a Court of Cassation Lawyer and Partner of the Law and Tax Firm Gemma & Partners. He is a Member of the Banking and Financial Ombudsman (ABF) at the Rome College appointed by Bank of Italy, Member of the Studies Centre of the Chamber of Arbitration of Rome, Arbitrator at the Chamber of Arbitration of Public Works. He is Chairman of Immobiliare Strasburgo S.r.l., Deputy Chairman of Serenissima SGR S.p.A. and Chairman of the Watch Structure of Sorgent-e S.p.A.. He is a Member of the Board of Directors of Banca UBAE S.p.A.. He is also Official Receiver of Valtur S.p.A., Liquidator of Novit Assicurazioni S.p.A., Sequoia Partecipazioni SpA, Suditalia Compagnia di Assicurazioni e Riassicurazione S.p.A. and Alpi Assicurazioni S.p.A., Liquidator of Corit SpA and Sigrec S.p.A. (Unicredit Group). He was Official Receiver of Dima Costruzioni S.p.A. and Progress Assicurazioni S.p.A. In 2012 he was Member of the Ministerial Commission for the reform of the bankruptcy proceedings and extraordinary administration procedures. In 2010-2012 he was legal implementing Subject of the Prison Plan appointed by the Minister of Justice and, in 2008-2009, Expert of the working group of the Commission appointed by the Premiership and officiated by the Minister for the European policies for the implementing of the European legislation.

Pietro Angelo Guindani has been Director of Eni since May 2014. Born in Milan in 1958, he graduated in Business from Bocconi University in Milan. From 1982 to 1986 he was Relationship Banker of Citibank N.A. Subsequently he became Director International Finance Department of Montedison S.p.A. (Enimont S.p.A.) until 1992. He was Group Finance, Budget and Reporting Manager of European Vinyls Corporation SA/NV (1992-1993). In 1993 he became International Finance Director of Olivetti S.p.A. From 1995 to 2004 he was Chief Financial Officer of Vodafone Italy and of Vodafone South Europe, Middle East & Africa Region. From 2004 to 2008 he was Chief Executive Officer of Vodafone Omnitel NV. Currently, he is Chairman of the Board of Directors of Vodafone Omnitel B.V., Board Member of FINECOBank S.p.A., of Salini-Impregilo S.p.A. and of the Italian Institute of Technology, Board Member of Civita Foundation, Assonime and Confindustria, Member of the Executive Board of Assotelecomunicazioni, Member of the Executive Board of Confindustria Digitale and Vice President for Universities, Innovation and Human Capital of Assolombarda. He was also Director of Pirelli & C. S.p.A. (2011-2014), Carraro S.p.A. (2009-2012) and Sorin S.p.A. (2009-2012).

Karina Litvack has been Director of Eni since May 2014. Born in Montreal (Canada) in 1962, she graduated in Political Economy from University of Toronto. She is currently a Member of the Global Advisory Council of Cornerstone Capital Inc., a Member of the Advisory Board of Bridges Ventures LLC, a Member of the CEO Sustainability Advisory Panel of SAP AG, a Member of Business for Social Responsability and of Yachad, and a Member of the Advisory Council of Transparency International UK. From 1986 to 1988 she was a member of the Corporate Finance team of PaineWebber Incorporated. From 1991 to 1993 she was a Project Manager of the New York City Economic Development Corporation. In 1998 she joined F&C Asset Management plc where she held the position of Analyst Ethical Research, Director Ethical Research and Director Head of Governance and Sustainable Investments (2001-2012).

She was also a Member of the Board of the Extractive Industries Transparency Initiative (2003-2009) and of the Primary Markets Group of the London Stock Exchange Primary Markets Group (2006-2012).

Alessandro Lorenzi has been Director of Eni since May 2011. Born in Turin in 1948, he is currently a founding partner of Tokos S.r.l., a consulting firm for securities investment, Chairman of Società Metropolitana Acque Torino S.p.A., Director of Ersel SIM S.p.A. and Millbo S.p.A.. He began his career at SAIAG S.p.A., in the Administration and Control area. In 1975 he joined Fiat Iveco S.p.A. where he held a series of positions: Controller of Fiat V.I. S.p.A., Head of Administration, Finance and Control, Head of Personnel of Orlandi S.p.A. in Modena (1977-1980) and Project Manager (1981-1982). In 1983 he joined GFT Group where he was Head of Administration, Finance and Control of Cidat S.p.A., a GFT S.p.A. subsidiary (1983-1984), Central Controller of GFT Group (1984-1988), Head of Finance and Control of GFT Group (1989-1994) and Managing Director of GFT S.p.A., with ordinary and extraordinary powers over all operating activities (1994-1995). In 1995 he was appointed Chief Executive Officer of SCI S.p.A., where he oversaw the restructuring process. In 1998 he was appointed Central Manager, and subsequently Director of Ersel SIM S.p.A. until June 2000. In 2000 he became Central Manager of Planning and Control at the Ferrero Group and General Manager of Soremartec, the technical research and marketing company of the Ferrero Group. In May 2003 he was appointed CFO of Coin Group. In 2006 he became Central Corporate Manager at Lavazza S.p.A., serving as a member of the Board of Directors from 2008 to June 2011.

Diva Moriani has been Director of Eni since May 2014. She was born in Arezzo in 1968. She graduated in Economics from University of Florence. She is currently Executive Vice Chairman of Intek Group S.p.A., CEO of KME AG Vorstand, German holding company of KME Group, Member of the Supervisory Board of KME Germany GmbH and Director of Moncler SpA, Ergycapital S.p.A., Dynamo Academy, KME S.r.l., Dynamo Foundation and Associazione Dynamo. From 2007 to 2012 she was CEO of I2Capital Partners, private equity fund sponsored by Intek S.p.A., with an investment strategy focused on Special Situation.

Fabrizio Pagani has been Director of Eni since May 2014. He was born in Pisa in 1967. He graduated in International Studies from Scuola Superiore Sant'Anna, Pisa, and received a Master's from the European University Institute, Florence. He has been visiting scholar at the Columbia University, New York. Currently, he is the Head of the Office of the Minister of Finance. He has been Senior Economic Counsellor of the Prime Minister and G20 Sherpa from 2013 to 2014; Director of the G8 / G20 Office at the OECD from 2011 to 2013; Political Counsellor of the OECD General Secretary from 2009 to 2011; Director of SACE from 2007 to 2008; Head of the Office of the State Undersecretary, within the Prime Minister Office; Senior Advisor at the OECD from 2002 to 2006; Counsellor for International Affairs of the Minister of Industry and Foreign Trade from 1999 to 2001; Deputy Chief of the Legislative Office at the Department of European Affairs from 1998 to 1999; Professor of International Law at the School of Political Science at the University of Pisa from 1993 to 2001; Deputy Director of the International Training Programme for Conflict Management at the School S. Anna of Pisa, from 1995 to 1998; he has been NATO Fellow.

Alessandro Profumo has been Director of Eni since July 2015. Born in Genoa in 1957, he graduated in Business Administration from Bocconi University in Milan. He is currently Chairman of Equita SIM, of Appeal Strategy & Finance S.r.l. and member of the Supervisory Board of Sberbank. He is also Chairman of CASL (Comitato per gli Affari Sindacali e del Lavoro dell'ABI) and member of the Board of Directors of TOG "Together To Go". Since February 2012 he has been a member of the International Advisory Board of Itau-UniBanco. He began his career in 1977 at the Banco Lariano, becoming Branch Manager in Milan. In 1987 he joined McKinsey where he was Project Manager in the strategy area for the finance sector. In 1989 he was appointed Head of relations with financial institutions and integrated development and organisation projects at Bain, Cuneo e Associati firm (now Bain & Company). In 1991 he left the field of corporate consulting to join RAS, Riunione Adriatica di Sicurtà, where he was given responsibility, as General Manager, for the banking and parabanking sectors. He was also in charge of

increasing returns of that company's bank and of the other group companies operating in the field of asset management. In 1994 he joined Credito Italiano as Joint Central Manager, with responsibility for Programming and Control, becoming General Manager in 1995. In 1997 he was appointed Chief Executive Officer of Credito Italiano and subsequently of Unicredit, a position he held until September 2010. On a international level he was Chairman of the European Banking Federation and Chairman of the IMC Washington. In May 2004 he was decorated as Cavaliere del Merito del Lavoro. From 2006 to 2014 he was Director of Bocconi University in Milan, from 2011 to 2014 he was Director of Eni and from 2012 to 2015 he was Chairman of Banca Monte dei Paschi di Siena. In February 2012 he was appointed member of the "High-level Expert Group" on reforming the structure of the EU banking sector.

Policy of the Board of Directors on the maximum number of offices held by its members in other companies.

In compliance with the Corporate Governance Code, the Board of Directors specified the general criteria for determining the maximum number of management and control offices that can be held by its members in other companies that are compatible with effective performance of their role as director of Eni, in compliance with the Corporate Governance Code.

With its resolution of 17 September 2015, the Board of Directors modified the policy of 9 May 2014, reducing the maximum number of additional offices as non-executive director or statutory auditor (or member of another controlling body) in relevant companies, respectively (i) for the Chief Executive Officer, from three to one; (ii) for non-executive directors from six to five.

Therefore, the Board resolved that:

(a) an executive director should not hold: (i) the office of executive director in any other listed company, whether Italian or foreign, or in any financial, banking or insurance company or in a company with shareholders' equity exceeding euro 10 billion; (ii) the office of non-executive director or statutory auditor (or member of another controlling body) in more than one of the aforesaid companies; and (iii) the office of non-executive director in another issuer of which a director of Eni is an executive director.

(b) a non-executive director, in addition to the office held in Eni, should not hold the office of: (i) executive director in more than one of the aforesaid companies and non-executive director or statutory auditor (or member of another controlling body) in more than three of the aforesaid companies; (ii) non-executive director or statutory auditor in more than five of such companies; and (iii) executive director of another issuer of which an executive director of Eni is a non-executive director.

The limit on multiple offices excludes offices held in Eni Group companies.

If these limits are exceeded, the director will promptly inform the Board of Directors, which will assess the situation in light of the interest of Eni and will call upon the director to take action in accordance with its decision. In any case, before taking up the office of director or statutory auditor (or member of another controlling body) in another company that is not a direct or indirect subsidiary or associated company of Eni, the executive director shall inform the Board of Directors, which will prohibit him from taking up the office where it believes such appointment is not compatible with the functions attributed to the executive director and with the interests of Eni.

On the basis of information provided, subsequent to the appointment of the Board and periodically, most recently in its meeting of 17 February 2015 after investigation by the Nomination Committee, the Board of Directors verified that the directors comply with the limits on multiple offices approved with resolution of 9 May 2014. In its meeting of 29 July 2015, after investigation by the Nomination Committee, the Board verified that Alessandro Profumo also complies with the limits approved with resolution of 9 May 2014.

Competencies and delegation of powers

The Board of Directors is vested with the fullest powers for the ordinary and extraordinary management of the company and, in particular, it has the power to perform all acts it deems advisable for the implementation and achievement of the corporate purpose, with the sole exception of acts that the law or Eni's by-laws reserve for the Shareholders' Meeting.

Pursuant to Article 23, paragraph 2 of Eni's by-laws, the Board resolves on: the merger and proportional demerger of companies in which Eni owns shares or other equity holdings representing at least 90 per cent. of the share capital; the establishment and closing of branches; amendments to Eni's by-laws to comply with the provisions of law.

According to Article 24 of Eni's by-laws, the Board of Directors delegates its powers to one of its members, within the limits set forth in Article 2381 of the Italian Civil Code. The Board of Directors may at any time revoke delegated powers, proceeding to appoint a new Chief Executive Officer at the same time. In addition, the Board of Directors, acting upon a proposal of the Chairman and in agreement with the Chief Executive Officer, may confer powers for individual acts or categories of acts on other members of the Board of Directors.

Pursuant to Article 25 of Eni's by-laws, the Chairman and the Chief Executive Officer are severally vested with the powers of legal representation of Eni before any judicial or administrative authority and with respect to third parties and exercise signature powers on behalf of Eni.

According to Article 29, paragraph 3 of Eni's by-laws, the Board of Directors may resolve on distribution to shareholders of interim dividends during the financial year.

Powers of the Chairman

At its meeting of 9 May 2014, the Board of Directors deliberated that, in accordance with the Corporate Governance Code, the Head of Internal Audit reports to the Board, and on its behalf, to the Chairman. In addition, the Chairman carries out her statutory functions as legal representative managing institutional relationships in Italy, together with the Chief Executive Officer.

In accordance with Article 27 of Eni's by-laws, the Chairman chairs Shareholders' Meetings, convenes and chairs meetings of the Board of Directors and oversees the implementation of its resolutions.

Powers of the Chief Executive Officer

On 9 May 2014, Eni's Board of Directors delegated to Claudio Descalzi, as Chief Executive Officer, all necessary and widest powers for the ordinary and extraordinary management of Eni, with the exception of those powers that cannot be delegated according to the current law and those retained by the Board of Directors on decisions regarding major strategic, operational and organisational issues.

Board Committees

On 9 May 2014, the Board of Directors set up four committees to provide it with recommendations and advice. Their composition, tasks and functioning are defined by the Board of Directors in compliance with the criteria established by the Corporate Governance Code. They are: (a) the Control and Risk Committee, (b) the Compensation Committee, (c) the Nomination Committee and (d) the Sustainability and Scenarios Committee, which replaced the Oil-Gas Energy Committee. Committees under letters (a), (b) and (c) are recommended by the Corporate Governance Code. The Control and Risk Committee and the Compensation Committee are entirely composed of non-executive and independent directors. The members of the Nomination Committee are all non-executive directors and, in compliance with the

Corporate Governance Code, the majority of them are independent. The members of the Sustainability and Scenarios Committee are all non-executive directors, the majority of whom are independent.

All Board Committees report to the Board of Directors, at least once every six months, on the activities carried out. In performing their duties, the Committees have the right to access the necessary company information and functions as well as to avail themselves of external advisors. They are also provided with adequate financial resources. The Chairman of the Board of Statutory Auditors, or a standing statutory auditor designated by the former, attends the Control and Risk Committee meetings and he is invited to attend meetings of the other Committees. On invitation and with reference to individual issues on the agenda, meetings of the Committees may be attended by any non-members. The Chief Executive Officer and the Chairman can attend the meetings of the Nomination Committee and of the Sustainability and Scenarios Committee. Furthermore they can attend Control and Risk Committee meetings, except when the meetings are addressing issues regarding them. Finally, they can attend Compensation Committee meetings upon the invitation of its Chairman, except when the meetings are examining proposals regarding their remuneration.

Committee meetings are usually minuted by the respective Secretaries.

On 2 July 2015 Luigi Zingales resigned as Director and consequently as member of the Control and Risk Committee and of the Nomination Committee.

On 17 September 2015 the Board of Directors integrated the composition of the Nomination Committee and Sustainability and Scenarios Committee.

The current composition of the Board's Committees is as follows:

- Control and Risk Committee: Alessandro Lorenzi (Chairman), Andrea Gemma and Karina Litvack;
- Compensation Committee: Pietro A. Guindani (Chairman), Karina Litvack, Alessandro Lorenzi and Diva Moriani;
- Nomination Committee: Andrea Gemma (Chairman), Diva Moriani, Fabrizio Pagani and Alessandro Profumo;
- Sustainability and Scenarios Committee: Fabrizio Pagani (Chairman), Andrea Gemma, Pietro A. Guindani, Karina Litvack and Alessandro Profumo.

Control and Risk Committee

The Control and Risk Committee, established for the first time in 1994 and previously named Internal Control Committee, is entrusted by the Board of Directors to support, on the basis of an adequate control process, the Board in evaluating and making decisions concerning the internal control and risk management system and in approving the periodic financial reports. According to the Rules of the Control and Risk Committee of Eni, at least two members of the Committee (not just one as under the Corporate Governance Code) shall have adequate experience in accounting and financial matters or in risk management as per the assessment made by the Board of Directors at the time of their appointment.

The Control and Risk Committee performs an advisory function to the Board of Directors and, in particular:

(a) issues a prior opinion: i) and drafts recommendations and updates concerning the guidelines for the internal control and risk management system to be approved by the Board of Directors; ii) on the assessment performed by the Board of Directors on the main company risks, identified according to the characteristics of the activities carried out by the company or its subsidiaries; iii) on the evaluation, performed every six months, of the adequacy of internal control and risk management system, taking into account the characteristics of Eni

and its risk profile, as well as its effectiveness. To this end, at least every six months, the Committee reports to the Board of Directors on the occasion of the approval of the annual and semi-annual financial reports, on its activities and on the adequacy of the internal control and risk management system; iv) on the approval, at least once a year, of the Audit Plan; v) on the evaluation of the findings reported by the Audit Firm in the recommendations letter it may issue and in the latter's report on the main issues arising during the audit;

(b) issues its favourable opinion on the proposals concerning the appointment, the removal, and the definition of the compensation of the Head of the Internal Audit Department, as well as on the adequacy of the resources provided to the latter;

(c) examines the main risks presented to the Board of Directors and issues opinions on specific aspects concerning the identification of the main risks;

(d) examines and issues an opinion on the adoption and amendment of the rules on the transparency and the substantive and procedural fairness of transactions with related parties and those in which a director or statutory auditor holds a personal interest or an interest on behalf of a third party, while performing the additional duties assigned to it by the Board of Directors, including the examining and issuing an evaluation of specific types of transactions, except for those relating to compensation;

(e) issues an opinion on the fundamental guidelines for the Regulatory System, the regulatory tools to be approved by the Board of Directors, their amendment or update, and, upon the request of the Chief Executive Officer, on specific aspects of the tools for implementing the fundamental guidelines.

Moreover, the Committee, in assisting the Board of Directors:

(a) evaluates, with the Officer in charge of preparing financial reports and after having consulted the Audit Firm and the Board of Statutory Auditors, the proper application of accounting standards (IFRS) and their consistency in preparing the Consolidated Financial Statements, prior to their approval by the Board of Directors;

(b) monitors the independence, adequacy, efficiency and effectiveness of the Internal Audit Department and oversees its activities. In particular, the Committee: i) examines the results of the audit activities carried out by the Internal Audit Department; ii) examines the periodic reports prepared by the Internal Audit Department containing adequate information on the activities carried out, on the manner in which risk management is conducted and on compliance with risk containment plans, as well as the assessment of the appropriateness of the internal control and risk management system. The Committee may assign the Internal Audit Department the task of auditing specific areas of operations, simultaneously notifying the Chairman of the Board of Statutory Auditors of the assignment;

(c) examines and assesses: i) the adequacy of the powers and resources assigned to the Officer in charge of preparing financial reports and the findings of the periodic reports prepared by the latter on the occasion of the approval of the annual and semi-annual consolidated financial reports; ii) communications and information received from the Board of Statutory Auditors and its members regarding the internal control and risk management system, including those concerning the findings of enquiries conducted by the Internal Audit Department in connection with reports received, including anonymous reports (Whistleblowing); iii) the half yearly reports issued by Eni's Watch Structure, including in its capacity as Guarantor of the Code of Ethics, as well as the timely updates provided by Eni's Watch Structure, after the updates have been submitted to the Chairman of the Board and to the Chief Executive Officer, about any material issue or significant situation discovered in the performance of its duty; iv) information on the internal control and risk management

system, including that provided in the course of periodic meetings with the competent Eni structures and information on enquiries and reviews carried out by third parties;

(d) oversees the activities of the Legal Affairs Department in the case of judicial inquiries, carried out in Italy and/or abroad, in relation to which the Chief Executive Officer and/or the Chairman of Eni spa and/or a member of the Board of Directors and/or an Executive reporting directly to the Chief Executive Officer — even if no longer in office — have received a notice of investigation for crimes against the Public Administration and/or corporate crimes and/or environmental crimes, related to their mandate and within the scope of their responsibility.

Compensation Committee

The Committee, established for the first time in 1996, provides recommendations and advice to the Board of Directors and specifically it:

(a) submits to the Board of Directors for its approval the Remuneration Report and, in particular, the compensation policy for directors and managers with strategic responsibilities to be presented to the Shareholders' Meeting called to approve the financial statements, as provided for by applicable law;

(b) periodically evaluates the adequacy, overall consistency and actual implementation of the adopted policy, formulating proposals on the topic for the Board of Directors;

(c) presents proposals for the compensation of the Chairman of the Board and the Chief Executive Officer, covering the various forms of compensation and benefits awarded;

(d) presents proposals for the compensation of members of the Board's internal committees;

(e) examines the Chief Executive Officer's recommendations and presents proposals for general criteria for compensation for managers with strategic responsibilities; annual and long-term incentive plans, including equity-based plans; establishing performance targets and assessing results for performance plans in connection with the determination of the variable portion of the compensation for directors with delegated powers and with the implementation of incentive plans;

(f) monitors the execution of Board resolutions.

The Committee also issues the opinions required under the procedure for related party transactions in the manner specified therein.

Nomination Committee

In accordance with the recommendations of the Corporate Governance Code (including responsibilities involving Board Review, activities exercised in competition with the issuer, and the maximum number of offices), the Nomination Committee, established for the first time in 2011:

(a) assists the Board of Directors in formulating any criteria for the appointment of executives and members of the boards and bodies of Eni and of its subsidiaries, proposed by the Chief Executive Officer and/or by the Chairman of the Board, whose appointment falls under the Board's responsibilities, and of the members of the other boards and bodies of Eni's associated companies;

(b) provides evaluations to the Board of Directors on the appointment of executives and members of the boards and bodies of Eni and of its subsidiaries, proposed by the Chief Executive Officer and/or by the Chairman of the Board, whose appointment falls under the Board's responsibilities and oversees the associated succession plans. Where possible and

appropriate, with regards to the shareholding structure, the Committee proposes the succession plan for the Chief Executive Officer to the Board of Directors;

(c) acting upon a proposal of the Chief Executive Officer, examines and evaluates criteria governing the succession plans for Eni's managers with strategic responsibilities;

(d) proposes candidates to serve as directors in the event one or more positions need to be filled during the course of the year (Article 2386, first paragraph, of the Italian Civil Code), as recommended by the Corporate Governance Code in the case of the replacement of independent directors, ensuring compliance with the requirements on the minimum number of independent directors and the percentage reserved for the less represented gender;

(e) proposes to the Board candidates for the position of director to be submitted to the Shareholders' Meeting of the Company, taking account of any recommendations received from shareholders, in the event it is not possible to draw the required number of directors from the slates presented by shareholders;

(f) oversees the annual self-assessment program concerning the Board of Directors and its Committees in compliance with the Corporate Governance Code, taking care of the preliminary activity for the appointment of an external consultant to perform the assessment; on the basis of the results of the self-assessment, provides its opinions to the Board of Directors regarding the size and composition of the Board or its Committees as well as the skills and professional qualifications it feels should be represented in relation to the above, so that the Board itself can give its opinion to the shareholders prior to the appointment of the new Board;

(g) proposes to the Board of Directors the list of candidates for the position of director to be submitted to the Shareholders' Meeting if the Board decides to opt for the right envisaged in Article 17.3 of Eni's by-laws;

(h) proposes to the Board of Directors guidelines regarding the maximum number of positions as director or statutory auditor that an Eni director may hold in compliance with the Corporate Governance Code and performs the associated preliminary activity concerning the periodic checks and evaluations for submission to the Board;

(i) periodically investigates whether the directors satisfy the independence and integrity requirements, and ascertains the absence of circumstances that would render them incompatible or ineligible;

(j) provides its opinion to the Board of Directors on any activities carried out by the directors in competition with Eni.

Sustainability and Scenarios Committee

The Sustainability and Scenarios Committee, which replaced the Oil-Gas Energy Committee, provides recommendations and proposals to the Board of Directors on scenarios and sustainability, i.e. the processes, projects and activities aimed at ensuring the Company's commitment to sustainable development along the value chain, particularly with regard to: the health, well-being and safety of people and communities; the protection of rights; local development; access to energy, energy sustainability and climate change; the environment and efficient use of resources; integrity and transparency; and innovation.

In particular, the Committee:

(a) examines scenarios used in preparing the Strategic Plan, issuing an opinion to the Board of Directors;

(b) examines and evaluates the sustainability policy — aimed at ensuring the creation of value over time for shareholders and all the other stakeholders in accordance with the principles of sustainable development — as well as sustainability strategies and objectives and the sustainability report submitted annually to the Board of Directors;

(c) examines how the sustainability policy is implemented in business initiatives based upon the guidelines provided by the Board of Directors;

(d) monitors the Company's position in financial markets in terms of sustainability, particularly with regard to the Company's inclusion in the leading sustainability indexes;

(e) monitors international sustainability projects as part of global governance processes and the Company's participation in such projects, designed to strengthen the Company's international reputation;

(f) examines and assesses sustainability initiatives, including individual projects, provided for in agreements with producer countries, submitted by the Chief Executive Officer for presentation to the Board;

(g) examines the Company's non-profit project strategy and its implementation, including individual projects, in the non-profit plan submitted each year to the Board, as well as non-profit initiatives submitted to the Board;

(h) at the request of the Board, issues an opinion on other sustainability issues.

Conflicts of Interest

As far as Eni is aware, there are no current conflicts of interest between any duties of the members of the Board of Directors of Eni towards Eni and their private interests or other duties outside the Group.

In compliance with the CONSOB Regulation on transactions with related parties (adopted by CONSOB with Resolution No. 17221 of 12 March 2010, as amended by Resolution No. 17389 of 23 June 2010), on 18 November 2010, the Board of Directors approved the Management System Guideline (MSG) "Transactions involving interests of directors and statutory auditors and transactions with related parties", which has been applied since 1 January 2011. At the meeting of 19 January 2012, the Board of Directors carried out the first annual review of the MSG, as required by the latter, rather than the three-year frequency required by CONSOB. The Board consequently modified the MSG, taking account of the operational issues that had arisen during the first year of its application. The MSG and the subsequent amendments received the unanimous, favourable opinion of the Control and Risk Committee then in office, entirely composed of independent directors under the Corporate Governance Code and in accordance with the CONSOB Regulation.

At its meetings of 17 January 2013, 16 January 2014 and, most recently, 20 January 2015, the Board of Directors, subject to the favourable opinion from the Control and Risk Committee, conducted the annual reviews of the MSG and, taking account of the information acquired, felt it was not necessary to amend the MSG further.

This Management System Guideline, while largely being based on the definitions and provisions of the CONSOB Regulation, extends the rules for transactions carried out directly by Eni to all transactions undertaken by subsidiaries with related parties of Eni, with a view to enhancing safeguards and improving functionality. In addition, the definition of "related party" has been extended and defined in greater detail.

Transactions with related parties are divided into transactions of lesser importance, greater importance and exempt transactions, with procedural arrangements and transparency requirements that vary based on the type and importance of the transaction. For transactions of lesser importance, the procedures require that independent directors — members of the Control and Risk Committee (or the

Compensation Committee, in the event of transactions concerning remuneration) — express a reasoned, non-binding opinion on Eni's interest in completing the transaction and the economic benefits and substantive fairness of the underlying terms. For transactions of greater importance, without prejudice to the decision-making powers reserved to the Board of Directors, the independent directors — members of the Control and Risk Committee (or the Compensation Committee, in the event of transactions concerning remuneration) — are involved from the preparatory phase of the transaction and express a binding opinion on Eni's interest in completing the transaction and on the economic benefits and substantive fairness of the underlying terms. Exempt transactions comprise low-value transactions as well as ordinary transactions carried out on standard conditions, intercompany transactions and those regarding remuneration as specified in the MSG.

With regard to the disclosures to be provided to the public on transactions with related parties, the relevant provisions of the CONSOB Regulation have been fully incorporated in the MSG. The MSG also sets out the timing, responsibilities and verification tools to be used by Eni employees involved and the reporting requirements that must be complied with for the correct application of the rules.

Finally, specific rules have been adopted for transactions in which a director or a statutory auditor holds an interest, whether directly or on behalf of third parties.

In particular, both in the preliminary and approval phase, a detailed and documented examination of the reason of the transaction is required, showing the interest of Eni in its completion and the economic benefits and fairness of the underlying terms. In any case, if the transaction is under the responsibility of the Board of Directors, a non-binding opinion from the Control and Risk Committee is required.

To ensure an effective system of control over transactions, every two months the Chief Executive Officer reports to the Board of Directors and to the Board of Statutory Auditors on the execution of individual transactions with related parties and subjects of interest to directors and statutory auditors, and prepares a semi-annual aggregate report on all transactions with the mentioned subjects of interest performed during the reporting period.

In order to ensure prompt and effective verification of the implementation of the MSG, a database has been created listing related parties of Eni and subjects of interest to directors and statutory auditors, together with a search IT application that the signing officers of Eni and its subsidiaries or the persons responsible for preparing transactions can use to access the database in order to determine the nature of the transaction counterparty.

The text of Eni's rules "Transactions involving interests of directors and statutory auditors and transactions with related parties" is available in the "Governance" section of Eni's website.

Senior Management

The information set out in this section, "Senior Management" is additional information given for information purposes only and is not required by the relevant annexes of the Prospectus Regulation.

The table below sets forth the composition of Eni's Senior Management. It includes the Chief Executive Officer as General Manager of Eni, as well as Managers with strategic responsibilities directly reporting to the Chief Executive Officer or to the Board, and on its behalf, to the Chairman. This table reports their positions within Eni and the year they were appointed to such positions.

Name and business address	Position	Year first appointed
Claudio Descalzi . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Chief Executive Officer and General Manager of Eni	2014

Managers reporting to the Chief Executive Officer

Name and business address	Position	Year first appointed
Luca Bertelli . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Chief Exploration Officer	2014
Roberto Casula . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Chief Development, Operations & Technology Officer	2014
Antonio Vella . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Chief Upstream Officer	2014
Umberto Vergine . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Chief Midstream Gas & Power Officer	2015
Salvatore Sardo . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Chief Refining & Marketing and Chemicals Officer	2014
Angelo Zaccari . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Chief Retail Market Gas & Power Officer	2015
Massimo Mondazzi . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Chief Financial and Risk Management Officer	2014*
Claudio Granata . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Chief Services & Stakeholder Relations Officer	2014
Massimo Mantovani . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Chief Legal & Regulatory Affairs	2014**
Roberto Ulissi*** . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Corporate Affairs & Governance Department Senior Executive Vice President	2006
Rita Marino . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Procurement Department Executive Vice President	2014
Marco Bardazzi . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	External Communication Department Executive Vice President	2015
Pasquale Salzano	Government Affairs Department Executive Vice President	2015***

Notes:

* From 2012 to 1 July 2014, he was Chief Financial Officer.

** From 2005 to 1 July 2014, he was General Counsel Legal Affairs Senior Executive Vice President.

*** He is also Board Secretary and Corporate Governance Counsel.

**** Pasquale Salzano was appointed Senior Vice President Government Affairs in 2014.

Managers reporting to the Board*, and on its behalf, to the Chairman

Name and business address	Position	Year first appointed
Marco Petracchini . . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Internal Audit Department** Senior Executive Vice President	2014***
Roberto Ulissi****. . . . . *Piazzale Enrico Mattei 1, Rome, Italy*	Board Secretary and Corporate Governance Counsel	2006

Notes:

* On 29 May 2014, the Board re-confirmed Massimo Mondazzi as the Manager charged with preparing the Company's financial reports pursuant to Art. 154-bis of the TUF (Financial Reporting Officer).

** The Head of the Internal Audit Department reports to the Board of Directors and, on its behalf, to the Chairman, without prejudice to his being functionally subject to the authority of the Control and Risk Committee and the Chief Executive Officer (in his capacity as director in charge of the internal control and risk management system).

*** Marco Petracchini was appointed Executive Vice President Internal Audit Department in 2011.

**** Since 2006 he has been Board Secretary and since 2014 he has been also Corporate Governance Counsel. The Board Secretary reports hierarchically and functionally to the Board of Directors and, on its behalf, to the Chairman.

Board of Statutory Auditors

Article 28, paragraph 1 of Eni's by-laws provides that the Board of Statutory Auditors consists of five standing statutory auditors and two alternate statutory auditors. Moreover, in order to comply with provisions of Law No. 120 of 12 July 2011 and CONSOB Resolution No. 18098 of 8 February 2012 concerning the gender-balance on the governing and control bodies of listed companies, the Extraordinary Shareholders' Meeting of 8 May 2012 amended Articles 17 and 28 of Eni's by-laws. By-laws provisions directed to ensure gender-balance were applied for the first time in the elections of the Board of Directors and Board of Statutory Auditors held on 8 May 2014 and will apply to the two subsequent elections. At the elections of 8 May 2014 one standing statutory auditor and one alternate statutory auditor were drawn from the less represented gender (female). For the next two elections one third of the statutory auditors will be drawn from the less represented gender.

According to Article 28, paragraph 2 of Eni's by-laws, statutory auditors are appointed by a list voting system; at least two standing auditors and one alternate are elected from the candidates of the list submitted by minority shareholders. The Shareholders' Meeting appoints the Chairman of the Board of Statutory Auditors among the standing auditors elected from such a list.

The procedures set forth in Article 17, paragraph 3, concerning the appointment of the Board of Directors and the provisions issued by CONSOB (Issuers Regulation — CONSOB resolution n. 11971 of 1999, as amended) shall apply. Shareholders who, severally or jointly, represent at least 1 per cent. of voting share capital or the different threshold established by CONSOB regulation may submit lists for the appointment of statutory auditors. With its resolution of 29 January 2014, and more recently with its resolution of 28 January 2015, CONSOB established, with regard to Eni, the percentage of 0.5 per cent. of the share capital.

Each shareholder may only submit (or contribute towards submitting) and vote for a single list. Controlling persons, subsidiaries and companies under common control may not submit or participate in the submission of other lists, nor can they vote on them, either directly or through nominees or trustees. Each candidate may stand on one list only, on penalty of disqualification.

The list voting system shall only apply to the election of the entire Board of Statutory Auditors. Should a standing auditor from the list that receives the majority of votes be replaced, the replacement shall be the alternate auditor from the same list; should a standing auditor from the other lists be replaced,

the replacement shall be the alternate auditor from those other lists. If the replacement results in non-compliance with gender-balance rules, the Shareholders' Meeting shall be called as soon as possible to approve the necessary resolutions to ensure compliance.

All statutory auditors must satisfy the independence requirements provided for by Article 148, paragraph 3 of the TUF and Articles 3 and 8 of the Corporate Governance Code, as well as the integrity and professional requirements as prescribed by a regulation of the Minister of Justice (Decree No. 162 of 30 March 2000). As for professional qualification, Eni's by-laws specify that the professional requirements may also be met with at least three years of professional experience or by teaching commercial law, business economics and corporate finance, as well as at least three years' experience in a managerial position in the engineering or geology fields.

Eni's statutory auditors currently in office are entered in the register of certified auditors.

Each current member was appointed by the Shareholders' Meeting held on 8 May 2014 (which also appointed the Chairman of the Board of Statutory Auditors) for a three year term. Their term will therefore expire as of the date of the Shareholders' Meeting called to approve Eni's financial statements for the financial year ending 31 December 2016.

Paola Camagni, Alberto Falini, Marco Seracini and Stefania Bettoni (alternate statutory auditor) were elected from the list of candidates submitted by the Ministry of Economy and Finance; Matteo Caratozzolo (Chairman of the Board of Statutory Auditors), Marco Lacchini and Mauro Lonardo (alternate statutory auditor) were elected from the list submitted by institutional investors.

In compliance with the laws and regulations and the Corporate Governance Code, after its appointment, the Board of Statutory Auditors verified, on the basis of individual statements provided, that all statutory auditors satisfy the integrity and professional requirements, as well as the independence requirements set by the law and by Corporate Governance Code. The Board of Directors made its own verifications at the meeting held on 9 May 2014.

Subsequently, on 19 January 2015, the Board of Statutory Auditors verified that the independence requirements noted above continued to be satisfied based upon the criteria set out in the Corporate Governance Code, as well as the integrity and professional requirements for all its members. At its meeting of 17 February 2015, the Board of Directors conducted its own verifications.

The table below sets forth the names, positions and year of appointment of the members of the Board of Statutory Auditors of Eni.

Name	Position	Year first appointed to Board of Statutory Auditors
Matteo Caratozzolo	Chairman	2014
Paola Camagni	Standing Auditor	2014
Alberto Falini	Standing Auditor	2014
Marco Lacchini	Standing Auditor	2014
Marco Seracini	Standing Auditor	2014
Stefania Bettoni	Alternate Auditor	2014
Mauro Lonardo	Alternate Auditor	2014

A biography of Eni's statutory auditors is published on Eni's website.

Limits on the number of positions

Pursuant to applicable law, the statutory auditors who hold the same office in five other listed companies may not take the office in the auditing body of any other issuer. They may however be assigned other administrative and control functions in Italian companies, within the relevant limits defined by CONSOB and in compliance with internal corporate regulations. The statutory auditors are required to notify CONSOB of offices accepted or terminated, in the manner and terms set forth in the applicable regulations, which shall then publish the information, making it available on its website. These provisions do not apply to those holding the office of member of the Board of Statutory Auditors or member of another controlling body in only one listed company.

Competencies

The Board of Statutory Auditors, in accordance with the TUF, shall monitor: (i) compliance with the law and Eni's by-laws; (ii) observance of the principles of sound administration; (iii) the appropriateness of Eni's organisational structure for matters within the scope of the Board's authority, the adequacy of the internal control system and the administrative and accounting system, as well as the reliability of the latter in accurately representing Eni's operations; (iv) the procedures for implementing the corporate governance rules provided for in the Corporate Governance Code, which Eni has adopted; and (v) the adequacy of the instructions imparted by Eni to its subsidiaries, in order to guarantee full compliance with legal reporting requirements.

In addition, pursuant to Article 19 of Italian Legislative Decree No. 39/2010 (hereinafter "Decree No. 39/2010), the Board of Statutory Auditors performs the functions assigned to it in its role as the "internal control and financial auditing committee". In this capacity, the Board oversees: (a) the financial reporting process; (b) the effectiveness of internal control, internal audit (where applicable) and risk management systems; (c) the auditing of the annual financial statements and consolidated financial statements; and (d) the independence of the external auditor or the Audit Firm, in particular with regard to the provision of non-audit services.

In accordance with Article 13 of Decree No. 39/2010, the Board of Statutory Auditors drafts a reasoned proposal, to be submitted to the Shareholders' Meeting for approval, regarding the selection of the external auditor or the Audit Firm and their fees.

The findings of this monitoring activity are included in the Report to be prepared pursuant to Article 153 of the TUF, and attached to the documentation accompanying the financial statements.

The Board of Directors, in its meeting of 22 March 2005, in accordance with SEC Rule 10A-3(c)(3) for foreign issuers listed on the New York Stock Exchange, designated the Board of Statutory Auditors to fulfil the role of the Audit Committee in U.S. companies under the Sarbanes-Oxley Act (SOA) and SEC rules, to the extent permitted under Italian law, from 1 June 2005. On 15 June 2005 and lastly on 28 May 2014, the Board of Statutory Auditors approved the rules concerning the duties assigned to the Audit Committee under U.S. law. These rules are published on Eni's website.

The key functions performed by the Board of Statutory Auditors acting as Audit Committee as provided for by SEC rules are as follows:

(a) evaluating the offers presented by the external auditors for their appointment and making its prompt recommendation to the Shareholders' Meeting about the offer for the appointment or the retention of the external auditor;

(b) overseeing the work of the external auditor engaged to audit the accounts or performing other audit, review or certification services;

(c) making recommendations to the Board of Directors on the resolution of disagreements between management and the auditor regarding financial reporting;

(d) approving the procedures for: (a) the receipt, retention, and treatment of complaints received by Eni regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of Eni of concerns regarding questionable accounting or auditing matters;

(e) approving the procedures for the pre-approval of specifically identified admissible non-audit services and examining the disclosures on the execution of the authorised services;

(f) evaluating requests to use the external auditor firm engaged to perform audit services for admissible non audit services and providing its opinion to the Board of Directors;

(g) examining the periodical reports from the external auditor relating to: (a) all critical accounting policies and practices to be used; (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management officials of Eni, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the external auditor; and (c) other material written communication between the external auditor and the management;

(h) examining reports from the Chief Executive Officer and the Chief Financial Officer concerning any significant deficiency in the design or operation of internal controls which are reasonably likely to adversely affect Eni's ability to record, process, summarise and report financial data and any material weakness in internal controls; and

(i) examining reports from the Chief Executive Officer and the Chief Financial Officer concerning any fraud that involves management or other employees who have a significant role Eni's internal controls.

Conflicts of Interest

As far as Eni is aware, there are no current conflicts of interest between any duties of the members of the Board of Statutory Auditors of Eni towards Eni and their private interests or other duties outside the Group.

External auditors

The auditing of Eni's accounts is entrusted, under current legislation, to an independent Audit Firm appointed by the Shareholders' Meeting, acting upon the Board of Statutory Auditors reasoned opinion.

On the basis of a reasoned proposal presented by the Board of Statutory Auditors, the Shareholders' Meeting of 29 April 2010 approved the appointment of Reconta Ernst & Young S.p.A. for the period 2010-2018 to:

(a) audit the company's separate financial statements; verify, during the course of the financial period, that the company's accounts are regularly kept and that relevant management events are correctly entered in the accounts;

(b) audit the consolidated financial statements; perform a limited review on the half-year financial report; and

(c) express an opinion on (i) the consolidated financial statements included in the Annual Report on Form 20-F and (ii) the effectiveness of the Company's internal control over financial reporting.

The Partner responsible for the engagement is Mr. Massimo Antonelli who replaced Mr. Riccardo Schioppo during 2012.

The "Rules on the auditing of financial statements" of 24 April 2008, approved by the Board of Statutory Auditors and the Board of Directors — after a favourable opinion of the Control and Risk Committee — set out the general principles pertaining to: the granting and revocation of the engagement; relations between the primary auditor of the group and secondary auditors; the independence of the Audit Firm and causes for incompatibility; the reporting responsibilities and obligations of the Audit Firm and the regulation of reporting to Eni, CONSOB and the SEC.

In order to preserve the independence of the auditors, a monitoring system for "non-audit" work has been created where, in general, the Audit Firm and its network are not awarded engagements unrelated to the performance of audit activities, except in rare and reasoned circumstances pertaining to activities that are not prohibited by Italian legislation or the Sarbanes-Oxley Act. These engagements are approved by the Board of Directors of the involved company subject to the prior opinion of the Board of Statutory Auditors of that company. They are then authorised by the Board of Statutory Auditors of Eni in cases where such engagements do not fall under those provided for by specific laws or regulation. The Board of Statutory Auditors of Eni is, in any case, periodically informed of the engagements that are awarded to the Audit Firm by the companies of the group.

Audit Fees

The following table shows total fees paid by Eni and its consolidated and non-consolidated subsidiaries and Eni's share of fees incurred by joint ventures for services provided by Eni to its Audit Firm Reconta Ernst & Young SpA and its respective member firms, for the years ended 31 December 2013 and 2014, respectively:

	Year ended 31 December	
	2013	**2014**
	(euro thousands)	
Audit Fees	28,023	27,607
Audit-Related Fees	1,574	1,287
Tax Fees	21	11
All Other Fees	–	–
Total	**29,618**	**28,905**

Audit Fees include professional services rendered by the principal accountant for the audit of the registrant's annual financial statements or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements, including the audit on internal control over financial reporting of Eni.

Audit-Related Fees include assurance and related services by the principal accountant that are reasonably related to the performance of the audit or review of the registrant's financial statements and are not reported as Audit Fees in this paragraph. The fees disclosed in this category mainly include audits of pension and benefit plans, merger and acquisition due diligence, audit and consultancy services rendered in connection with acquisition deals, certification services not provided for by law and regulations and consultations concerning financial accounting and reporting standards.

Tax Fees include professional services rendered by the principal accountant for tax compliance, tax advice, and tax planning. The fees disclosed in this category mainly include fees billed for the assistance with compliance and reporting of income and value added taxes, assistance with assessment of new or changing tax regimes, tax consultancy in connection with merger and acquisition deals, services rendered in connection with tax refunds, assistance rendered on occasion of tax inspections and in connection with

tax claims and recourses and assistance with assessing relevant rules, regulations and facts going into Eni correspondence with tax authorities.

All Other Fees include products and services provided by the principal accountant, other than the services reported in Audit Fees, Audit-Related Fees and Tax Fees of this paragraph and consist primarily of fees billed for consultancy services related to IT and secretarial services that are permissible under applicable rules and regulations.

Court of Auditors

The financial management of Eni is subject to the control of the Court of Auditors ("Corte dei conti"), in order to preserve the integrity of the public finances. Until 22 December 2014, this task was carried out by the Magistrate of the Court of Auditors, Raffaele Squitieri, appointed by the resolution approved on 28 October 2009, of the Presidential Council of the Court of Auditors. On the basis of the resolution approved on 22 December 2014, the Presidential Council of the Court of Auditors appointed Adolfo Teobaldo De Girolamo. The Magistrate of the Court of Auditors attends the meetings of the Board of Directors, the Board of Statutory Auditors and the Control and Risk Committee.

Shareholding limits and restrictions on voting rights, Special Powers of the Italian State

Pursuant to Article 6 of Eni's by-laws, in accordance with the special provisions specified in Article 3 of Law Decree No. 332 of 31 May 1994, ratified by Law No. 474 of 30 July 1994, under no circumstances whatsoever may any party directly or indirectly hold more than 3 per cent. of the share capital. Exceeding these limits shall lead to a suspension of the exercise of voting rights or any other non-financial rights attached to the shares held exceeding the aforementioned limit. Pursuant to Article 32 of Eni's by-laws, and the aforementioned regulations, shareholdings in the share capital of Eni held by the Ministry of Economy and Finance, public bodies or organisations controlled by the latter are exempt from this provision. Lastly, the special provisions state that the clause regarding shareholdings limits shall not apply if the above limit is exceeded following a takeover bid, provided that the bidder — as a result of the takeover — will own a shareholding of at least the 75 per cent. of the capital with voting rights relating to the appointment or dismissal of directors.

Decree Law No. 21 of 15 March 2012, ratified with amendments by Law No. 56 of 11 May 2012, modified Italian legislation governing the special powers of the State to comply with European rules. The previous provisions (Article 2 of Decree Law No. 332/1994, ratified by Law No. 474/1994 and its implementing decrees), as well as the provisions of the by-laws which are inconsistent with the new rules, were repealed by the last of the implementing ministerial regulations in the areas of energy, transport and communications. Those governing enforcement of Law No. 474/94 concerning Eni were among the repealed provisions expressly identified. Albeit with some amendments, the provisions regarding limits on shareholdings and restrictions on voting rights pursuant to Art. 3 of Law No. 474/1994 are still in force. The ministerial regulations (Decree of the President of the Italian Republic No. 85 of 25 March 2014) identifying strategic assets in the energy, transportation and communications sectors were approved on 14 March 2014 by the Italian Council of Ministers. The ministerial regulations were published in the Italian Official Gazette on 6 June 2014 and have been in force since 7 June 2014.

Consequently, provisions of Article 6.2 of Eni's by-laws concerning the special powers of the Italian State were repealed by the new special powers, established in accordance with European principles.

At its meeting on 20 November 2014, the Board of Directors amended Eni's by-laws to align them with the regulatory provisions that came into force in June 2014, removing clauses that were incompatible with the new legislation on special powers.

The new special powers no longer apply to individual State-controlled companies, but to companies that hold single strategic assets vital to the interests of the Italian State as defined by the abovementioned ministerial regulations. The legislation governing the new special powers briefly include: a) veto power (or the power of imposing conditions or requirements) over transactions involving strategic assets that could result in a situation, not regulated by Italian or EU laws, that threatens serious injury to interests regarding networks and systems security, as well as continuity of supply; b) power of attaching conditions or opposing the acquisition of control of a company that directly or indirectly holds strategic assets by an entity outside of the EU, when such an acquisition may result in a threat of serious injury to the abovementioned essential interests of the Italian State; as a general rule, the acquisition, for any reason, by an entity outside of the EU of a stock of a company that directly or indirectly holds strategic assets is allowed on conditions of reciprocity, in compliance with international agreements signed by Italy or the EU.

These powers are exercised exclusively on the basis of objective and non-discriminatory criteria.

Major Shareholders

The Ministry of Economy and Finance controls Eni as a result of the shares directly owned and those indirectly owned through Cassa Depositi e Prestiti S.p.A. ("CDP"). The Ministry of Economy and Finance owns 80.1 per cent. of CDP's share capital.

As of 22 September 2015 the percentage of Eni's share capital owned by the Ministry of Economy and Finance and CDP was:

Shareholder	Number of shares held	% on the outstanding shares
Ministry of Economy and Finance	157,552,137	4.34
CDP	936,179,478	25.76
Total	**1,093,731,615**	**30.10**

The following table shows the percentage of Eni's share capital owned, either directly or indirectly, by subjects that as of 5 October 2015 have notified that their holding exceeds the threshold of 2 per cent. pursuant to Article 120 of TUF and to the Issuers Regulation.

Date	Declarer	% on the outstanding shares
21 March 2014	People's Bank of China	2.102
2 October 2015	Norges Bank	2.08

Eni has in place procedures that prevent the abuse of control of major shareholders such as Eni's MSG "Transactions involving the interests of the directors and statutory auditors and transactions with related parties". Furthermore, Eni's by-laws provide for the election of a greater number of independent directors and representatives of the minority shareholders than the rules which are established by law, both on the Board of Directors and on the Board of Statutory Auditors.

EFI

Information about the Issuer

EFI was incorporated under the laws of the Kingdom of Belgium on 22 December 1995 for an indefinite duration in the form of a limited liability company. Eni directly owns 33.61306 per cent of EFI and indirectly owns, through a company incorporated under the laws of The Netherlands, the remaining 66.38694 per cent. EFI has no subsidiaries.

EFI is registered at the "*Registre des Personnes Morales*", Brussels and has enterprise number 0456.881.777. It has its registered office at rue Guimard 1A, 1040 Brussels, Belgium (telephone number: +32 (0) 2 5510380).

EFI was incorporated under the name "Agip Coordination Center". On 11 August 1998 it changed its name to "ENI Coordination Center". On 16 September 2011 it was renamed "eni finance international".

According to its articles of association, the objects of EFI are, *inter alia*, to carry out activities in Belgium and in foreign countries, for the exclusive benefit of companies held directly or indirectly by eni S.p.A. Such activities consist mainly of the provision of financial services such as granting loans on a short, medium and long term basis, granting financial guarantees, liquidity management, covering of currency risks and interest rates fluctuations, insurance and management of risks and fund raising.

Other such activities include operations in the field of accountancy, administration and financial operations, operations in the field of information technology, leasing of movable assets and real property as well as any activity of a preparatory or auxiliary nature for the companies held directly or indirectly by eni S.p.A.

EFI's activities principally consist of the provision of finance, the centralising of the liquidities of the Group companies and liquidity management. The provision of finance is done through the equity capital of EFI, the Group's Euro Medium Term Notes, the Euro Commercial Paper Programme, the US Commercial Paper Programme, through advances received from Group companies and through financing from banks with which EFI has in place credit facilities.

EFI is subject to the ordinary Belgian corporate income tax regime and therefore is able to benefit from the notional interest deduction. The notional interest deduction allows Belgian companies to obtain a tax deduction which is calculated on the amount of their equity at a rate that is reset annually. However, these developments will not impact on the Belgian withholding tax position as described in the section headed "Belgian Taxation" on pages 120 to 122 below.

Administrative and management

Board of Directors

The table below sets out the names of the members of the current Board of Directors of EFI and their positions:

Paolo Carmosino	*Chairman*
Pierandrea Kolman	*Deputy-Chairman*
Fabrizio Cosco	*Managing Director*
Christiane Hal	*Director*

The business address of all members of the Board of Directors is the registered office of EFI: eni finance international SA, rue Guimard 1A, 1040 Brussels, Belgium.

Relevant positions held by Board Members outside the Group

None of the Board Members holds relevant positions outside the Group.

Conflict of interest

As far as EFI is aware, there are no potential conflicts of interest between any duties of the members of the Board of Directors of EFI towards EFI and their private interests or other duties outside the Group.

Auditors

The financial statements of EFI as of and for the years ended 31 December 2013 and 31 December 2014 have been audited by Ernst & Young *Réviseurs d'Entreprises* SCCRL.

At the General Shareholder's Meeting of 5 April 2013, Ernst & Young Réviseurs d'Entreprises was appointed for the audit of EFI's statutory financial statements as of and for the years ending 31 December 2013, 31 December 2014 and 31 December 2015.

BELGIAN TAXATION

The following is a general description of the principal Belgian tax consequences of the purchase, ownership and disposal of the EFI Notes, and does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the EFI Notes. The following general description does not describe the tax treatment of securities held by tax residents of Belgium or in connection with a permanent establishment or fixed basis through which a holder carries on business or a profession in the Kingdom of Belgium.

The overview is based on the tax laws and practice of the Kingdom of Belgium in effect on the date of the Base Prospectus, which are subject to change, potentially with retrospective effect. Potential investors in the EFI Notes should consult their tax advisers as to the Belgian and other tax consequences prior to the purchase, ownership and disposal of the Notes including, in particular, the effect of any state or local tax laws.

Withholding Tax

Withholding tax will be applicable to the EFI Notes at the rate of 25 per cent., subject to such relief as may be available under applicable domestic law or tax treaty provisions. In this regard, "interest" includes (i) periodic interest income, (ii) any amount paid by the Issuer in excess of the issue price (whether or not on the maturity date) and, (iii) if the EFI Notes qualify as "fixed income securities" (in the meaning of article 2, §1, 8° Belgian Income Tax Code), in the case of a realisation of the EFI Notes between two interest payment dates, the *pro rata* of accrued interest corresponding to the detention period.

However, all payments by or on behalf of EFI of principal and interest on EFI Notes may be made without deduction of withholding tax for Notes held by certain eligible investors (the "**Eligible Investors**") in an exempt securities account (an "**Exempt Account**") with the X/N Clearing System or with a participant in such system (a "**Participant**").

Eligible Investors are those entities referred to in article 4 of the *Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier* (Belgian Royal Decree of 26 May 1994 on the collection and indemnification of withholding tax) which include, *inter alia*:

(i) Belgian corporations subject to Belgian corporate income tax;

(ii) institutions, associations or companies specified in article 2, §3 of the law of 9 July 1975 on the control of insurance companies other than those referred to in 1° and 3° without prejudice to the application of article 262, 1° and 5° of the Income Tax Code of 1992;

(iii) state regulated institutions ("*institutions parastatales*", "*parastatalen*") for social security, or institutions which are assimilated therewith provided for in article 105, 2° of the Royal Decree implementing the Income Tax Code 1992;

(iv) non-resident savers provided for in article 105, 5° of the same decree;

(v) investment funds recognised in the framework of pension savings provided for in article 115 of the same decree;

(vi) tax payers provided for in article 227, 2° of the Income Tax Code 1992 which have used the income generating capital for the exercise of their professional activities in Belgium and which are subject to non-resident income tax pursuant to article 233 of the same code;

(vii) the Belgian State, in respect of investments which are exempt from withholding tax in accordance with article 265 of the Income Tax Code 1992;

(viii) investment funds governed by foreign law which are an indivisible estate managed by a management company for the account of the participants, provided the fund units are not offered publicly in Belgium or traded in Belgium; and

(ix) Belgian resident corporations not provided for under (i) when their activities exclusively or principally consist of the granting of credits and loans.

Eligible Investors do not include, *inter alia*:

- private individuals resident in Belgium for tax purposes;
- non-profit making organisations other than those mentioned under (ii) or (iii) above;
- non-incorporated Belgian collective investment schemes ("*fonds de placements*/*beleggingsfondsen*") and similar foreign funds whose units are publicly offered or marketed in Belgium.

Upon opening of an Exempt Account with the X/N Clearing System or with a Participant, an Eligible Investor is required to provide a statement of its eligible status on a form approved by the Belgian Minister of Finance. There are no ongoing declaration requirements for Eligible Investors. However, Participants are required to make annual declarations to the X/N Clearing System as to the eligible status of each investor for whom they hold EFI Notes in an Exempt Account. Such requirements do not apply in respect of Notes held by non-resident Eligible Investors in Euroclear or Clearstream, Luxembourg in their capacity as Participants to the X/N Clearing System, or their sub-participants outside of Belgium, provided that Euroclear or Clearstream, Luxembourg or their sub-participants only hold X-accounts and are able to identify the accountholder. An Exempt Account may be opened with a Participant by an intermediary (an "**Intermediary**") in respect of Notes that the Intermediary holds for the account of its clients (the "**Beneficial Owners**"), provided that each Beneficial Owner is an Eligible Investor. In such a case, the Intermediary must deliver to the Participant a statement on a form approved by the Minister of Finance confirming that (i) the Intermediary is itself an Eligible Investor, and (ii) the Beneficial Owners holding their EFI Notes through it are also Eligible Investors.

Capital Gains and Income Tax

Noteholders who are not residents of Belgium for Belgian tax purposes and do not hold the EFI Notes through a Belgian establishment, will not incur or become liable for any Belgian tax on income or capital gains or any similar taxes by reason only of the acquisition, ownership or disposal of the Notes provided that they hold their EFI Notes in an Exempt Account.

Miscellaneous Taxes

A *taxe sur les opérations de bourse* (tax on stock exchange transactions) at the rate of 0.09 per cent. (subject to a maximum amount of euro 650 per party and per transaction) will be due upon the sale and purchase of Notes entered into or settled in Belgium in which a professional intermediary acts for either party; a separate tax is due from both the seller and the purchaser, both collected by the professional intermediary. The tax does not apply to primary market transactions.

However, this tax will not be payable by exempt persons acting for their own account, including investors who are not Belgian residents (subject to certain identification formalities) and certain Belgian institutional investors as defined in Article 126.1, 2º of the *Code des droits et taxes divers* (Code of miscellaneous duties and taxes).

The *reportverrichtingen*/*opérations de reports* through the intervention of a financial intermediary are subject to a tax of 0.085 per cent. (due per party and per transaction) with a maximum of euro 650 per

party and per transaction. An exemption is available for non-residents and certain Belgian institutional investors provided that certain formalities are respected.

Application of the Savings Directive to individuals not resident in Belgium

Please refer to the section “EU Directive on the taxation of savings income” for general information regarding the application of the Savings Directive in Belgium.

ITALIAN TAXATION

*The following is an overview of certain Italian tax consequences of the purchase, ownership and disposition of Eni Notes and EFI Notes (collectively, the "**Notes**"). It is an overview only and does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. The following overview does not discuss the treatment of securities that are held in connection with a permanent establishment or fixed base through which a holder carries on business or a profession in Italy.*

The overview is based upon the tax laws and practice of Italy as in effect on the date of the Base Prospectus, which are subject to change, potentially with retrospective effect. Prospective investors in the Notes should consult their own advisers as to the Italian or other tax consequences of the purchase, beneficial ownership and disposition of the Notes including, in particular, the effect of any state or local tax laws.

*Law Decree No. 66 of 24 April 2014, as converted into law with amendments by Law No. 89 of 23 June 2014 published in the Official Gazette No. 143 of 23 June 2014 ("**Decree No. 66**"), has introduced new tax provisions amending certain aspects of the tax regime of the Notes as summarised below. In particular Decree No. 66 has increased from 20 per cent. to 26 per cent. the rate of withholding and substitute taxes applicable on interest accrued, and capital gains realised, as of 1 July 2014 on financial instruments (including the Notes) other than government bonds.*

Article 1, paragraph 621, of Law No. 190 of 23 December 2014, has increased to 20% the substitute tax applicable to pension funds, starting from year 2014; however, income from government bonds accrued by pension funds remain subject to tax at 12.5%. As from 1 January 2015, pension funds benefit from a tax credit equal to 9% of the result of the relevant portfolio accrued at the end of the tax period, provided that they invest in certain medium long term financial assets to be identified with a Ministerial Decree.

Interest

Interest, premium and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as "**Interest**") received outside the conduct of a business activity is deemed to be received for Italian tax purposes at each interest payment date (in the amount actually paid) and also when it is implicitly included in the selling price of the Notes.

Interest received by Italian resident companies, commercial partnerships or individual entrepreneurs within the context of a business enterprise is taxable on an accrual basis.

Interest on the Eni Notes

Interest on the Eni Notes received by Italian resident companies, commercial partnerships or individual entrepreneurs within the context of a business enterprise is included in the taxable base for the purposes of corporate income tax (*imposta sul reddito delle società,* "**IRES**"), generally at 27.5 per cent., and individual income tax (*imposta sul reddito delle persone fisiche*, "**IRPEF**", at progressive rates) and — under certain circumstances — of the regional tax on productive activities (*imposta regionale sulle attività produttive*, "**IRAP**", at the generally applicable rate of 3.9 per cent.; banks or other financial institutions and insurance companies will be subject to IRAP at the special rate of 4.65 per cent. and 5.9 respectively. Regions may vary the IRAP rate of up to 0.92 per cent. Interest on the Eni Notes that are not deposited with an authorised intermediary, received by the above persons is subject to a 26 per cent. substitute tax levied as provisional tax.

Interest on the Eni Notes is subject to a 26 per cent. substitute tax if the recipient is included among the following categories of Italian residents: (a) individuals holding the Eni Notes not in connection with entrepreneurial activity (unless they have entrusted the management of the Notes to an authorised intermediary and have opted for the asset management regime ("*risparmio gestito*" regime) according to Article 7 of Italian Legislative Decree No. 461 of 21 November 1997, as amended ("**Decree No. 461**")), (b) non-commercial partnerships, (c) a private or public institution not carrying out mainly or exclusively commercial activities or (d) investors that are exempt from IRES. Where the resident holders of the Eni Notes described above under (a) and (c) are engaged in an entrepreneurial activity to which the Notes are connected, the 26 per cent. substitute tax applies as a provisional income tax and may be recovered as deduction from Italian income tax due.

Italian resident individuals holding the Eni Notes not in connection with entrepreneurial activity who have opted for the asset management regime are subject to a 26 per cent. annual substitute tax on the increase in value of the managed assets (which increase would include Interest accrued on the Notes) accrued at the end of each tax year (the "**Asset Management Tax**"). Interest accrued on the Eni Notes held by Italian investment funds, foreign open-ended investment funds authorised to market their securities in Italy pursuant to the Law Decree No. 476 of 6 June 1956 converted into Law No. 786 of 25 July 1956 (the "**Funds**" and each a "**Fund**"), and s*ocietà di investimento a capitale variabile* ("**SICAV**") is not subject to such substitute tax but is included in the management result of the Fund or SICAV. The Fund or SICAV will not be subject to taxation on such results, but a withholding tax of 26 per cent. may apply on income of the Fund or SICAV derived by unitholders or shareholders through distribution and/or redemption or disposal of the units and shares.

Interest on the Eni Notes held by real estate funds to which the provisions of Law Decree No. 351 of 25 September 2001, as subsequently amended, apply, or a SICAF is not subject to any substitute tax nor to any other income tax in the hands of the fund or SICAF. The income of the real estate fund or of the SICAF is subject to tax, in the hands of the unitholder, depending on status and percentage of participation, or, when earned by the fund, through distribution and/or upon redemption or disposal of the units.

Interest on the Eni Notes held by pension funds (subject to the regime provided for by Article 17 of the Italian Legislative Decree No. 252 of 5 December 2005) and deposited with an authorised intermediary, is not subject to substitute tax but is included in the aggregate income of the pension funds which is subject to a substitute tax at the rate of 20% (12.5% as regards income from government bonds). As from 1 January 2015, pension funds benefit from a tax credit equal to 9% of the result of the relevant portfolio accrued at the end of the tax period, provided that they invest in certain medium long term financial assets to be identified with a Ministerial Decree.

According to Article 6, paragraph 1, of Legislative Decree No. 239 of 1 April 1996, payments of Interest in respect of the Eni are not subject to the 26 per cent. substitute tax if made to a beneficial owner who is a non-Italian resident beneficial owner of the Eni Notes with no permanent establishment in Italy to which the Notes are effectively connected, provided that:

(a) such beneficial owners is resident for tax purposes in a country included in the White List States (as defined below);

(b) the Eni Notes are deposited directly or indirectly (i) with a bank, fiduciary company, "*società di intermediazione mobiliare*" (so-called "**SIM**") and other qualified entities resident in Italy, (ii) with the Italian permanent establishment of a non-resident bank or brokerage company which is electronically connected with the Italian Ministry of Finance, or (iii) with a non-resident entity or company which has an account with a centralised clearance system (such as Euroclear or Clearstream, Luxembourg) which is in contact via computer with the Italian Ministry of Economy and Finance;

(c) such beneficial owner file with the relevant depository mentioned in (b)(ii) above a self-statement in due time stating, *inter alia*, that he or she is resident, for tax purposes, of a state mentioned in (a) above that allows for an adequate exchange of information. The self-statement, which must comply with the requirements set forth by Ministerial Decree of 12 December 2001, is valid until withdrawn or revoked. The self-statement is not required for non-Italian resident investors that are international entities and organisations established in accordance with international agreements ratified in Italy and Central Banks or entities which manage, *inter alia*, the official reserves of a foreign state; and

(d) the banks or brokers mentioned above receive all necessary information to identify the non-resident beneficial owner of the deposited Notes, and all the necessary information in order to determine the amount of Interest that such beneficial owner is entitled to receive.

Non-resident holders are subject to the 26 per cent. substitute tax on Interest if any of the above conditions (a), (b), (c) or (d) is not satisfied.

Decree No. 239 also provides for additional exemptions from the susbstitute tax for payments of Interest in respect of the notes made to (i) international entities and organisations established in accordance with international agreements ratified in Italy; (ii) certain foreign institutional investors established in countries which allow for an adequate exchange of information with Italy; and (iii) Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State.

The countries allowing an adequate exchange of information with the Italian tax authorities are currently identified by Ministerial Decree of 4 September 1996 ("**White List States**"). However, once the provisions introduced by the Finance Act for 2008 and affecting the regime described above become effective, non-Italian resident beneficial owners of the Notes, without a permanent establishment in Italy to which the Notes are effectively connected will not be subject to the substitute tax on Interest provided that the non-Italian beneficial owners are resident in countries included in the forthcoming Ministerial Decree (the "**Decree**") that allow an adequate exchange of information with the Italian tax authorities. The list of countries included in the above mentioned Decree to be issued will become effective as from the tax period following the one in which the Decree will be enacted. For the five years starting on the date of publication of the Decree in the Official Gazette, States and territories that are not included in the current black-lists set forth by Ministerial Decrees of 4 May 1999, 21 November 2001 and 23 January 2002 nor in the current white list set forth by Ministerial Decree of 4 September 1996 are deemed to be included in the new white list.

Non-resident holders of the Eni Notes who are subject to substitute tax might, nevertheless, be eligible for a total or partial relief under an applicable tax treaty between his or her country of residence and the Republic of Italy.

Interest on the EFI Notes

Interest on the EFI Notes received by Italian resident companies, commercial partnerships or individual entrepreneurs holding the EFI Notes in connection with entrepreneurial activity is included in the taxable base for the purposes of IRES, IRPEF and at the rates and in the circumstances discussed in "*Interest on the Eni Notes*" above.

Interest on the EFI Notes is subject to a 26 per cent. substitute tax if it is received by recipients who are included among the following categories of Italian residents: (a) individuals holding the Eni Notes not in connection with entrepreneurial activity (unless they have entrusted the management of the Notes to an authorised intermediary and have opted for the asset management regime according to Article 7 of Decree

No. 461), (b) non-commercial partnerships, (c) private or public institutions not carrying out mainly or exclusively commercial activities, or (d) investors that are exempt from IRES. Where the resident holders of the EFI Notes described above under (a) and (c) are engaged in an entrepreneurial activity to which the Notes are connected, the 26 per cent. substitute tax applies as a provisional income tax and may be recovered as deduction from Italian income tax due.

Interest accrued on the EFI Notes held by Funds and SICAVs is not subject to such substitute tax but is included in the management result of the Fund or SICAV. The Fund or SICAV will not be subject to taxation on such results, but a withholding tax of 26 per cent. may apply on income of the Fund or SICAV derived by unitholders or shareholders through distribution and/or redemption or disposal of the units and shares.

Interest on the EFI Notes held by pension funds (subject to the regime provided for by Article 17 of the Italian Legislative Decree No. 252 of 5 December 2005) and deposited with an authorised intermediary is not subject to substitute tax but is included in the aggregate income of the pension funds which is subject to a substitute tax at the rate of 20% (12.5% as regards income from government bonds). As from 1 January 2015, pension funds benefit from a tax credit equal to 9% of the result of the relevant portfolio accrued at the end of the tax period, provided that they invest in certain medium long term financial assets to be identified with a Ministerial Decree.

Interest on the EFI Notes held by real estate funds or SICAF is not subject to tax in the hands of the fund or SICAF. The income of the fund or SICAF is subject to tax, in the hands of the unitholder, depending on status and percentage of participation, or, when earned by the fund, through distribution and/or upon redemption or disposal of the units.

Interest on the EFI Notes received by non-Italian resident beneficial owners is not subject to taxation in Italy.

If Notes issued by EFI and beneficially owned by non Italian residents are deposited with an Italian bank or other resident intermediary (or permanent establishment in Italy of foreign intermediary) or are sold through an Italian intermediary (or permanent establishment in Italy of foreign intermediary) or in any case an Italian resident Intermediary (or permanent establishment in Italy of foreign Intermediary) intervenes in the payment of Interest on such EFI Notes, to ensure payment of Interest without application of Italian taxation a non Italian resident Noteholder may be required to produce to the Italian bank or other intermediary a self-statement stating that he or she is not resident in Italy for tax purposes.

Capital gains

A 26 per cent. substitute tax is applicable on capital gains realised on the disposal of Notes by Noteholders included among the following categories of Italian residents: (a) individuals holding the Eni Notes not in connection with entrepreneurial activity (unless they have entrusted the management of the Notes to an authorised intermediary and have opted for the asset management regime ("*regime del risparmio gestito*") according to Article 7 of Decree No. 461), (b) non-commercial partnerships, (c) private or public institutions not carrying out mainly or exclusively commercial activities or (d) investors that are exempt from IRES.

Italian resident companies, commercial partnerships or individual entrepreneurs holding the Notes in connection with entrepreneurial activity are subject to two different tax regimes on capital gains arising on the disposal of Notes. If the Notes are accounted for as a fixed asset in the balance sheet of the investors, the gains will form part of the aggregate income subject to IRES. The gains are calculated as the difference between the acquisition cost and the sale price. The gains may be taxed in equal instalments over five fiscal years if the Notes have been accounted for as fixed assets in the balance sheets relating to the three tax years preceding the tax year during which the disposal is effected. If the

Notes are accounted for as stock-intrade, corporate investors will be subject to IRES on an amount calculated with reference to the sale price and the variation of the stock. In this case, banks or other financial institutions and insurance companies will be subject to IRAP at the special rate of 4.65 per cent. and 5.9 per cent. respectively. Regions may vary the IRAP rate of up to 0.92 per cent.

Capital gains realised on the Notes held by Funds and SICAV are not subject to such substitute tax but are included in the management result of the Fund or SICAV. The Fund or SICAV will not be subject to taxation on such results, but a withholding tax of 26 per cent. may apply on income of the Fund derived by unitholders or shareholders through distribution and/or redemption or disposal of the units and shares.

Capital gains on the Notes held by real estate funds to which the provisions of Law Decree No. 1 of 25 September 2001, as subsequently amended, apply, or SICAF is not subject to any substitute tax nor to any other income tax in the hands of the fund or SICAF. The income of the fund or SICAF is subject to tax, in the hands of the unitholder, depending on status and percentage of participation, or, when earned by the fund, through distribution and/or upon redemption or disposal of the units.

Capital gains on the Notes held by Italian resident pension funds (subject to the regime provided for by article 17 of the Italian Legislative Decree No. 252), are not subject to a 26 per cent. substitute tax, but will be included in the aggregate income of the pension funds which is subject to a substitute tax at the rate of 20% (12.5% as regards income from government bonds). As from 1 January 2015, pension funds benefit from a tax credit equal to 9% of the result of the relevant portfolio accrued at the end of the tax period, provided that they invest in certain medium long term financial assets to be identified with a Ministerial Decree.

Capital gains realised by non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected through the sale for consideration or redemption of Notes are exempt from taxation in Italy to the extent that the Notes are traded on a regulated market in Italy or abroad and in certain cases subject to prompt filing of required documentation (in particular, a self-declaration of non-residence in Italy for tax purposes) with Italian qualified intermediaries (or permanent establishments in Italy of foreign intermediaries) with whom the Notes are deposited, even if the Notes are held in Italy and regardless of the provisions set forth by any applicable double tax treaty.

Where the Notes are not listed on a regulated market in Italy or abroad:

(a) pursuant to the provisions of Decree No. 461 non-Italian resident beneficial owners of the Notes with no permanent establishment in Italy to which the Notes are effectively connected are exempt from the substitute tax in the Republic of Italy on any capital gains realised upon sale for consideration or redemption of the Notes if they are resident, for tax purposes, in a White List State. Under these circumstances, if non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected elect for the asset management regime or are subject to the administered savings regime (*"regime del risparmio amministrato*") regime, exemption from Italian capital gains tax will apply upon condition that they file in time with the authorised financial intermediary an appropriate self-declaration stating that they meet the requirement indicated above. The same exemption applies where the beneficial owners of the Notes are (i) international entities or organisations established in accordance with international agreements ratified by Italy; (ii) certain foreign institutional investors established in countries which allow for an adequate exchange of information with Italy; or (iii) Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State; and

(b) in any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are effectively connected that may benefit from a double taxation treaty with Italy, providing that capital gains realised upon sale or redemption of Notes are to

be taxed only in the country of tax residence of the recipient, will not be subject to substitute tax in Italy on any capital gains realised upon sale for consideration or redemption of Notes.

Under these circumstances, if non Italian residents without a permanent establishment in Italy to which the Notes are effectively connected elect for the asset management regime or are subject to the administered savings regime, exemption from Italian capital gains tax will apply upon condition that they promptly file with the Italian authorised financial intermediary a self statement attesting that all the requirements for the application of the relevant double taxation treaty are met.

Payments under the Guarantee

There is no direct authority on the point regarding the Italian tax regime of payments made by Eni under the guarantee. Accordingly, there can be no assurance that the Italian revenue authorities will not assert an alternative treatment of such payments than that set forth herein or that the Italian court would not sustain such an alternative treatment.

With respect to payments made to certain Italian resident Noteholders by Eni as a Guarantor in respect of the Notes, in accordance with one interpretation of Italian tax law, any such payments may be subject to Italian withholding tax at the rate of 26 per cent., levied as provisional tax, pursuant to Presidential Decree No. 600 of 29 September 1973, as amended. Double taxation conventions entered into by Italy may apply allowing for a lower (or in certain cases nil) rate of withholding tax in case of payments to non-Italian residents.

In accordance with another interpretation, any such payment made by Eni as a Guarantor should be treated, in certain circumstances, as a payment by the issuer and made subject to the tax treatment described under "*Interest on the EFI Notes*" above.

Eni will not be liable to pay any additional amounts to Noteholders under the Guarantee in relation to any such withholding tax if such tax were to apply to any amounts payable in respect of EFI Notes. Eni will not be liable to pay any amount in relation to stamp duty payable on transfers of any Notes within the Republic of Italy.

Transfer Tax

Under certain circumstances, the transfer deed may be subject to registration tax at the euro 200.00 flat rate.

Inheritance and Gift Tax

The transfer of any valuable assets (including the Notes) as a result of death or donation (or other transfers for no consideration) and the creation of liens on such assets for a specific purpose are taxed as follows:

(a) 4 per cent. if the transfer is made to spouses and direct descendants or ancestors; in this case, the transfer is subject to tax on the value exceeding euro 1,000,000 (per beneficiary);

(b) 6 per cent. if the transfer is made to brothers and sisters; in this case, the transfer is subject to the tax on the value exceeding euro 100,000 (per beneficiary);

(c) 6 per cent. if the transfer is made to relatives up to the fourth degree, to persons related by direct affinity as well as to persons related by collateral affinity up to the third degree;

(d) 8 per cent. in all other cases.

If the transfer is made in favour of persons with severe disabilities, the tax applies on the value exceeding euro 1,500,000.

Moreover, an anti-avoidance rule is provided by Law No. 383 of 18 October 2001 for any gift of assets (such as the Notes) which, if sold for consideration, would give rise to capital gains subject to the substitute tax (*imposta sostitutiva*) provided for by Decree No. 461 of 21 November 1997. In particular, if the donee sells the Notes for consideration within five years from the receipt thereof as a gift, the donee is required to pay the relevant *imposta sostitutiva* on capital gains as if the gift has never taken place.

Stamp duty

According to Article 19(1) of Decree No. 201 of 6 December 2011 ("**Decree No. 201/2011**"), a proportional stamp duty applies on an annual basis to any periodic reporting communications which may be sent by a financial intermediary to their clients in respect of any Notes which may be deposited with such financial intermediary in Italy. The stamp duty applies at a rate of 0.2 per cent. and it cannot exceed €14,000 for taxpayers which are not individuals. This stamp duty is determined on the basis of the market value or — if no market value figure is available — the nominal value or redemption amount of the Notes.

The statement is considered to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release or the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable on a pro-rata basis.

Based on the wording of the law and the implementing decree issued by the Italian Ministry of Economy on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 9 February 2011) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

Wealth tax on financial assets deposited abroad

According to Article 19 of Decree No. 201/2011, Italian resident individuals holding financial assets — including the Notes — outside of the Italian territory are required to pay a wealth tax at the rate of 0.2 per cent. This tax is calculated on the market value at the end of the relevant year or — if no market value figure is available — on the nominal value or redemption value, or in the case the nominal or redemption values cannot be determined, on the purchase value of any financial asset (including the Notes) held outside of the Italian territory.

Tax monitoring obligations

Pursuant to Law Decree No. 167 of 28 June 1990, converted by Law No. 227 of 4 August 1990, as amended by Law No. 97 of 6 August 2013 and subsequently amended by Law No. 50 of 28 March 2014, individuals, non-profit entities and certain partnerships (*società semplici* or similar partnerships in accordance with Article 5 of Presidential Decree No. 917 of 22 December 1986) resident in Italy who hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return). The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the actual owner of the instrument.

Furthermore, the above reporting requirement is not required to comply with respect to Notes deposited for management with qualified Italian financial intermediaries, with respect to contracts entered into through their intervention, upon condition that the items of income derived from the Notes have been

subject to tax by the same intermediaries and with respect to foreign investments which are only composed by deposits and/or bank accounts when their aggregate value never exceeds a €15,000 threshold throughout the year.

LUXEMBOURG TAXATION

The statements herein regarding withholding tax considerations in Luxembourg are based on the laws in force in the Grand Duchy of Luxembourg as of the date of this Base Prospectus and are subject to any changes in law. The following overview does not purport to be a comprehensive description of all the Luxembourg tax considerations which may be relevant to a decision to purchase, own or dispose of the Notes. Each prospective holder or beneficial owner of the Notes should consult its tax adviser as to the Luxembourg tax consequences of the ownership and disposition of the Notes.

General

Under Luxembourg tax law currently in effect and subject to certain exceptions (as described below), there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest).

Luxembourg non-residents

In accordance with the law of 25 November 2014, Luxembourg elected out of the withholding tax system in favour of an automatic exchange of information under the Council Directive 2003/48/EC on the taxation of savings income as from 1 January 2015. Payments of interest by Luxembourg paying agents to non resident individual Noteholders or certain so-called residual entities are thus no longer subject to any Luxembourg withholding tax.

Luxembourg residents

In accordance with the law of 23 December 2005, as amended, interest payments made by Luxembourg paying agents to Luxembourg individual residents are subject to a 10 per cent. withholding tax.

Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Luxembourg law of 23 December 2005, as amended, would be subject to a withholding tax of 10%. Further, Luxembourg resident individuals acting in the course of the management of their private wealth, who are the beneficial owners of interest or similar income made or ascribed by a paying agent established outside Luxembourg in a Member State of the European Union or the European Economic Area or in a jurisdiction having concluded an agreement with Luxembourg in connection with the EU Savings Directive may also opt for a final 10% levy, providing full discharge of Luxembourg income tax. In such case, the 10% levy is calculated on the same amounts as the 10% withholding tax for payments made by Luxembourg resident paying agents. The option for the 10% final levy must cover all interest payments made by the paying agents to the Luxembourg resident beneficial owner during the entire civil year. Responsibility for the declaration and the payment of the 10% final levy is assumed by the individual resident beneficial owner of the interest or similar income.

EU DIRECTIVE ON THE TAXATION OF SAVINGS INCOME

EU Savings Directive

Under the Savings Directive, each Member State is required, to provide to the tax authorities of another Member State details of payments of interest or other similar income (within the meaning of the Savings Directive) made by a Paying Agent (within the meaning of the Savings Directive) established within its jurisdiction to, or collected by, such a Paying Agent (within the meaning of the Savings Directive) for an individual resident or Residual Entities (within the meaning of Article 4.2 of the Savings Directive) established in that other Member State. Austria however does not participate in this system of information exchange, but instead imposes a withholding tax during a transitional period (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld), unless during such period it elects otherwise. Luxembourg elected out of the withholding tax system in favour of an automatic exchange of information under the Savings Directive with effect as from 1 January 2015.The Council of the European Union has adopted the Amending Directive which will, when implemented, amend and broaden the scope of the requirements of the Savings Directive described above. In particular, when implemented, the Amending Directive will *inter alia* (i) extend the scope of the Savings Directive to payments made through certain intermediate structures (whether or not established in a EU Member State) for the ultimate benefit of an EU resident individual, and (ii) provide for a wider definition of interest subject to the Savings Directive. Investors who are in any doubt as to their position should consult their professional advisers. Member States are required to implement the Amending Directive by 1 January 2016. The provisions should be applied as of January 2017. The Savings Directive will be repealed in due course (expected to be repealed at the end of 2015) in order to avoid overlap with the amended Council Directive 2011/16/EU on administrative cooperation in the field of taxation, pursuant to which Member States will be required to apply other new measures on mandatory automatic exchange of information from 1 January 2016 (except that Austria is allowed to start applying these measures up to one year later).

If a payment to an individual were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment pursuant to the Savings Directive or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent with a specified office in a Member State that is not obliged to withhold or deduct tax pursuant to any law implementing the Savings Directive or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

Implementation in Italy of the Savings Directive

Italy has implemented the Savings Directive through Legislative Decree No. 84 of 18 April 2005 ("**Decree No. 84**"). Under Decree No. 84, subject to a number of important conditions being met, for interest paid from 1 July 2005 to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall not apply the withholding tax. Instead, they shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax authorities of the State of residence of the beneficial owner.

In certain circumstances, the same reporting requirements must be complied with also in respect of interest paid to an entity established in another Member State, other than legal persons (with the exception of certain Finnish and Swedish entities), whose profits are taxed under general arrangements

for business taxation and, in certain circumstances, undertakings for collective investments in transferable securities or “UCITS” recognised in accordance with Directive 2009/65/EC.

Either payments of interest on the Notes or the realisation of the accrued interest though the sale of the Notes would constitute “payments of interest” under Article 6 of the Directive and, as far as Italy is concerned, Article 2 of Decree 84. Accordingly, such payments of interest arising out of the Notes would fall within the scope of the Directive being the Notes issued after 1st March, 2001.

TAXATION — FATCA

Whilst the Notes are in global form and held within Euroclear Bank S.A./N.V. or Clearstream Banking, société anonyme (together, the "**ICSDs**"), it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer, the Guarantor, any paying agent and the Common Depositary or Common Safekeeper, as the case may be, given the fact that the payments would not qualify as U.S. Withholdable Payments on which FATCA withholding is currently applicable (under the current FATCA regime, "foreign passthru payments" are excluded from the scope of income on which FATCA withholding may be withheld). In addition, each of the entities in the payment chain between the Issuer and the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach under an IGA will be unlikely to affect the Notes. The Programme documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to withholding. However, definitive notes will only be printed in remote circumstances. Further, foreign financial institutions in a jurisdiction which has entered into an IGA are generally not expected to be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments they make.

TAXATION — THE PROPOSED FINANCIAL TRANSACTION TAX (the "FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**").

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution established in the territory of a Participating Member State, and at least one party is established in the territory of a Participating Member State. A financial institution may be, or be deemed to be, "established' in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

Joint statements by participating Member States indicate an intention to implement the FTT progressively, such that it would initially apply to transactions involving shares and certain derivatives, with this initial implementation occurring by 1 January 2016. However, full details are not available. The FTT, as initially implemented on this basis, may not apply to dealings in the Notes. The proposed FTT remains subject to negotiation between the Participating Member States and the scope of any such tax is uncertain. Based on the latest available information (dated 12 September, 2015) and although the precise details of what has been agreed are not entirely clear at this stage, reports suggest that the FTT zone members are disposed towards applying the tax on the issuer (as opposed to residency) basis, such that securities issued within the adopting Member States would be in scope of the FTT.

Additional Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

PLAN OF DISTRIBUTION

Overview of Distribution Agreement

Subject to the terms and conditions contained in a Distribution Agreement dated 9 October 2015 (as amended or supplemented) (the "**Distribution Agreement**") between the Issuers, the Guarantor, the Permanent Dealers and the Arranger, the Notes will be offered on a continual basis by the Issuers to the Permanent Dealers. However, each Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuers through the Dealers, acting as agents of the relevant Issuer. The Distribution Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The relevant Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. Each Issuer and the Guarantor have agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment and update of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

Each Issuer and the Guarantor (as regards EFI and itself in its capacity as Issuer and Guarantor) have agreed jointly and severally to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Distribution Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

United States

Without prejudice to the section entitled "General" below, the Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Bearer Notes having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has represented and agreed that, except as permitted by the Distribution Agreement, it will not offer, sell or deliver the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the relevant Issuer, by the Fiscal Agent or, in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each Dealer to which it sells Notes during the distribution compliance period as defined by Regulation S under the Securities Act a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance upon Regulation S.

In addition, until 40 days after the commencement of the offering for any Tranche, an offer or sale of Notes within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

This Base Prospectus has been prepared by the Issuers for use in connection with the offer and sale of the Notes outside the United States. The relevant Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Base Prospectus does not constitute an offer to any person in the United States. Distribution of this Base Prospectus by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

United Kingdom

Without prejudice to the section entitled "General" below, in relation to each Tranche of Notes, each Dealer subscribing for or purchasing such Notes has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

(i) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom; and

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of such Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantor.

Republic of Italy

The offering of the Notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation. Without prejudice to the section entitled "General" below, each Dealer has represented and agreed that it will not offer, sell or deliver any Notes or distribute any copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy except to qualified investors (*investitori qualificati*) as referred to in Article 34-*ter*, paragraph 1, letter (b) of CONSOB regulation No. 11971 of 14 May 1999 (the "**Issuers Regulation**") or in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998 (the "**Financial Services Act**") and Issuers Regulation.

In any event, any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in the Republic of Italy must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 and Legislative Decree No. 385 of 1 September 1993 (in each case as amended from time to time); and

(ii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or the Bank of Italy or any other competent authority.

Belgium

Neither this Base Prospectus nor any other offering material related to the Notes has been nor will be notified to, and neither this Base Prospectus nor any other offering material related to the Notes has been nor will be approved or reviewed by, the Financial Services and Markets Authority (*Autorité des Services et Marchés Financiers*/*Autoriteit voor Financiële Diensten en Markten*). The Financial Services and Markets Authority has not commented as to the accuracy or adequacy of any such material or recommended the purchase of the Notes nor will the Financial Services and Markets Authority so comment or recommend. Any representation to the contrary is unlawful.

Without prejudice to the section entitled "General" below, the Notes may not be distributed, directly or indirectly, to any individual or legal entity, in Belgium by way of an offer of securities to the public, as defined in Article 3 §1 of the Belgian Law of 16 June 2006 on public offerings of securities and the admission of securities to trading on regulated markets (*Loi relative aux offres publiques d'instruments de placement et aux admissions d'instruments de placement à la négociation sur des marchés réglementés*/*Wet op de openbare aanbieding van beleggingsinstrumenten en de toelating van beleggingsinstrumenten tot de verhandeling op een gereglementeerde markt*), as amended or replaced from time to time (the "**Prospectus Law**"), save in those circumstances set out in Article 3 §2 of the Prospectus Law and each of the Dealers has represented and agreed that it has not advertised, offered, sold or resold, transferred or delivered and will not advertise, offer, sell, resell, transfer or deliver the Notes, directly or indirectly, to any individual or legal entity in Belgium other than to qualified investors as defined in Article 10 of the Prospectus Law acting for their own account; or to investors required to invest a minimum of euro 100,000 (per investor and per transaction); or in any other circumstances set out in Article 3 §2 of the Prospectus Law.

The Netherlands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not make an offer of Notes other than Notes that are to be admitted to trading on a regulated market within the EEA, to the public in the Netherlands in reliance on Article 3(2) of the Prospectus Directive unless (i) such offer is made exclusively to persons or entities which are qualified investors as defined in the Dutch Financial Supervision Act or (ii) standard exemption wording and a logo is disclosed as required by Section 5:20(5) of the Dutch Financial Supervision Act, and provided in each case that no such offer of Notes shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Without prejudice to the section entitled "General" below, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

General

EFI Notes may only be held by or offered and sold to Qualifying Investors.

These selling restrictions may be modified by the agreement of the relevant Issuer, the Guarantor and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has represented, warranted and agreed that it shall, to the best of its knowledge having made all reasonable enquiries, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material or any Final Terms and none of the Issuers, the Guarantor or any other Dealer shall have responsibility therefor.

FORM OF FINAL TERMS

FINAL TERMS DATED [•]

[Eni S.p.A./eni finance international SA]

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

[Guaranteed by Eni S.p.A.]

under the euro 20,000,000,000 Euro Medium Term Note Programme
Due from more than 12 months from the date of original issue

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 9 October 2015 [and the Supplement(s) to the Base Prospectus dated [•]] which [together] constitute[s] a base prospectus for the purposes of Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer [and the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. [The Base Prospectus [and the Supplement(s) to the Base Prospectus] [is] [are] available for viewing at the offices of the Paying and Transfer Agent in Luxembourg.][1] The Base Prospectus and, in the case of Notes listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange in compliance with the requirements of the Luxembourg Stock Exchange, these Final Terms will also be published on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 10 October 2014. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU) (the "**Prospectus Directive**") and must be read in conjunction with the Base Prospectus dated 9 October 2015 [and the Supplement(s) to the Base Prospectus dated [•]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus dated 10 October 2014. Full information on the Issuer [and the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated 10 October 2014 and 9 October 2015 [and the Supplement(s) to the latter Base Prospectus dated [•] and [•]]. The Base Prospectuses [and the Supplement(s) to the Base Prospectuses are available for viewing at the offices of the Paying and Transfer Agent in Luxembourg.]8 The Base Prospectus and, in the case of Notes listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange in compliance with the requirements of the Luxembourg Stock Exchange, these Final Terms will also be published on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

(Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Final Terms.)

(When completing final terms consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)

1	[(i)]	Series Number:	[•]
	[(ii)	Tranche Number:	[•]]
	(iii)	Date on which the Notes will be consolidated and form a single Series:	[The Notes will be consolidated and form a single Series with [identify earlier Tranches] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [•] below, which is expected to occur on or about[[date]]]/[Not Applicable]
2	Specified Currency or Currencies:		[•]
3	Aggregate Nominal Amount of Notes admitted to trading:		[•]
	[(i)]	Series:	[•]
	[(ii)	Tranche:	[•]]
4	Issue Price:		[•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [*insert date*] (*if applicable*)]
5	(i)	Specified Denominations:	[•] [and integral multiples of [•] in excess thereof up to and including [•].] No Notes in definitive form will be issued with a denomination above [•] (*Not to be less than euro 100,000 or its equivalent in other currencies*)
	(ii)	Calculation Amount:	[•]
6	[(i)]	Issue Date:	[•]
	[(ii)]	Interest Commencement Date:	[Specify/Issue Date/Not Applicable]
7	Maturity Date:		(*Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*) (*Not to be less than 12 months from the Issue Date*)
8	Interest Basis:		[[•] per cent. Fixed Rate] [[*Specify reference rate*] +/- [•] per cent. Floating Rate] [Zero Coupon] [[•] per cent. Fixed Rate from [•] to [•], then [•] per cent. Fixed Rate from [•] to [•]]
9	Redemption/Payment Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed

		on the Maturity Date at 100 per cent. of their nominal amount
10	Change of Interest Basis:	[Applicable/Not Applicable] (*If applicable, specify the date when any fixed to floating rate or vice versa change occurs or cross refer to items 14 and 15 (as appropriate) below and identify there.*) (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) (*N.B. To be completed in addition to items 14 and 15 (as appropriate) if any fixed to floating or fixed reset rate change occurs*)
	[(i)] Reset Date(s):	[•]
	[(ii)] Switch Options:	[Applicable – [*specify change(s) in Interest Basis and the relevant Interest Periods to which the change(s) in Interest Basis applies*]/[Not Applicable] (*N.B. The Issuer must give notice of the exercise of the Switch Option to Noteholders in accordance with Condition 13 (Notices) on or prior to the relevant Switch Option Expiry Date*)
	[(iii)] Switch Option Expiry Date(s):	[•]
	[(iv)] Switch Option Effective Date(s):	[•]
11	Put/Call Options:	[Investor Put] [Issuer Call]
12	[Date [Board] approval for issuance of Notes [and Guarantee] obtained]	[•] [and [•] respectively] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee*)
13	Method of distribution:	[Syndicated/Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14	Fixed Rate Note Provisions	[Applicable/Not Applicable]/(*if a Change of Interest Basis applies*): [Applicable for the period starting from [and including] [•] ending on [but excluding] [•])] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Rate[(s)] of Interest:	[•] per cent. per annum payable in arrear on each Interest Payment Date

	(ii)	Interest Payment Date(s):	[•] in each year [adjusted in accordance with the Floating Rate Business Day Convention/the Following Business Day Convention/the Modified Following Business Day Convention/ the Preceding Business Day Convention] (*specify any applicable Business Centre(s) for the definition of "Business Day"*)/not adjusted]
	(iii)	Fixed Coupon Amount[(s)]:	[•] per Calculation Amount
	(iv)	Broken Amount(s):	[•] per Calculation Amount payable on the Interest Payment Date falling [in/on] [•]
	(v)	Day Count Fraction:	[30/360/Actual/Actual(ICMA/ISDA)/other][2]
	(vi)	Determination Dates:	[•] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual ICMA*)
15	Floating Rate Note Provisions		[Applicable/Not Applicable]]/(*if a Change of Interest Basis applies*): [Applicable for the period starting from [and including] [•] ending on [but excluding] [•])] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Interest Period(s):	[•]
	(ii)	Specified Interest Payment Dates:	[•]
	(iii)	First Interest Payment Date:	[•]
	(iv)	Interest Period Date:	[Not Applicable]/ [[•] in each year[, subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment[, as the Business Day Convention in (v) below is specified to be Not Applicable]]
	(v)	Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]
	(vi)	Business Centre(s):	[•]
	(vii)	Manner in which the Rate(s) of interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]
	(viii)	Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent):	[•]
	(ix)	Screen Rate Determination:	
		– Reference Rate:	[[•] month [LIBOR/EURIBOR]]

	–	Interest Determination Date(s):	[•]
	–	Relevant Screen Page:	[•]
(x)	ISDA Determination:		
	–	Floating Rate Option:	[•]
	–	Designated Maturity:	[•]
	–	Reset Date:	[•]
	–	ISDA Definitions:	2006
(xi)	Margin(s):		[+/-][•] per cent. per annum
(xii)	Minimum Rate of Interest:		[•] per cent. per annum
(xiii)	Maximum Rate of Interest:		[•] per cent. per annum
(xiv)	Day Count Fraction:		[Actual/Actual/Actual/Actual — ISDA/Actual/365 (Fixed)/Actual/360/30/360/360/360/Bond Basis/30E/360/Eurobond Basis/30E/360 (ISDA)/ Actual/Actual-ICMA]
(xv)	[Linear Interpolation:		[Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Accrual Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]]
16	Zero Coupon Note Provisions:		[Applicable/Not Applicable]
			(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Amortisation Yield:		[•] per cent. per annum
(ii)	[Day Count Fraction in relation to Early Redemption Amounts:		[Actual/Actual/Actual/Actual — ISDA/Actual/365 (Fixed)/Actual/360/30/360/360/360/Bond Basis/30E/360/Eurobond Basis/30E/360 (ISDA)/ Actual/Actual-ICMA]
(iii)	Basis of determining amount payable:		[Applicable/Not Applicable]

PROVISIONS RELATING TO REDEMPTION

17	Call Option		[Applicable/Not Applicable]
			(*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Optional Redemption Date(s):		[•]
(ii)	Optional Redemption Amount(s) per Calculation Amount of each Note:		[•]
(iii)	If redeemable in part:		
	(a)	Minimum Redemption Amount:	[•] per Calculation Amount

	(b) Maximum Redemption Amount:	[•] per Calculation Amount
	(iv) Notice period:[4]	[•]
18	Put Option	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s):	[•]
	(ii) Optional Redemption Amount(s) of each Note:	[•] per Calculation Amount
	(iii) Notice period:[4]	[•]
19	Final Redemption Amount:	[•] per Calculation Amount
	(i) Calculation Agent responsible for calculating the Final Redemption Amount:	[•]
	(ii) Determination Date(s):	[•]
	(iii) Minimum Final Redemption Amount:	[•] per Calculation Amount
	(iv) Maximum Final Redemption Amount:	[•] per Calculation Amount
20	Early Redemption Amount	[•]
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption:	

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21	Form of Notes	[Bearer Notes] [Temporary Global Note exchangeable [upon certification as to non-U.S. beneficial ownership][4] for a Permanent Global Note which is exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]* [Temporary Global Note exchangeable [upon certification as to non-U.S. beneficial ownership][4] for Definitive Notes on [•] days' notice]* [Permanent Global Note exchangeable [upon certification as to non-U.S. beneficial ownership][4] for Definitive Notes on [•] days, notice/at any time/in the limited circumstances specified in the Permanent Global Note]* [Registered Note ([•] nominal amount) registered in the name of a nominee for [a common depositary for Euroclear and

		Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg]] **In relation to any issue of Notes exchangeable for Definitive Notes in accordance with this option, such Notes may only be issued in denominations equal to, or greater than, euro 100,000 (or equivalent) and integral multiples thereafter.* [Global Certificate registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the NSS)]
	[In the case of Bearer Notes whether Bearer Notes in definitive form may be exchanged for Registered Notes in accordance with Condition 2(a) (*Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes – Exchange of Exchangeable Bearer Notes*):]	[Yes][No]
22	New Global Note:	[Yes][No][23]
23	Financial Centre(s) or other special provisions relating to payment dates:	[Not Applicable. (*Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraph 15 (vi) relates*)
24	Talons for future Coupons to be attached to Definitive Notes:	[Yes/No.][5]

Signed on behalf of the Issuer:

By:

_____

Duly authorised

[Signed on behalf of the Guarantor:

By:

_____

Duly authorised]

PART B — OTHER INFORMATION

1 Listing and admission to trading

(i)	Listing:	[The Official List of the Luxembourg Stock Exchange/None]
(ii)	Admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [•]/[the regulated market of the Luxembourg Stock Exchange] with effect from [•].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [•].] [Not Applicable.] [The Notes will be consolidated and form a single Series with the existing issue of [•] [•] [•] per cent. Notes due [•], [•] on [•], [•].]
(iii)	Estimate of total expenses related to admission to trading	[•]

2 Ratings

Ratings:	The Notes to be issued have been rated: [S & P: [•]] [Moody's: [•]] [[Other]: [•]] (*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*) [and endorsed by [insert details]][35] [[Insert credit rating agency] is established in the European Union and is registered under Regulation (EU) No 1060/2009 (the "CRA Regulation").] [[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EU) No 1060/2009 (the "CRA Regulation").] [[*Insert credit rating agency*] is established in the European Union and has applied for registration under Regulation (EU) No 1060/2009 (the "CRA Regulation"), although notification of the corresponding registration decision has not yet been provided by the relevant competent authority.]

35 Insert this wording where one or more of the ratings included in the Final Terms has been endorsed by an EU registered credit rating agency for the purposes of Article 4(3) of the CRA Regulation.

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EU) No 1060/2009 (the "CRA Regulation") but the rating issued by it is endorsed by [insert endorsing credit rating agency] which is established in the European Union and [is registered under the CRA Regulation] [has applied for registration under the CRA Regulation, although notification of the corresponding registration decision has not yet been provided by the relevant competent authority].]

[[*Insert credit rating agency*] is not established in the European Union and has not applied for registration under Regulation (EU) No 1060/2009 (the "CRA Regulation") but is certified in accordance with the CRA Regulation.]

[[*Insert Credit Rating Agency*] is not established in the European Union and is not certified under Regulation (EU) No. 1060/2009 (the "CRA Regulation") and the rating given by it is not endorsed by a Credit Rating Agency established in the European Union and registered under the CRA Regulation.][36]

3 [Interests of Natural and Legal Persons involved in the [issue/offer]]

(Need to include a description of any interest, including a conflicting interest, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"So far as the Issuer [and the Guarantor] is aware no member of the Group involved in the initial offer of the Notes has an interest material to such initial offer." [Amend as appropriate if there are other interests])

(When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplemental to the Base Prospectus under Article 16 of the Prospectus Directive)

4	Fixed Rate Notes only — YIELD Indication of yield:	[•] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.
5	Operational information	
	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes] [No] [Yes. Note that the designation "yes" simply means that the Notes are intended upon issue

36 Insert for Notes which are admitted to trading on a regulated market within the EU and which have been assigned a rating.

to be deposited with one of the ICSDs as common safekeeper [or registered in the name of a nominee of one of the ICSDs acting as common safekeeper (that is, held under the NSS)] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.]

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

ISIN: [•]

Common Code:	[•]
Any clearing system(s) other than Euroclear Bank SA/N.V., Clearstream Banking, *société anonyme* and the X/N System and the relevant identification number(s):	[Not Applicable/give name(s) and number(s) [*and address(es)*]]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agent(s) (if any):	[•]

7 Distribution

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	If syndicated, names of Managers:	[Not Applicable/give names]
(iii)	Date of [Subscription] Agreement	[•]
(iv)	Stabilising Manager(s) (if any):	[Not Applicable/give name]
(v)	If non-syndicated, name of relevant Dealer:	[Not Applicable/give name]

(vi) U.S. Selling Restrictions: [Reg. S Compliance Category 2; TEFRA D/TEFRA C/TEFRA Not Applicable]

Notes:

(1) Article 14.2 of the Prospectus Directive provides that a Base Prospectus is deemed available to the public when, inter alia, made available (i) in printed form free of charge at the offices of the market on which securities are being admitted to trading; OR (ii) at the registered office of the Issuer and at the offices of the Paying Agents; OR (iii) in an electronic form on the Issuer's website. Article 16 of the Prospectus Directive requires that the same arrangements are applied to Supplements to the Base Prospectuses.

(2) For the following types of Notes which are denominated in euro and which clear through the XIN Clearing System, the Day Count Fraction must be:

- *Fixed Rate Notes with a maturity of more than one year: the actual number of days elapsed divided by the actual number of days in the period from and including the immediately preceding Interest Payment Date (or, if none, the immediately preceding anniversary of the first Interest Payment Date) to but excluding the next scheduled Interest Payment Date.*
- *Floating Rate Notes or any Notes with a maturity of one year: the actual number of days in the Calculation Period divided by 360 ("Actual/360").*

(3) If setting notice periods which are different to those provided in the terms and conditions, Issuers are advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Fiscal Agent.

(4) Include if TEFRA D relevant to the Series.

(5) Talons should be specified if there will be more than 26 coupons or if the total interest payments may exceed the principal due on early redemption.

OVERVIEW OF CERTAIN SIGNIFICANT DIFFERENCES BETWEEN THE "RELAZIONE FINANZIARIA ANNUALE" AND THE "ANNUAL REPORT ON FORM 20-F"

Certain significant differences exist between the annual report on Form 20-F of Eni expressed in the English language filed with the U.S. Securities and Exchange Commission ("**SEC**") pursuant to the U.S. Securities Exchange Act of 1934 (the "**Annual Report on Form 20-F**"), and the Italian annual report of Eni expressed in the Italian language (the "**Relazione finanziaria annuale**") filed in accordance with Italian laws and listing requirements.

Annual Report on Form 20-F

The Annual Report on Form 20-F is prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by International Accounting Standards Board which may differ in some respect from IFRS as adopted by the EU. Such differences are described in the section "Basis of presentation" in the Annual Report and in the *Relazione finanziaria annuale*.

The Annual Report on Form 20-F does not contain the section of the Relazione finanziaria annuale relating to the separate financial statements of the parent company Eni.

The Annual Report on Form 20-F includes the Reports of the Independent Auditors on the consolidated financial statements and on internal control over financial reporting (based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organisation of the Treadway Commission (the **"COSO criteria**")), both issued in accordance with the standards of the Public Company Accounting Oversight Board (United States).

The Annual Report on Form 20-F does not contain certain other information, such as the report of the *Collegio Sindacale* (the Board of Statutory Auditors) on the separate financial statements of the parent company and certain attachments to the consolidated financial statements, relating to the changes in Eni consolidation during the year.

GENERAL INFORMATION

(1) Each of the Issuers and the Guarantor has obtained all necessary consents, approvals and authorisations in connection with the amending and updating of the Programme and, in the case of EFI Notes, the giving of the Guarantee relating to the Programme. The establishment, amending and updating of the Programme, and the giving of the Guarantee relating to the Programme, was authorised by resolutions of the Board of Directors of Eni passed on 22 September 1999, 18 October 2000, 17 October 2001, 31 July 2002, 17 September 2003, 21 September 2005, 11 October 2006, 7 June 2007, 30 July 2009, 15 March 2012 and 12 March 2015. The establishment, amending and updating of the Programme was authorised by resolutions of the Board of Directors of EFI passed on 12 October 1999, 30 October 2000, 24 October 2001, 10 September 2002, 8 October 2003, 8 September 2005, 11 October 2007 and 12 October 2009 and 23 March 2015.

(2) Save as disclosed on page 93 of this Base Prospectus, there has been no significant change in the financial or trading position of either of the Issuers, of the Guarantor or of the Group since 30 June 2015 and no material adverse change in the prospects of either of the Issuers, the Guarantor or of the Group since 31 December 2014.

(3) Save as disclosed in the section entitled "Legal Proceedings" in each of the Annual Reports ended 31 December 2014 and Interim Financial Statements ended 30 June 2015 incorporated by reference herein, as set out respectively on pages 42 to 44 (inclusive) of this Base Prospectus, neither of the Issuers, the Guarantor or any of their respective consolidated subsidiaries is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which either of the Issuers or the Guarantor is aware) during the 12 months preceding this Base Prospectus which may have or have had significant adverse effects in the context of the issue of the Notes on the financial or trading position of the Group.

(4) Neither of the Issuers, the Guarantor or any of their respective consolidated subsidiaries has, since 31 December 2014, entered into any contracts outside the ordinary course of business that could have a material adverse effect on the ability of either of the Issuers or the Guarantor to meet their obligations under Notes issued under the Programme.

(5) Certain of the Dealers and their respective affiliates, including parent companies, engage and may in the future engage in lending, advisory, investment banking, corporate finance services and other related transactions with the Issuers, the companies of the Group, the Guarantor and their affiliates and with companies involved directly or indirectly in the sectors in which the Issuer operates and may perform services for them, in each case in the ordinary course of business. In addition, in the ordinary course of their business activities, the Dealers and their affiliates, including parent companies, may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or the Guarantor, or the Issuers' or the Guarantor's affiliates. Certain of the Dealers or their affiliates (including parent companies) that have a lending relationship with the Issuers or the Guarantor routinely hedge their credit exposure to the Issuers or the Guarantor consistent with their customary risk management policies. Typically, such Dealers and their affiliates (including parent companies) would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued

under the Programme. The Dealers and their affiliates (including parent companies) may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

(6) Each Bearer Note having a maturity of more than one year, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".

(7) Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg, systems. The Common Code and the International Securities Identification Number (ISIN) (and (when applicable) the identification number for any other relevant clearing system including the X/N Clearing System) for each Series of Notes will be set out in the relevant Final Terms.

The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Final Terms of each Tranche, based on then prevailing market conditions.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg, is 42 Avenue JF Kennedy, L-1855 Luxembourg, and the address of the National Bank of Belgium is 14 Boulevard de Berlaimont, B-1000, Brussels, Belgium. The address of any alternative clearing system will be specified in the applicable Final Terms.

(8) Copies of the English version of the consolidated audited annual financial statements, as contained in the Annual Report of Eni as at 31 December 2013 and in the Annual Report on Form 20-F of Eni as at 31 December 2014, copies of the English versions of the by-laws and articles of association of each of the Issuers, copies of the English language version of the Interim Financial Statements of Eni for the six months ended 30 June 2014 and 2015, copies of the English version of the non-consolidated audited annual financial statements of EFI as of 31 December 2013 and 2014 and for the years then ended, copies of the English version of the unaudited non-consolidated interim financial statements for EFI as of and for the six months ended 30 June 2014 and 30 June 2015 and copies of the Annual Reports, for the financial years ended 31 December 2013 and 2014 on Form 20-F in relation to Eni, including the exhibits thereto, may be obtained, and copies of the Agency Agreement, the Deed of Covenant and the Guarantee will be available for inspection, at the specified offices at the relevant addresses indicated on the back cover page of this Base Prospectus of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding. The unaudited non-consolidated interim financial information of EFI included herein has been prepared only for the purposes of this Base Prospectus. EFI does not currently produce financial statements on a consolidated basis with its subsidiaries (as it currently has no subsidiaries).

(9) Reconta Ernst & Young S.p.A. (authorised and regulated by the Ministry of Economy and Finance registered on the special register of accounting firms held by the Ministry of Economy and Finance) succeeded PricewaterhouseCoopers S.p.A. as independent auditors of Eni with effect from 29 April 2010, having been appointed at the shareholders' meeting of Eni held on 29 April 2010. They have audited and issued unqualified reports on the consolidated financial statements of Eni as of and for the years ended 31 December 2014 and 2013, as incorporated by reference in the Prospectus. EFI's shareholder's meeting duly held on 5 April 2013 appointed Ernst & Young, Réviseurs d'Entreprises SCCRL (authorised and regulated by the Institut des Réviseurs d'Entreprises of Belgium) as auditors of EFI as of and for the years ending 31 December 2013, 31 December 2014

and 31 December 2015 of which the audit reports for the years ended 31 December 2013 and 31 December 2014 are incorporated by reference in the Prospectus.

(10) EFI Notes may only be held by or for the account of a Qualifying Investor. Notes held by or for the account of an investor which is not a Qualifying Investor may be subject to early redemption.

(11) In compliance with the requirements of the Luxembourg Stock Exchange, this Base Prospectus is and, in the case of Notes listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange, the relevant Final Terms will also be, available on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

CERTIFICATION RENDERED BY ENI'S CHIEF FINANCIAL AND RISK MANAGEMENT OFFICER, IN HIS QUALITY AS MANAGER RESPONSIBLE FOR THE PREPARATION OF FINANCIAL REPORTS, PURSUANT TO ARTICLE 154-BIS PARAGRAPH 2 OF LEGISLATIVE DECREE No. 58/1998.

The undersigned, Massimo Mondazzi, in his quality as Chief Financial and Risk Management Officer of Eni and manager responsible for the preparation of financial reports, certifies that the financial consolidated data disclosed in this Euro Medium Term Note Programme due from more than 12 months from the date of original issue corresponds to the company's evidence and accounting books and entries. This financial consolidated data has been extracted from the 2014 audited annual report on Form 20-F prepared in accordance with the International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board (IASB) and from the Interim Financial Statements for the first half of 2015, prepared in accordance with IFRS issued by the IASB and adopted by the European Commission according to the procedure set forth in Article 6 of the European Regulation (CE) No. 1606/2002 of the European Parliament and European Council of 19 July 2002 and in accordance with Article 9 of Legislative Decree No. 38/2005.

This Euro Medium Term Note Programme was prepared in accordance with rules provided for by the Luxembourg Commission de Surveillance du Secteur Financier (the "**CSSF**").

Date: 9 October 2015

Massimo Mondazzi
Title: Chief Financial and Risk Management Officer

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ARRANGER

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United Kingdom

UniCredit Bank AG
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PAYING AGENT

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Belgium

LUXEMBOURG LISTING AGENT

KBL European Private Bankers SA
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00198 Roma
Italy

To eni finance international SA
Ernst & Young Réviseurs d'Enterprises SCCRL
De Kleetlaan, 2
1831 Diegem (Brussels)
Belgium

LEGAL ADVISERS TO THE ISSUERS AND THE GUARANTOR

in respect of Italian and English law (excluding tax law)
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Piazza Diaz
20123 Milano
Italy

in respect of Italian tax law
Clifford Chance Studio Legale Associato
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in respect of Belgian law
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