

*Courtesy translation from Italian.  
In case of any conflicts, the Italian version shall prevail.*



**Eni S.p.A.**

Fully paid in Share capital of EUR 4,005,358,876.00

Registered Office in Rome, Piazzale Enrico Mattei, 1

Tax Code and Rome Companies Register No. 00484960588

## **INFORMATION DOCUMENT**

**Concerning the sale of 55,176,364 ordinary shares of Saipem S.p.A.**

Drafted in accordance with Article 5 of the Regulation adopted by Consob with Resolution No. 17221 dated 12 March 2010, as amended by Resolution No. 17389 dated 23 June 2010 and in accordance with Article 71 of the Regulation adopted by Consob with Resolution no. 11971 dated 14 May 1999, as subsequently amended and supplemented.

*3 November 2015*

This information document was made available to the public at Eni S.p.A.'s registered office and published on Eni S.p.A.'s website ([www.eni.com](http://www.eni.com)) as well as on the authorised centralised storage mechanism called "1Info" - which may be consulted at [www.1info.it](http://www.1info.it) - on 3 November 2015.

*Courtesy translation from Italian.  
In case of any conflicts, the Italian version shall prevail.*

## Eni GROUP SUMMARY DATA

### Gruppo Eni

(€ million)

	First Half 2015	
	<i>Consolidated Financial Statements</i>	<i>Pro-forma Financial Statements</i>
Consolidated operating profit	1.945	2.733
Consolidated net profit <sup>(*)</sup>	591	698
- <i>per share</i> (€)	0,16	0,19
Capital employed, net	80.349	73.626
Shareholders equity	63.872	62.074
of which: - Eni's shareholders	61.891	62.016
- non-controlling interests	1.981	58
Net borrowings	16.477	11.552
Leverage	0,26	0,19
Average number of shares outstanding (million)	3.601,1	3.601,1

(\*) Attributable to Eni's shareholders.

<b>Definitions</b> .....	<b>5</b>
<b>Introduction</b> .....	<b>10</b>
<b>1 Warnings</b> .....	<b>12</b>
1.1 Risks related to potential conflicts of interest arising from the Transaction with the related party .....	12
1.2 Risks and uncertainties associated with the Transaction that could significantly affect the Issuer's business .....	12
1.2.1 <i>Risks and uncertainties arising from the execution of the Transaction</i> .....	12
1.2.2 <i>Risks arising from the terms and conditions of contract</i> .....	14
1.2.3 <i>Risks associated with preparing pro-forma financial statements</i> .....	14
<b>2 Information concerning the Transaction</b> .....	<b>15</b>
2.1 Overview of the characteristics, methods, terms and conditions of the Transaction and brief description of the Overall Transaction .....	15
2.1.1 <i>Description of the company involved in the Transaction</i> .....	17
2.1.2 <i>Procedures, terms and conditions of the Transaction</i> .....	18
2.1.3 <i>Methods for determining the amount of the Price and assessment of its fairness compared to the market values of similar Transactions</i> .....	25
2.1.4 <i>Allocation of the sale proceeds</i> .....	28
2.2 Rationale, purpose and value of the Transaction, with particular regard to the Issuer's business objectives .....	28
2.3 Relations with FSI and Saipem .....	28
2.3.1 <i>Related Parties involved in the Transaction</i> .....	28
2.3.2 <i>Issuer's significant Transactions with Saipem that are outstanding at the time of the Transaction's execution and that have been executed, directly or indirectly through subsidiaries</i> .....	29
2.3.3 <i>Deals and/or significant agreements between the Issuer, the companies controlled by it, key managers and members of the Issuer's management and the entity to which the Shares have been sold</i> .....	30
2.3.4 <i>Impact of the Transaction on the emoluments for the Issuer's and/or its subsidiaries' directors</i> .....	30
2.3.5 <i>Possible members of the Issuer's governing and audit bodies, general managers and executives involved in the Transaction</i> .....	30
2.3.6 <i>The Transaction's approval procedure</i> .....	30
2.4 Documents put at the public's disposal .....	32
<b>3 Economic, Equity and financial effects of the Overall Transaction</b> .....	<b>33</b>
3.1 Economic, equity and financial effects of the Overall Transaction .....	33
3.2 Significant effects of the Overall Transaction on key factors that influence and characterise the Issuer's activity, and the type of business performed by the Issuer .....	33
3.3 Possible impact of the Overall Transaction on the strategies pursued in the Eni Group companies providing centralised commercial and financial services.....	33
<b>4 ISSUER'S CONSOLIDATED Pro-Forma Financial Reports</b> .....	<b>35</b>
4.1 Introduction .....	35
4.2 Pro-forma Consolidated Balance Sheet .....	38

4.2.1	<i>Saipem Deconsolidation</i> .....	39
4.2.2	<i>Effects of the Overall Transaction</i> .....	40
4.3	Pro-forma Consolidated Profit and Loss Account .....	42
4.3.1	<i>Saipem Deconsolidation</i> .....	42
4.3.2	<i>Effects of the Overall Transaction</i> .....	43
4.4	Pro-forma Reclassified Group Balance Sheet.....	45
4.4.1	<i>Assumptions considered for elaboration of pro-forma financial statements</i> .....	46
4.5	Historical and pro-forma data per share ratios of the Eni Group.....	47
4.6	Comparative data contained in the historical consolidated financial statements and the pro-forma financial report for the half-year ending 30 June 2015.....	48
4.7	Report of the auditing company on the pro-forma consolidated economic and financial data.....	49
<b>5</b>	<b>Prospects for the Issuer and the Group headed by it</b> .....	<b>50</b>
5.1	General information on the Issuer's business from the end of the year covered by the latest published financial statement.....	50
5.2	Information on the reasonable forecast made in relation the results for the ongoing financial year.....	51
<b>Annexes</b>	.....	<b>54</b>

## DEFINITIONS

Set out below is a list of the definitions used in this Information Document. These definitions, unless otherwise specified, have the meanings set out below. It must be noted that, whenever the context so requires, the singular includes the plural and vice versa.

<b>Acknowledgement Agreement</b>	The agreement, entered into by Eni and Saipem on the Signing Date, providing, among other things, for the recognition of the Debt and the existing Guarantees, and containing the provisions that govern their respective repayment and expiry.
<b>Capital Increase</b>	A capital increase by way of option for an amount not exceeding EUR 3.5 billion, as provided for under Article 2441, paragraph 1 of the Italian Civil Code, which was approved by the Saipem board of directors on 27 October 2015 and which shall be proposed for approval to the Saipem extraordinary shareholders' meeting that will be convened for 2 December 2015, and that Eni and FSI committed to subscribe <i>pro-quota</i> .
<b>Shares</b>	Each of the ordinary shares making up the Saipem share capital.
<b>Non-Syndicated Shares</b>	The Shares from time to time held by Eni and/or FSI, other than the Syndicated Shares pursuant to the Shareholders' Agreement.
<b>Syndicated Shares</b>	The Shares held by Eni and FSI and governed by the Shareholders Agreement, pursuant to the Shareholders Agreement.
<b>Italian Stock Exchange</b>	Borsa Italiana S.p.A, whose registered office is in Milan, Piazza degli Affari. 6
<b>Share Capital</b>	The Saipem ordinary share capital, taking into account only the Shares.
<b>CDP</b>	Cassa Depositi e Prestiti S.p.A., whose registered office is in Rome, Via Goito n. 4.
<b>Italian Civil Code</b>	Royal Decree No. 262 of 16 March 1942, and subsequent amendments and additions.
<b>Corporate Governance Code</b>	The Corporate Governance Code for listed companies prepared by the Corporate Governance Committee, to which Eni has adhered.
<b>Control and Risk</b>	The Issuer's Control and Risk Committee, which is composed

<b>Committee</b>	entirely of non-executive, independent and unrelated directors, identified in the Related Party Procedure as the committee responsible for examining the related party Transactions not involving remuneration. The said committee gives its reasoned opinion on the Company's interest in executing these Transactions and the appropriateness and substantial correctness of the Transaction's conditions.
<b>Board of Directors</b>	The Issuer's Board of Directors.
<b>CONSOB</b>	The Italian Companies and Securities Commission, whose registered office is located in Rome, Via G.B. Martini no. 3.
<b>Sale and Purchase Agreement or Agreement</b>	The contract for the sale and purchase of the shareholding to FSI, upon the Price being paid, entered into on the Signing Date.
<b>Price</b>	The consideration for the sale of the shareholding to FSI, for a total of EUR 463,238,681.60, determined in the manner described in Section 2, Paragraph 2.1.3 of this Information Document.
<b>Credit Suisse</b>	Credit Suisse Securities (Europe) Limited, Milan Branch, whose registered office is in London (United Kingdom), 1 Cabot Square, in its capacity of advisor appointed to support the Board of Directors.
<b>Closing Date</b>	The date on which the Transaction will be completed, which will take place by 1 pm of the Business Day following the date on which the last of the conditions precedent provided for under the Sale and Purchase Agreement has been satisfied and, in any case, within 1 pm of the Business Day before the date of launch of the option rights offer within the Capital Increase.
<b>Signing Date</b>	The date on which the Sale and Purchase Agreement, as well as the Shareholders' Agreement and the Acknowledgement Agreement, have been entered into, namely 27 October 2015.
<b>Debt</b>	Saipem Group's total financial cash indebtedness towards the Eni Group, which shall be repaid in the manner and with the timing provided for under the Acknowledgement Agreement.
<b>Information Document</b>	This Information Document has been prepared in accordance with: (i) Article 5 of the Related Parties' Regulation and Annex B, Part II, of the Related Party Procedure, as well as (ii) Article 71 of the Issuers' Regulation, as provided for under Schedule 3 Annex 3B of the Issuers' Regulation.

<b>Issuer or Eni or Company</b>	Eni S.p.A., whose registered office is in Rome, Piazzale Enrico Mattei no. 1.
<b>Closing</b>	The completion of the Sale and Purchase Agreement, by transferring title to the Shareholding to FSI, subject to payment of the Price to Eni.
<b>Evercore</b>	Evercore Partner International LLP, whose registered office is in London (United Kingdom), at Stanhope Gate W1K 1LN, in its capacity of independent advisor appointed by the Control and Risk Committee.
<b>FSI</b>	Fondo Strategico Italiano S.p.A., whose registered office is in Milan, Corso Magenta no. 71.
<b>Guarantees</b>	The collateral provided by Eni to third party banks, which have issued autonomous first demand bank guarantees in the interest of Saipem and/or of Saipem Group companies.
<b>Trading Day</b>	Each day on which the regulated markets are open for business according to the trading calendar established annually by the Italian Stock Exchange.
<b>Business Day</b>	Any calendar day, except for Saturdays, Sundays and other days on which banks, as a rule, are not open for business in Milan.
<b>Group or Eni Group</b>	Collectively Eni, and the companies that it controls under Article 2359, first paragraph, points 1) and 2) of the Italian Civil Code and Article 93 of the TUF.
<b>Saipem Group</b>	Collectively Saipem and the companies that it controls, under Article 2359, first paragraph, points 1) and 2) of the Italian Civil Code and Article 93 of the TUF.
<b>IFRS</b>	All the " <i>International Financial Reporting Standards</i> ", adopted by the European Union, which include all the " <i>International Accounting Standards</i> " (IAS), the " <i>International Financial Reporting Standards</i> " (IFRS) and any and every ruling handed down by the " <i>International Financial Reporting Interpretations Committee</i> " (IFRIC), which was previously called the " <i>Standing Interpretations Committee</i> " (SIC), adopted by the European Union.
<b>MEF</b>	The Italian Ministry of Economy and Finance, based in Rome, at Via XX Settembre. 97.

<b>Moody's</b>	The rating agency Moody's Investors Service.
<b>MTA</b>	The screen-based stock exchange organised and managed by the Italian Stock Exchange.
<b>New Credit Facilities</b>	This means the credit facilities provided to refinance Saipem and/or SFI, to be utilised, among other things, - together with the proceeds from the Capital Increase - to fully repay the Debt and in relation to which, on the Signing Date, Saipem has executed a term sheet with a bank syndicate.
<b>Overall Transaction</b>	The transaction taken as a whole, whose objectives are described in greater detail in Section 2, Paragraph 2.2 of this Disclosure Statement, which will be implemented mainly through: (i) the sale of the Shareholding to FSI, (ii) the entry into force of the Shareholders' Agreement, (iii) the achievement of financial autonomy by Saipem, and (iv) the execution of the Capital Increase and the full repayment of the Debt.
<b>Sale or Transaction</b>	The Transaction described in this Information Document for the sale of the Shareholding by Eni to FSI.
<b>Shareholding</b>	The Shareholding provided for under the Sale and Purchase Agreement, consisting in a total of 55,176,364 Shares, representing approximately 12.503% of the Share Capital (or the percentage of capital resulting from the possible conversion of Saipem convertible savings shares).
<b>Shareholders' Agreement</b>	The shareholders' agreement, relevant pursuant to article 122, paragraphs 1 and 5, letters a), b) and d) of the TUF, executed by Eni and FSI on the Signing Date, which shall become effective on the Closing Date and which, subject to the Closing thereof, will govern Eni's and FSI's relations with each other as shareholders. In accordance with Article 130 of the Issuers' Regulation, the essential terms of this agreement have been published and are available for consultation, <i>inter alia</i> , on Saipem's website (www.Saipem.com).
<b>Price per Share</b>	The purchase price of each Saipem Share, amounting to EUR 8.3956, which has been calculated according to the criteria set out in Section 2, Paragraph 2.1.3 of this Information Document.



*Courtesy translation from Italian.  
In case of any conflicts, the Italian version shall prevail.*

<b>Maximum Price per Share</b>	The maximum purchase price of EUR 8.8300 per Saipem Share, as provided for under the Sale and Purchase Agreement.
<b>Minimum Price per Share</b>	The minimum purchase price of EUR 7.4000 per Saipem Share, as provided for under the Sale and Purchase Agreement.
<b>Official Price</b>	The Shares' official price, as determined and published by the Italian Stock Exchange on a daily basis. This price is calculated as the weighted average price for the related amount of all the deals closed on the MTA during the session in question, with the exception of cross-order deals.
<b>Related Party Procedure or Procedure</b>	The procedure, called " <i>Management System Guideline - Transactions involving the interests of the directors and the statutory auditors and transactions with related parties</i> " governing the completion of transactions with related parties, which the Company has adopted in accordance with Article 2391 bis of the Italian Civil Code and the Related Parties' Regulation.
<b>Consolidated Pro-Forma Financial Statements</b>	Eni's consolidated pro-forma balance sheet for the half-year ending 30 June 2015 and the pro forma consolidated profit and loss account for the half-year ending 30 June 2015, together with the explanatory notes.
<b>Issuers' Regulation</b>	The regulation approved by Consob with resolution No. 11971 of 14 May 1999, and subsequent amendments and additions.
<b>Related Parties' Regulation</b>	The " <i>Regulation on Transactions with related parties</i> " adopted by Consob with resolution no. 17221 dated March 12, 2010 and subsequent amendments and additions.
<b>Saipem</b>	Saipem S.p.A., whose registered office is in San Donato Milanese (MI), Via Martiri di Cefalonia no. 67.
<b>Interim Report 2015</b>	The consolidated limited financial statements as at 30 June 2015, included in Eni's consolidated 2015 half-yearly financial report, published on 7 August 2015.
<b>SFI</b>	Saipem Finance International B.V.
<b>External Auditors</b>	Reconta Ernst & Young S.p.A., whose registered office is in Roma, Via Po no. 32.
<b>Standard &amp; Poor's</b>	The rating agency Standard & Poor's Rating Services.
<b>Consolidated Finance</b>	Legislative Decree No. 58 of 24 February 1998, and subsequent amendments and additions.

## **Law or “TUF”**

### **INTRODUCTION**

Eni has drafted this Information Document in accordance with: (i) Article 5 of the Related Parties' Regulation and Annex B, Part II, of the Related Party Procedure; and (ii) Article 71 of the Issuers' Regulations, as well as in accordance with Schedule 3 of Annex 3B of the Issuers' Regulation.

On the date of this Information Document, Eni holds 189,423,307 Shares, representing approximately 42.9% of Saipem's Share Capital.

This Information Document has been prepared in connection with the Sale, regulated by the Sale and Purchase Agreement dated 27 October 2015, which consists in the sale by the Company to FSI of 55,176,364 Shares, representing approximately 12.503% of Saipem's current share capital.

The Sale and Purchase Agreement's Closing is subject to certain conditions precedent being fulfilled by 30 April 2016, as described in Section 2, Paragraph 2.1.2.1 of this Information Document.

In addition to the Sale and Purchase Agreement, the following agreements were also signed on the Signing Date in the context of the Overall Transaction:

- (i) The Shareholders' Agreement between Eni and FSI, which regulates the mutual relations between Saipem shareholders, with particular emphasis on corporate governance and the rules governing the transferral of their respective shareholdings in Saipem, whose essential terms, in accordance with Article 130 of the Issuers' Regulation, are published, among others, on Saipem's website ([www.saipem.it](http://www.saipem.it));
- (ii) The Acknowledgement Agreement executed between Eni and Saipem, which governs, among other things, the manner in which Saipem Group shall achieve financial independence from the Eni Group, the terms and conditions of the repayment of the Saipem Group's Debt to the Group and the termination regime of the Guarantees.

The following documents - which are attached to this Information Document (and published on the Company's website), as provided for under the Schedule 3 of Annex 3B of the Issuers' Regulations and Article 5, paragraph 5, of the Related Parties' Regulation - are also made available to the public: (i) the favourable opinion issued by the Control and Risk Committee unanimously on the Company's execution of the Transaction, in the context of the Overall Transaction, and the appropriateness and substantial correctness of the terms and conditions thereof; (ii) the fairness opinion issued by the independent advisor, Evercore, for the benefit of the Control and Risk Committee, which certifies the

*Courtesy translation from Italian.  
In case of any conflicts, the Italian version shall prevail.*

fairness of the Minimum Price per Share, from a financial point of view; (iii) the fairness opinion issued by the advisor Credit Suisse, for the benefit of the Board of Directors, which certifies the fairness, of the Minimum Price per Share from a financial point of view; and (iv) the report issued by the External Auditors concerning the examination of the economic and financial pro forma data.

## 1 WARNINGS

### 1.1 Risks related to potential conflicts of interest arising from the Transaction with the related party

On the date of this Information Document, Eni is subjected to the de facto control of the MEF, as a result of the stake that the latter holds in the Company both directly (with a 4.34% stake) or indirectly (with a 25.76% stake) through CDP, which is, in turn, controlled by MEF (which owns approximately 80.1% of its share capital).

FSI is also indirectly controlled by MEF, through a stake of about 80.0% held by CDP in FSI.

Therefore, with regard to the Transaction FSI is related party to Eni under Article 2, letter a) (i), of the Related Party Procedure, since it is, together with Eni, controlled by MEF. Furthermore, considering its significance, the Transaction must be qualified as a "*significant*" related party transaction within the meaning of the Related Parties' Regulations and Related Party Procedure adopted by the Company and, as such, is subject to the rules set out in Article 5 of the said Procedure.

The Control and Risk Committee (the committee of independent and unrelated directors which must give its reasoned opinion on the Company's execution of the Transaction and the appropriateness and substantial correctness of the relevant conditions provided for under the Related Party Procedure) has been promptly informed, in accordance with Article 5 of the above Procedure, about the terms and conditions of the Transaction in the context of the Overall Transaction and has also been involved, through the independent advisor appointed by it (and namely Evercore), in the preliminary phases of the Transaction and in the negotiations through an adequate and timely information flow. The Control and Risk Committee has unanimously expressed its opinion in favour of the Company closing - in the context of the Overall Transaction - the Sale and on the appropriateness and substantial correctness of the terms and conditions, including the appropriateness of the Minimum Price per Share from a financial point of view. This opinion is attached to this Information Document under Annex "A".

The Sale, which fits into the broader context of the Overall Transaction, does not expose Eni to specific risks associated with potential conflicts of interest, other than those typically connected with transactions between related parties.

### 1.2 Risks and uncertainties arising from the Transaction that could significantly affect the Issuer's business

#### 1.2.1 *Risks and uncertainties arising from the execution of the Transaction*

The Closing, and namely the completion of the Sale, is conditional on a number of conditions being satisfied by 30 April 2016, which include: (i) obtaining a reasoned decision from CONSOB, pursuant to Article 106, paragraph 6, of the TUF, as a result of which the

exemption (accorded to intercompany transactions) from the obligation to launch a public bid for the entire shareholding is extended to the Transaction; (ii) the successful completion of the relevant antitrust proceedings concerning the Transaction; (iii) Saipem maintaining a Standard & Poor's and Moody's rating above a specified grade; (iii) executing an underwriting agreement for the Saipem Capital Increase; (iv) Saipem executing a New Credit Facilities to refinance its outstanding debt; and (v) the non-occurrence of any material adverse event, including events or circumstances that may cause significant adverse changes in Saipem's or its group's financial and equity situation, taken as a whole, or that may otherwise adversely affect the value of the shares or the success of the Overall Transaction.

The failure to fulfil even one of the conditions precedent within the aforementioned deadline (which the parties may extend by mutual written agreement), would automatically lead to the Sale and Purchase Agreement being terminated and, as a result, the Sale would not take place and the Shareholders' Agreement would not come into force.

In addition to the above, the effectiveness of the Sale and Purchase Agreement is conditional upon the following events not occurring: (a) the completion of the Capital Increase, to be construed as the issuance of new shares against payment by the shareholders of the price set therefor, by 31 May 2016; (b) the draw-down of the New Credit Facilities by Saipem within 30 calendar days of the date set for payment for the Capital Increase and, in any event, not later than 30 June 2016, to the extent necessary to allow the Debt to be repaid in full; (c) the repayment of the entire Debt, within 30 calendar days of the Capital Increase payment date (and, in any event, no later than 30 June 2016), as provided for under the Acknowledgement Agreement executed with Saipem, using the proceeds of the Capital Increase and, where necessary, through the resources obtained from the draw-down of the New Credit Facilities, so that, within the said deadline, the Saipem Group will no longer have any financial cash debt towards the Eni Group.

If even one of these conditions subsequent occurs, the Sale and Purchase Agreement will be terminated, and Eni and FSI shall return in their initial position as if the Sale and Purchase Agreement had never been executed. Furthermore, the Shareholders' Agreement will also be automatically terminated.

If the Sale is not closed or, where applicable, the Sale and Purchase Agreement is terminated, Eni shall continue to hold its entire shareholding in Saipem and, by virtue of the obligation that it has undertaken, shall subscribe the Capital Increase pro-rata to its shareholding (and the related option rights), it being understood that this obligation shall no longer be effective where: (i) by the date on which the option right is offered in relation to the Share Capital, the New Credit Facility Agreements are not executed to the extent necessary to allow the remaining part of the Debt to be fully repaid to Eni; or (ii) the underwriting obligations undertaken by the bank syndicate (known as *joint global coordinators*) as part of the Capital Increase (to be construed as a commitment to subscribe the share of

Capital Increase for which the option right is not exercised or not paid as a result of the relevant offer) are not fulfilled for any reason whatsoever.

In this case, Saipem and the Saipem Group companies will also continue to be part of the Eni Group.

### ***1.2.2 Risks arising from the contractual terms and conditions***

Pursuant to the Sale and Purchase Agreement, the Issuer has made representations and warranties for FSP's benefit.

More specifically, the Issuer has made representations and warranties in connection with the ownership of the Shares to be sold, with its ability to enter into and perform the Sale and Purchase Agreement and with the absence of conflicts of interest. Considering the complexity of the Overall Transaction and in view of its role as the controlling shareholder, the Issuer has also made representations and warranties which mainly concern Saipem's economic, financial and equity situation as of the Signing Date, and which also concern the absence of any insolvency procedure and the lack of any known potential infringements of any relevant legislative provisions (including Legislative Decree No. 231 of 8 June 2001) and the related tax and environmental legislation other than those that have already been disclosed to the market.

Please also see Section 2, Paragraph 2.1.2.1 of this Information Document.

### ***1.2.3 Risks associated with the preparation of pro-forma financial statements***

Section 4 of the Information Document presents Eni's pro-forma consolidated statement of financial position and the pro-forma consolidated profit and loss account for the six months ending 30 June 2015, as well as the related explanatory notes (the "**Pro-Forma Consolidated Financial Statements**").

The Consolidated Pro-Forma Financial Statements have been prepared to represent the main effects of the Overall Transaction (that is to say, the transfer of the Shareholding and receipt of the Price; the loss of sole control by Eni over Saipem, the pro rata subscription of the Capital Increase and the full repayment of financial liabilities) as if it had been made on an earlier date. More specifically, the Consolidated Pro-Forma Financial Statements, subject to review by the Public Independent Accounting Firm, which issued their report on 3 November 2015, were prepared in order to provide, based on accounting policies consistent with those adopted by the Issuer to prepare its statutory financial reporting in compliance with applicable laws and regulations, a simulation of the main effects of the Overall Transaction on Eni Group's financial and economic position, as if it had taken place: (i) on 30 June 2015, in terms of the effect thereof on the Eni Group's assets and liabilities; and (ii) on 1 January 2015, in terms of the effect thereof on the Eni Group's profit and loss.

Pro-Forma Consolidated Financial Statements derive from the historical data related to the limited financial statements for the six-month period ended 30 June 2015 of the Eni Group, prepared in accordance with the international accounting principle applicable to the half-yearly financial statements (IAS 34) adopted by the European Union, and from the pro-forma adjustments applied thereto, based on the instructions set forth in CONSOB Notice No. DEM/1052803 of 5 July 2001, as well as the attached instructions issued by the latter together with ASSIREVI, and in collaboration with the Italian Stock Exchange.

Without prejudice to commonly accepted accounting rules (which have been complied with) and the use of reasonable assumptions, as well as subject to certain restrictions that are the result of the nature of this data, the pro-forma data has been prepared with a view to retroactively reflecting the effects of subsequent transactions. Therefore, the following must be noted: (i) As it is based on hypotheses, the pro-forma data does not necessarily correspond with the figures which would have actually and finally been determined if the Overall Transaction had been closed and the relevant economic and financial effects had actually occurred on the relevant dates that were considered in preparing the said pro-forma data; (ii) the pro-forma data does not reflect the Issuer's changed outlook, insofar as it was prepared in such a way as to only represent the effects of the Overall Transaction that could be identified and measured and the related financial and economic transactions, without taking into account the potential effects arising from revised management plans and policies and managerial decisions taken as a result of the Overall Transaction; and (iii) the pro-forma data is not a forecast of the Eni Group's future results, nor can it be considered a financial and economic outlook and cannot be used for these purposes.

Furthermore, considering the different purpose of the pro-forma financial statements serve (when compared with the historical accounting data and the different methods used to calculate the effects of the Overall Transaction and of the related financial and economic transactions), the balance sheet and the profit and loss account, as well as the Pro-Forma Consolidated Financial Statements must be read and interpreted separately, without seeking to link the two statements from an accounting point of view.

## **2 INFORMATION CONCERNING THE TRANSACTION**

### **2.1 Overview of the characteristics, methods, terms and conditions of the Transaction and brief description of the Overall Transaction**

On the date of this Information Document, Eni holds 189,423,307 Shares, representing approximately 42.9% of Saipem's Share capital.

As announced to the market on 28 October 2015, the Sale provided for under the Sale and Purchase Agreement consists in a total of no. 55,176,364 Shares of Saipem to be sold by the Company to FSI upon a total consideration of EUR 463,238,681.60 being paid, which has been determined in the manner described in Paragraph 2.1.2.1.

The Sale is part of the Overall Transaction, the grounds and purposes of which consist, as regards Eni, mainly in achieving the following objectives: (a) a greater focus on core upstream business, making additional financial sources available to be reinvested in developing the vast mineral resources that have recently been discovered; (b) strengthening the Company's capital structure (c) repaying the Saipem Group's Debt to the Eni Group, as a result of the strengthening of Saipem's Share capital and Saipem achieving financial independence (see also Paragraph 2.2 of this Information Document).

On 27 October 2015, Saipem's Board of Directors resolved to propose to the extraordinary shareholder's meeting convened for 2 December 2015, the approval of the Capital Increase by way of option under Article 2441, paragraph 1, of the Italian Civil Code, for an amount not exceeding EUR 3.5 billion, the proceeds of which will be entirely used to repay part of the Debt.

In the context of the Overall Transaction, the following agreements have also been entered into on the Signing Date, in addition to the Sale and Purchase Agreement:

- (i) The Shareholders' Agreement between Eni and FSI, which will become effective on the Closing Date subject to the Sale being completed, and which will govern Eni's and FSI's mutual relations as Saipem shareholders, particularly with regard to the corporate governance and the transfer of their respective shareholdings in Saipem (see Paragraph 2.1.2.2 below);
- (ii) The Acknowledgement Agreement executed between Eni and Saipem, in which the parties agreed, among other things, to: (a) acknowledge the Debt and the Guarantees, making reference to the date of 30 September 2015; (b) set out the discipline governing the transfer of all contractual positions existing between the Eni Group and the Saipem Group to Saipem and SFI; (c) set out Saipem's undertaking (also on behalf of SFI) to ensure that the Debt is repaid in full by drawing down the New Credit Facilities and by using the proceeds of the Capital Increase; and (d) regulate the terms and conditions of the above-mentioned full repayment of the Debt and the progressive termination of the Guarantees (for more information, please refer to Paragraph 2.1.2.3 of this Information Document).

Eni has undertaken towards Saipem an irrevocable obligation to subscribe pro-rata the Capital Increase for an amount corresponding to the shareholding (and related option rights) that the latter will hold on the date of the relevant offer. FSI has undertaken a similar irrevocable obligation towards Saipem, subject to the Sale being closed and the Shareholding (and related option rights) being sold.

Eni's underwriting obligations will no longer have effect if: (i) by the commencement date of the offer of the option rights in the context of the Share Increase, the New Credit Facility Agreements are not entered into to the extent necessary to enable Saipem to fully repay Eni the remaining part of the Debt; or (ii) the banks' syndicate (so called *joint global*



coordinators) does not fulfil its guarantee obligations in the context of the Capital Increase (to be construed as a commitment to subscribe the share of Capital Increase for which the option right is not exercised or not paid as a result of the relevant offer).

Eni's commitment will remain unchanged until the earlier of: (a) the date by which the Capital Increase must occur, as determined by the Saipem extraordinary shareholders' meeting; and (b) 31 May 2016. Therefore, if the Capital Increase has not been implemented by such date, this commitment shall be considered definitively terminated regardless of the stake in Saipem's capital that Eni will hold on such date.

### ***2.1.1 Description of the company involved in the Transaction***

The company involved in the Transaction is Saipem S.p.A, with registered office in San Donato Milanese (MI), Via Martiri di Cefalonia no. 67, with a fully subscribed and paid-in share capital of EUR 441,410,900 consisting in 441,410,900 shares having a par value of EUR 1.00 each, of which no. 441,301,574 ordinary shares and no. 109,326 saving shares, which is registered in the Milan Companies Register with Tax Identification Number 00825790157.

Saipem supplies turnkey and infrastructure plants for the oil, refining and petrochemical industry, and provides engineering, procurement, construction, installation and commissioning services under EPC (Engineering, Procurement, Construction) and EPCI (Engineering, Procurement, Construction, Installation) contracts. In addition, Saipem is one of the leading worldwide providers of offshore drilling services, due to its technologically advanced fleet of vessels and rigs. The Company also operates in the onshore drilling business. The Company is well positioned in the market for services to the oil industry, in both the construction of offshore and onshore projects, focusing on the toughest and most technologically challenging projects, which are conducted in remote areas, in deep water and which involve complex hydrocarbon extraction, in which it leverages its distinctive competences and execution skills.

The company has a large and diversified orders portfolio, consisting in many ultra-deep water projects, extreme condition pipeline laying, as well as relevant and complex onshore projects, in which it leverages the competitive advantage it has acquired from its technologically advanced fleet and its distinctive know-how.

Saipem is a global contractor, with a strong local presence in strategic and emerging markets such as West Africa, North Africa, the Middle East, and South East Asia.

Saipem's activities are performed through the following business units:

(i) *Offshore Engineering & Construction*

Saipem has a well-established position as the provider of large, complex projects for the development of offshore hydrocarbon fields, leveraging on its technical and operational skills (which are supported by a technologically-advanced fleet) and its ability to operate in

complex environments, availing itself of its engineering and project management skills. Saipem's fleet is made up 34 vessels and robotised vehicles that are able to perform advanced deep-water operations, which include the Saipem 7000 semi-submersible vessel, the Saipem FDS and FDS 2 dynamic positioning vessels and the Castorone pipe-laying vessel.

*(ii) Onshore Engineering & Construction*

Saipem is one of the world's largest oil & gas turnkey contractors. It designs and builds hydrocarbon production (i.e. extraction, separation, stabilisation, collection of hydrocarbons, water injection) plants, as well as hydrocarbon processing (i.e.- sulphur dioxide and carbon dioxide removal and liquid gas fractioning recovery, condensate recovery) plants and the installation of large onshore transportation systems (i.e. pipelines, pumping and compression stations, terminals, etc.).

*(iii) Offshore drilling*

Saipem operates in the more complex deep-water and ultra deep-water offshore drilling business - leveraging the technical features of its drilling platforms and vessels, which are capable of drilling in up to a maximum depth of 9,200 meters - and is active mainly in West Africa, the North Sea, the Mediterranean Sea and the Middle East. Saipem's Offshore Drilling fleet consists of 17 vessels, which include the Saipem 12000 and Saipem 10000 drilling vessels, the Scarabeo 7, 8 and 9 semi-submersible platforms and the Perro Negro 7 and Perro Negro 8 jack-ups.

*(iv) Onshore drilling*

Saipem is the main onshore drilling contractor for leading international oil companies and NOCs operating (mainly) in South America, Saudi Arabia, North Africa and, to a lesser extent, in Europe. Saipem can leverage its knowledge of the markets, its long-term relations with customers and its synergies with its other business areas (with which it is integrated). Saipem boasts a solid track record in remote areas, and more specifically the Caspian Sea, leveraging its operational skills and its ability to operate in hostile environments.

Further information is available at the [www.saipem.it](http://www.saipem.it) website.

## ***2.1.2 Procedures, terms and conditions of the Transaction***

### ***2.1.2.1. Sale and Purchase Agreement***

The Sale and Purchase Agreement, signed by Eni and the FSI on the Date of Execution, provides for the sale of the Shareholding to FSI, consisting in a total of Saipem 55,176,364 Shares, which is approximately 12.503% of Saipem's total Shares (or any other percentage resulting from the possible conversion of Saipem's convertible savings shares).

The Price for the transfer of the Shareholding amounts to EUR 463,238,681.60, and namely EUR 8.3956 for each Share transferred to FSI, which has been calculated after the Signing Date in accordance with the procedures set forth in Paragraph 2.1.3 of this Information Document. FSI will pay the Price in full in a single instalment on the Closing Date.

The Closing of the Sale and Purchase Agreement is subject to a number of condition precedents being fulfilled by 30 April 2016 (unless Eni and FSI agree in writing to extend this deadline) which include:

- obtaining a reasoned decision from Consob, pursuant to Article 106, paragraph 6, of the TUF as a result of which the exemption (accorded to intercompany transactions) from the obligation to carry out a tender offer will be extended to the Transaction;
- successfully completing the relevant antitrust proceedings concerning the Transaction;
- Saipem maintaining a Standard & Poor's and Moody's rating above a specified grade;
- executing an underwriting agreement with a bank's syndicate (so-called *joint global coordinator*) that will guarantee to Saipem the underwriting of the portion of the Capital Increase in respect of which the option right has not been exercised or the Shares have not been subscribed and paid for upon the offer being made;
- executing the New Credit Facility Agreements and obtaining the approval, by Saipem's Board of Directors, of the relevant drawdown, to the extent necessary for the Debt to be repaid in its entirety;
- one of Saipem's directors designated from the list submitted by Eni tendering his or her resignation and a director designated by FSI being co-opted by Saipem's board of directors to replace the director who has resigned; and
- a material adverse event not occurring (including events or circumstances that may cause significant adverse changes in Saipem's or its group's financial and equity situation, taken as a whole, or that may otherwise adversely affect the value of the shares or the success of the Overall Transaction).

The effectiveness of the Sale and Purchase Agreement is conditional upon the following events not occurring: (a) the completion of the Capital Increase, to be construed as the issuance of new shares against payment by the shareholders of the price set therefor, by 31 May 2016; (b) a draw-down of the New Credit Facilities by Saipem within 30 calendar days of the date set for payment for the Capital Increase and, in any event, not later than 30 June 2016, to the extent necessary to allow the Debt to be redeemed in full; or (c) the repayment of the entire Debt, within 30 calendar days of the Capital Increase payment date

(and, in any event, no later than 30 June 2016), as provided for under the Acknowledgement Agreement executed with Saipem, using the proceeds of the Capital Increase and, where necessary, through the resources obtained from the draw-down of the New Credit Facility, so that, within the said deadline, the Saipem Group will no longer have any financial cash debt to the Eni Group.

Under the Sale and Purchase Agreement, the Issuer has made representations and warranties in connection with the ownership of the Shareholding, with its ability to enter into and perform the Sale and Purchase Agreement and in connection with the absence of conflicts. The Issuer, considering the complexity of the Overall Transaction and in view of its role as the controlling shareholder, has also made representations and warranties which mainly concern Saipem's economic, financial and equity situation as of the Signing Date, and which also concern the absence of any insolvency procedure and the lack of any known potential infringements of any relevant legislative provisions (including Legislative Decree No. 231 of 8 June 2001) and the related tax and environmental legislation other than those that have already been disclosed to the market.

#### 2.1.2.2. Shareholders' Agreement

On the Signing Date, in addition to the Sale and Purchase Agreement, Eni and FSI entered into the Shareholders' Agreement, that is relevant pursuant to article 122, paragraphs 1 and 5, letters a), b) and d) of the TUF, by virtue of which they intended to establish the terms and conditions that shall govern, from the Closing Date onwards, their relations as shareholders of Saipem.

As of the Date of Execution:

- (i) Eni holds no. 189,423,307 Shares of Saipem, corresponding to approximately 42.9% of the Share Capital;
- (ii) FSI does not hold any Share of Saipem.

As of the Closing Date, following the transfer of the Shareholding in favor of FSI:

- (i) Eni will hold no. 134,246,943 Shares, corresponding to approximately 30.42% of Saipem's Share Capital (or the different percentage resulting after the conversion of Saipem's saving shares, if any);
- (ii) FSI will hold no. 55,176,364 Shares, corresponding to approximately 12.503% of Saipem's Share Capital (or the different percentage resulting after the conversion of Saipem's saving shares, if any).

The provisions of the Shareholders' Agreement related to Saipem's corporate governance are aimed at creating a joint control of Saipem by Eni and FSI. Starting from the Closing Date, due to the Shareholders' Agreement becoming effective, Eni will not, and neither will FSI, exercise a sole control over Saipem pursuant to article 93 of the TUF. Accordingly,

Eni and FSI acknowledged that, for the entire duration of the Shareholders' Agreement and within the limits provided therein, the number of Shares contributed by each of them to the Shareholders' Agreement will be in every moment the same.

On the Closing Date, the Syndicated Shares provided for under the Shareholders' Agreement shall consist in:

- (i) The number of Shares that FSI will hold following the Closing and that will be equal to the Shareholding (and therefore approximately 12.503% of the Saipem Share capital or the percentage of share capital resulting from a possible conversion of Saipem convertible savings shares); and
- (ii) The number of Shares held by Eni, corresponding to the Shareholding (and therefore approximately 12.503% of the Saipem Share capital or the percentage of share capital resulting from a possible conversion of Saipem convertible savings shares).

As better explained below, the Shareholders' Agreement provides for certain obligations to consult and, insofar as it is permitted, voting obligations that also bind Non-Syndicated Shares and impose certain transfer restrictions on Syndicated Shares.

Except for certain provisions that are applicable in the period between the Signing Date and the Closing Date (as better described below), the Shareholders' Agreement shall become effective on the Closing Date for three years and will be automatically renewed on expiry thereof for a further three-year term, unless terminated with at least six months' notice.

The Shareholders' Agreement will be automatically terminated if the Sale and Purchase Agreement is terminated as a result of any of the conditions subsequent provided for thereunder having occurred. Moreover, the Shareholders' Agreement will be immediately terminated if the parties cease to be directly or indirectly jointly controlled by the MEF.

Set out below is a summary of the Shareholders' Agreement's main provisions. For more information, please refer to the essential terms of the Shareholders' Agreement, in accordance with Article 130 of the Issuers' Regulations, which are available, among others, on Saipem's website ([www.saipem.com](http://www.saipem.com)).

#### *Saipem's Corporate Governance*

Subject to Eni's commitment to vote at the next shareholders' meeting of Saipem, the provisions of the Shareholders' Agreement dealing with Saipem's corporate governance shall apply commencing from the expiry of the term of Saipem's board of directors (including the latter's internal committees) and Saipem's board of statutory auditors respectively, or from the early termination thereof.

It is understood that the mutual covenants and obligations regarding Saipem's corporate governance provided for under the Shareholders' Agreement shall apply to the extent that the law, regulations and Saipem articles of associations in force from time to time allow Eni and FSI to perform the obligations provided for thereunder. In the event of disagreement on the candidates for the position of director or statutory auditor to be jointly designated, on the presence of party-appointed directors designated in one or more committees, or on any other possible issue concerning Eni's and FSI's equal representation in the board of directors, in the committees and in the board of statutory auditors of Saipem, Eni and FSI shall consult each other in good faith with a view to resolving the disagreement in the most effective and mutually satisfactory manner possible.

- (a) Saipem board of directors and internal committees. Until expiry of the term of the Saipem's board of directors in office on the Closing Date, for the purposes of the Shareholders' Agreement, the following will be considered as directors designed by FSI: (i) the director co-opted to replace the resigning director taken from the list submitted by Eni (for which Eni committed to vote on the occasion of the first available Saipem's shareholders' meeting); and (ii) the director in office, Flavia Mazzarella.

When the term of the Saipem board which is in office at the Closing Date expires or if the board is terminated, the Saipem board of directors will be composed of nine members, three of which shall be taken from the list submitted by the Saipem minority shareholders in accordance with the latter's articles of association. Eni and FSI shall also undertake to jointly submit a list of nine directors and vote for them at the shareholders' meeting. Candidates for the office of chairman and chief executive shall be appointed jointly by Eni and FSI, and more specifically two candidates shall be nominated by Eni and two candidates shall be appointed by FSI. The remaining three candidates - which are to be appointed in the case of failure to submit minority lists - shall be designated in the following manner: One shall be appointed jointly and the remaining two shall be indicated respectively by Eni and FSI. Unless otherwise agreed, Eni and FSI shall appoint the same number of directors to sit on the Saipem board, who shall (a) satisfy requirements of independence and (b) belong to the less represented gender (in both cases in accordance with the Saipem articles of association and/or the applicable law).

In the event of resignation or termination for another reason of one or more of the directors appointed on the recommendation of one of the parties, Eni and FSI shall make reasonable endeavours to ensure that the board of directors co-opts new directors so that the party who has designated such director may indicate another director to replace him or her.

Eni and FSI shall ensure that the members of the Saipem internal committees are appointed in accordance with the aforementioned procedure for nominating candidates for the office of director, so as to ensure that the parties are at all times

equally represented in the committees. More specifically, upon the expiry of the term of any member of Saipem's board of directors who was in office at the Closing Date, or upon the early termination thereof and from when the board is reconstituted, Eni and FSI shall ensure that at least 1 (one) director designated by Eni and at least 1 (one) director designated by FSI is part of each of the aforementioned committees.

- (b) Appointment of Saipem board of statutory auditors. When the term of the Saipem Board of Statutory Auditors that was in office at the Closing Date has expired, or in the event of early termination thereof, Eni and FSI shall jointly submit and vote at the shareholder's meeting a list of candidates for Statutory Auditor from which at least 2 (two) standing statutory auditors and one (1) alternate statutory auditor will be chosen, subject to the minority shareholders' rights.

In the event of resignation or early termination on other grounds of one or more statutory auditors appointed upon one of the parties so recommending, each party shall take reasonable efforts to ensure that the replacement statutory auditor is appointed by the party that originally designated the statutory auditor who has resigned or has been removed from office.

#### Obligations of prior consultation

Eni and FSI have agreed to consult with each other prior to each Saipem shareholder's meeting and before any Saipem board meeting is to be convened, with a view to deliberating on the following significant matters: (i) the approval or amendment to the strategic plan of Saipem and/or the Saipem Group, which shall be reviewed on an annual basis; (ii) the approval of any acquisition or sale by Saipem of companies, businesses or going concerns that have, on their own or as part of other acquisitions or sales relating to the same business unit, an enterprise value in excess of EUR 250,000,000, to the extent that they are not inserted as one the transactions indicated in the strategic plan; and (iii) transactions involving a significant change in the perimeter of the Saipem Group's activities (only where the strategic plan that is in force on the date for which the board of directors has been convened therefor has been approved and/or modified and/or updated for more than 12 months):

Eni and FSI have also undertaken to cast their vote in the Saipem shareholder's meeting (with regard both to the Syndicated Shares and the Syndicated Shares), and, to the extent permitted under the laws and regulations that may be from time to time in force, within the limits of their powers as Saipem shareholders, making every reasonable effort to ensure that – whilst safeguarding the independence of Saipem's directors - the directors that have been respectively designated by the parties, cast their vote at the board meeting, in accordance with the joint decision taken by Eni and FSI, when they consulted each other previously. In the absence of a prior agreement on a joint course of action to be taken and on the vote to be cast, Eni and FSI undertake respectively to not to vote in favour thereof (with regard to the Syndicated Shares and the Syndicated Shares) and, to the extent

permitted under the laws and regulations that may be from time to time in force and within the limits of their powers as members of the Company, to ensure that, whilst safeguarding the independence of Saipem's directors, the Saipem directors thus respectively designated shall not vote in favour of adopting any board resolution dealing with the matters identified above.

For the entire duration of the Shareholders' Agreement, the obligations of prior consultation referred to above will be performed by Eni and FSI on the basis of procedures governing the information flows that will be implemented by each party, in accordance with the requirements of any applicable laws and regulations.

#### Provisions governing the transfer of Shares

Without prejudice to the obligations provided for under the relevant laws and regulations, in the period between Signing Date and Closing Date, Eni and, where applicable, FSI undertake, directly and/or through third parties, not to make any Transaction involving Saipem Shares, including, by way of example, derivative agreements, options, repurchase agreements, collateral agreements, repossession agreements, or any other transaction that may be underpinned by the Shares or other Saipem financial instruments.

For the entire duration of the Shareholders' Agreement, Eni and FSI may not transfer their respective Syndicated Shares, except for the transfer, in whole or in part, of shareholdings in parent companies or subsidiaries, provided that: (i) the selling party has previously undertaken to repurchase from the transferee company - which has to undertake to re-transfer them in turn - the assigned Syndicated Shares before the controlling relationship between the transferor and the transferee ceases; and (ii) the transferee adheres to the Shareholders' Agreement, by signing it by way of acceptance of all the provisions contained therein, taking over all of the transferor's rights and the obligations provided for under the Shareholders' Agreement, without prejudice, in any event, to the transferor's joint and several liability, who will continue to be bound, along with the transferee, to discharge all of the obligations arising from the said Shareholders' Agreement (in case of the partial sale of Syndicated Shares, the transferor and the transferee shall become a single contractor for the purpose of exercising the rights provided under the said Shareholders' Agreement).

No Syndicated Shares may be freely transferred by the parties to companies or subsidiaries, that are subjected to the conditions described in paragraphs (i) and (ii) of the previous paragraph, on the understanding that the undertaking referred to in (ii) shall be applied only with reference to the provisions of the Shareholders' Agreement dealing with the Syndicated Shares.

Non-Syndicated Shares may be freely transferred in whole or in part in any manner whatsoever, without prejudice to the fact that any direct/or indirect transfer, by Eni, of Syndicated Shares exceeding 5% of the Saipem Share capital to the same party will be subject to FSI's prior approval, without prejudice to share transfers to institutional financial



investors (including banks, authorised intermediaries, insurance companies, investment funds and sovereign wealth funds), in relation to which the aforementioned 5% limit shall not apply. Eni and FSI have also committed, insofar as necessary, to make every reasonable effort to ensure that the Non-Syndicated Shares are transferred according to the '*orderly market disposal*' principle.

#### 2.1.2.3. Acknowledgement Agreement

On the Signing Date, Eni and Saipem entered into an Acknowledgement Agreement whereby they agreed to: (a) ascertain the extent of the Debt and the Guarantees, taking as reference the date of 30 September 2015; (b) concentrate the ongoing contractual relations between the Eni Group and the Saipem Group, transferring them to Saipem and SFI; (c) discipline Saipem's undertaking (also on behalf of SFI) to repay the Debt in full, where applicable, in part by resorting to the resources made available with the New Credit Facilities and in part to the proceeds of the Capital Increase; as well as (d) regulate the terms and conditions of the full repayment of the Debt and the termination of the Guarantees.

More specifically, the Acknowledgement Agreement provides that, by 5 February 2016, certain contracts in place between the Eni Group and the Saipem Group shall be transferred and concentrated in the hands of Saipem and/or SFI, where applicable, while the remaining contracts, and more specifically those relating to so-called "exchange" financial derivatives, shall be transferred by the Eni Group to SFI by 5 March 2016.

Under the Acknowledgement Agreement, without prejudice to any subsequent adjustments, the Debt must be repaid on the first draw-down date of the New Credit Facilities by using the resources arising from the New Credit Facilities and the proceeds of the Capital Increase.

The Acknowledgement Agreement provides that the Guarantees shall no longer be in force on the expiry of the third year after the date of the resolution by which the relevant Saipem's managing bodies will approve all of the terms and conditions of the Capital Increase (and more specifically the related offer price). Saipem committed to take all the steps and perform all the obligations that are necessary to obtain that the relevant beneficiaries cancel the indemnification and counter-guarantee obligations undertaken by Eni.

The Acknowledgement Agreement also excludes any further counter-guarantee being provided by Eni upon new securities being issued (and excludes new guarantees being provided in the interest of the Saipem Group: only the adjustment of the amounts that have already been guaranteed by Eni has been permitted).

#### ***2.1.3 Methods for determining the amount of the Price and assessment of its fairness compared to the market values of similar Transactions***

The Price for transferring the Shareholding to FSI amounts to EUR 463,238,681.60,

corresponding to a price per Share equal to EUR 8.3956.

The Share Price is the arithmetic average of the Official Prices for the Shares registered in the two Trading Days before and the four Trading Days after the announcement to the markets of the Saipem Capital increase and, therefore, on the Trading Days falling on 26 and 27 October 2015 and the Trading Days falling on 28, 29 and 30 October 2015 and 2 November 2015.

Under the Sale and Purchase Agreement, it has been agreed that the Price per Share, as calculated above, could not in any case exceed the Maximum Price per Share of EUR 8.8300 or be less than the Minimum Price per Share of EUR 7.4000. After having recorded the Official Share Prices for the Trading Days taken as the benchmark for the calculation, the Price per Share was ascertained as coming within the aforementioned Minimum and Maximum price range per Share.

The following fairness opinions have assessed the appropriateness of the Minimum Price per Share from a financial point of view.

#### 2.1.3.1. Independent expert's opinion

In its capacity of independent advisor, Evercore was appointed to provide the Control and Risk Committee consultancy and assistance on the Overall Transaction.

For further information on the appointment procedure and on the activities performed by the independent advisor, reference is made to Paragraph 2.3.6. of this Information Document.

Evercore has applied the following principal appraisal methods in its evaluation of the fairness, from a financial point of view, of the minimum price of the Transaction: (i) the unlevered discounted cash flow method (“Unlevered Discounted Cash Flow” or “DCF”); and (ii) current trading multiples related to comparable companies to each of Saipem's divisions.

Evercore considered the results of all of the analyses and valuation methodologies as a whole and did not attribute any particular weight to a particular analysis or factor considered.

These valuation methodologies have been also compared with valuation references afforded by (i) recent comparable transaction multiples; (ii) the historical trading prices of Saipem shares; and (iii) the target prices published by equity research analysts covering Saipem.

In applying the DCF methodology, Evercore has analyzed the valuation of Saipem as of 30th September 2015, being the closest Saipem financial reporting date to the Transaction date, applied to the consolidated and divisional financial projections for Saipem for the years 2016 to 2019 as set out in the Saipem Strategic Plan. Evercore calculated the net present value of the unlevered after tax free cashflows of Saipem for the years 2016 to 2019

and of the terminal value in the year 2020, based on an assumed perpetuity growth rate. These values were discounted at a Weighted Average Cost of Capital (“WACC”) which reflects Evercore’s assessment of the Saipem WACC pro forma for the information provided to Evercore in respect of the proposed Refinancing and Capital Increase.

Evercore has analyzed the ratio of Enterprise Value to the estimated earnings before interest, taxes, depreciation and amortization (“EBITDA”) for calendar years 2016 and 2017 for a range of listed companies operating in each of the business areas of Saipem’s four divisions. Based on the outcome of this analysis, Evercore applied these multiple ranges to Saipem’s estimated 2016 and 2017 EBITDA from the Saipem Strategic Plan and aggregated the results to derive a comparable company based valuation on a sum of the parts basis.

Evercore has also reviewed financial data, to the extent publicly available, for recent acquisition transactions involving companies operating in the field of operations of Saipem and/or each of its four business units. In addition Evercore has analyzed certain recent capital markets transactions for comparable sized stakes to the Saipem Shares where these have been deemed analogous to the Transaction.

Evercore has performed a trading range analysis with respect to the historical official prices of Saipem shares on a volume weighted basis over a number of historical time periods ending on 23rd October 2015.

Evercore has also analyzed the target share prices published by a range of equity research analysts between 13th August 2015 and 21st October 2015.

The fairness opinion issued by Evercore on 27 October 2015 is attached to the Information Document under Annex "B", to which reference is hereby made.

#### 2.1.3.2. Other expertises in support of the Transaction’s price

The Board of Directors appointed Crédit Suisse to act as its advisor.

In performing its duty and to issue its fairness opinion, Credit Suisse adopted several evaluation methods that are commonly used as international best practices and that it has held relevant in the framework of the Transaction. It has considered the outcome of each of them without attributing a greater weight to any of them.

The evaluation methods that Credit Suisse has used are:

- (i) discounted Cash Flow (“DCF”) which is an analysis based on Saipem’s business plan, aimed to calculate the present value of future operational cash flows;
- (ii) the observation of the Saipem’s stock performance;
- (iii) market multiples;
- (iv) previous operations of sale of minority shareholdings;
- (v) the analysis of the target prices indicated in studies published by analysts that study the Saipem securities.

The fairness opinion issued by Credit Suisse on 27 October 2015 is attached to this Information Document under Annex "B", to which reference is hereby made

### **2.1.4 Allocation of the sale proceeds**

The proceeds from the Overall Transaction (net of the Share capital increase that is to say the consideration received by the issuer) and the reimbursement of the financial payables will be used to reduce net borrowings of the Eni Group, thus reinforcing its financial structure.

## **2.2 Rationale, purpose and value of the Transaction, with particular regard to the Issuer's business objectives**

The Sale allows Eni, in the context of the Overall Transaction, allows Eni to achieve the following major objectives:

- (a) Focus more on the core upstream business, making available additional financial sources to be reinvested in the development of the vast mineral resources that have recently discovered;
- (b) Strengthen its capital structure;
- (c) Accompany Saipem in the process of strengthening its balance sheet and achieving financial independence.

The 2015-2018 Strategic Plan, which was announced to the financial market in March 2015, does not state objectives relating to Saipem being the plan focused on Eni's core business leveraging on profitable growth in the Exploration & Production segment, restructuring and consolidating downstream gas and refining and chemicals businesses, as well as in maximizing cash flow generation and strengthening Eni's balance sheet structure.

The 2015-2018 strategic plan envisages capital expenditure amounting to EUR 47.8 billion which, excluding the contribution of Saipem, is down by EUR 2.6 billion.

## **2.3 Relations with FSI and Saipem**

### **2.3.1 Related Parties involved in the Transaction**

At the date of this Information Document, Eni and FSI are both subject to the indirect control of the MEF. More specifically:

- The MEF holds, directly and indirectly, an overall shareholding equal to approximately 30.1% of Eni's share capital, of which a shareholding equal to approximately 4.34% is held directly and a shareholding equal to 25.76% is held by CDP, which is in turn controlled by the MEF, which owns approximately 80.1% of the share capital; and
- CDP holds an 80.0% shareholding in FSI's share capital

It should be noted, therefore that, in light of the foregoing, the companies participating in the Transaction are, insofar as they are jointly controlled, related parties within the meaning of Article 2, letter a) (i) of the Procedure.

Because of its significance, the Transaction is also classified as a "*significant*" related party transaction, within the meaning of the Related Parties' Regulation and the procedure adopted by the Company.

For the mere sake of completeness, please note that Eni and Saipem are also related parties due to the control that Eni exercises on Saipem. Without prejudice to the above, with specific reference to the Acknowledgement Agreement, Eni availed itself of the exoneration provided by Article 14, paragraph 2 of the Related Parties' Regulation and by Article 9, letter (h) of the Related Parties Procedure, concerning transactions involving its subsidiaries.

### ***2.3.2 Issuer's significant Transactions with Saipem that are outstanding at the time of the Transaction's execution and that have been executed, directly or indirectly through subsidiaries***

Eni holds no. 189,423,307 Shares, representing approximately 42.9% of Saipem Share Capital.

As of the date of this Information Document, the Company has financial relationships with Saipem and its subsidiaries. The most significant relationships concern:

- short-term loans granted by Eni to Saipem, amounting to approximately EUR 2,510 million as of 30 June 2015;
- guarantees, mainly performance guarantees related to works to be made or tender procedures, issued in the interest of Saipem and its subsidiaries by Eni or banks against counter-guarantees issued by Eni which, as of 30 June 2015, amounted to approximately EUR 3.783 million;
- mid to long term loans granted by Eni to Saipem which, as of 30 June 2015 amounted to a total of EUR 3,964 million (including the short-term share of EUR 487 million);
- exchange rates derivative contracts between Saipem and Eni, whose net par value as of 30 June 2015 amounted to EUR 111 million.

The Company also has trade relationships with Saipem, which mainly concern the supply at arm's length by Saipem of maintenance services and turnkey construction of plants and production infrastructures. These services include engineering, procurement, construction, installation and commissioning, which are mainly requested by the "*Exploration and Production*" segment of the Eni Group and by the "*Refining and Chemical*" businesses of the same Group as well as by the drilling services.

As regards the supply of general services from the Eni Group companies to Saipem, concerning more specifically certain real estate management, training, personnel recruitment, insurance services and other general services, if Eni loses the sole control on Saipem, these services will be terminated.

For further details, reference is made to the Saipem's Interim Financial Report as of 30 June 2015 – Notes to the consolidated financial statements.

***2.3.3 Deals and/or significant agreements between the Issuer, the companies controlled by it, key managers and members of the Issuer's management and the entity to which the Shares have been sold***

On the date of approval of the Transaction for the purposes of this Information Document, there are no significant relations or agreements between Eni, the companies controlled by it and, based on statements made by the parties concerned, the key managers, and members of the Board of Directors of Eni, on the one hand and FSI, on the other hand.

***2.3.4 Impact of the Transaction on the emoluments for the Issuer's and/or its subsidiaries' directors***

There are no changes to the compensation paid to members of the Eni Board of Directors and/or its subsidiaries as a result of the implementation of the Transaction.

***2.3.5 Possible members of the Issuer's management and control bodies, general managers and executives involved in the Transaction***

Members of the Board of Directors and statutory auditors, general managers and executives of the Company are not involved in the Transaction as related parties.

***2.3.6 The Transaction's approval procedure***

***2.3.6.1 Control and Risk Committee Activities***

Article 5 of the Related Party Procedure adopted by the Company provides that, for significant transactions, the Control and Risk Committee, or one or more of its members delegated for such purpose, is involved in the negotiations and in the preliminary phase of the Transaction as a result of having received in a timely manner exhaustive information in relation thereto, with the power to request information and make comments to the delegated bodies and persons in charge of the negotiations or the investigation.

Moreover, Article 5 provides that significant transactions with related parties are approved by the Board of Directors of the Company, subject to a reasoned favourable opinion being given by the Control and Risk Committee on the Company's interest on the execution of the Transaction and the appropriateness and substantial correctness of the terms and conditions thereof.

The Committee, which is composed entirely of independent and unrelated directors, using Issuer's facilities, has selected an expert - who possesses the necessary features of independence and professionalism - for the purpose of assisting it in assessing the Transaction in the context of the Overall Operation. The independence of the expert has been assessed by taking into account, more specifically, the possible economic and financial relations between the expert and the parties indicated in the next sub-paragraph.

The process of selecting the expert, on the basis of transparent and non-discriminatory criteria, has been conducted on the basis of a competitive procedure, assisted by the necessary safeguards of confidentiality. The selection thereof has been conducted, in addition to considerations of a technical nature, also on the basis of absence of conflicts of interest, pursuant to the provisions of the Related Party Procedure and Annex 4 of the Related Parties' Regulation, and also having regard to the following aspects: (i) Any economic and financial transactions with the Eni Group, with MEF, or with companies that are jointly controlled together with Eni (including FSI); (ii) Any economic and financial transactions with the directors of the companies referred to in point (i); (iii) Any conflicts of interest that might compromise their own independence in issuing fairness opinions.

As a result of the competitive process, which involved three consulting firms, the Committee, after examining the offers received on 21 October 2014, unanimously decided to mandate Evercore to provide advice and assistance to the Committee on the Overall Transaction, in view of the positive assessment, which consisted in determining: (i) The high profile and previous experience acquired by Evercore in the Oil sector and in supporting conflict/special committees; (ii) The structure and professionalism of its project team; (iii) The financial terms of the offer made by it, which were more advantageous than the other offers that had been received. On 3 October 2014, Evercore issued a specific statement regarding the absence of economic, financial and equity relationship between Evercore and Eni, the entities that control Eni, the Group companies, and the companies that are subject to joint control of the Issuer and its directors, as well as regarding the absence of conflicts of interest that might compromise the independence of the advisor in issuing the fairness opinion. In light of the timing of the Transaction's closing, the assignment, lasting one year, was then extended to 16 October 2015. The purpose of this assignment is described in the fairness opinion attached to this Information Document as Annex " C ".

Evercore has participated in numerous meetings with the Issuer's management and with Credit Suisse, which acted as advisor to the Board of Directors. Evercore has acquired all of the evidence and the documentation necessary for the performance of its assignment and constantly updated the Control and Risk Committee on its activities and on the information that it has received from time to time.

The Transaction valuation and the independent consultant's activities have been discussed during twelve meetings of the Committee that have been held since June 2014. More

specifically, at the extraordinary meeting held on 15 October 2015, the Committee met with representatives of Evercore and received an update on the Overall Transaction, and more specifically in relation to: (i) The progress of ongoing negotiations with FSI; (ii) The most important features of the Overall Transaction at that date; (iii) A description of the approach and methodology to be followed and the subsequent development thereof.

Finally, during the course of the extraordinary meeting held on 27 October 2015, the Committee was updated from the Issuer's management and met again with representatives of Evercore. It acquired, analysed in depth and discussed in detail Evercore's analysis and feedback, with particular reference to: (i) The Transaction's background context and the principal terms and conditions thereof; (ii) The valuation methodologies applied and the results obtained with each method; (iii) The mechanism for determining the price and the results obtained therefrom.

By way of conclusion, Evercore delivered a copy of its fairness opinion - issued in accordance with the mandate entrusted to it by the Committee - which referred to a Minimum Price per Share of EUR 7.40 as being fair from a financial point of view, to Eni.

On October 27, 2015, the Control and Risk Committee – after having examined the aforementioned fairness opinion issued by Evercore and on the basis of information obtained from the updates received from the independent expert, and taking into account the purpose of the Overall Transaction - unanimously gave its favourable opinion on the Issuer's interest to close the Sale in the context of Operation Overall, as well as on the appropriateness and substantial correctness of the related conditions, including the fairness of the Minimum Price per Share. This opinion is attached to this Information Document as Annex "A".

#### 2.3.6.2. Resolution passed by the Board of Directors

The Board of Directors approved unanimously the Transaction on 27 October 2015, conferring the necessary powers of signature.

### **2.4 Documents put at the public's disposal**

This Information Document and the Annexes have been made available to the public at Eni's registered office located in Rome, Piazzale Enrico Mattei n. 1, on the Issuer's website [www.eni.com](http://www.eni.com), under "Documents", "Investor Relations" and "Governance" and at the central storage mechanism authorised by Consob called "1Info" – which is available at [www.1info.it](http://www.1info.it).



### **3 IMPACTS OF THE OVERALL TRANSACTIONS ON CONSOLIDATED PROFIT, STATEMENT OF FINANCIAL POSITION AND NET BORROWINGS**

#### **3.1 Impacts of the overall transactions on consolidated profit, statement of financial position and net borrowings**

The sale of the Shares qualifies as a transaction of major significance between related parties pursuant to the Procedure and Related Parties Regulation, insofar as two of the three applicable ratios of materiality exceed the 5% threshold set for the mentioned as outlined below:

- The assets ratio calculated as ratio of the total assets of Saipem to the total assets of Eni stands at about 11%;
- the liabilities ratio calculated as ratio of the total liabilities of Saipem to the total assets of Eni stands at about 9%;

Reference is made to Section 4 below for an illustration of the economic and financial effects of the Overall Transaction.

#### **3.2 Significant effects of the Overall Transaction on key factors that influence and characterise the Issuer's activity, and the type of business performed by the Issuer**

The Issuer does not expect to exit the oil&gas services industry owing to its remaining shareholding in Saipem. As result of the overall transaction, the Issuer expects to focus its financial resources on the core activities of exploration, development, production and marketing of hydrocarbons, in line with the Group's strategies.

Further information is provided in section 2, paragraph 2.2. of this Information Document.

#### **3.3 Possible impact of the Overall Transaction on the strategies pursued in the Eni Group companies providing centralised commercial and financial services**

Eni's strategic plan for the years 2015-2018 was announced to the markets in March 2015 and did not refer to Saipem's and Saipem's subsidiaries' future operating and financial objectives, since Eni's strategic plan is focused on the Eni's core business. Eni's strategic plan outlined managements' expectations for profitable growth in the hydrocarbon exploration and production businesses, completion of the restructuring and consolidation programme in its gas, refinery and chemical businesses, as well as maximisation of its cash generation and strengthening of the capital structure.

The Overall Transaction is expected to have no impact on possible future business relationships between Eni and Saipem, because, in previous financial years, the provision by Saipem of the "turnkey" plant and infrastructure services on behalf of the Eni group

operating companies (mainly in the Exploration & Production business and related drilling services) was performed on arm's length basis.

Following the Overall Transaction, Eni will discontinue its financial support to Saipem and its subsidiaries (i.e. in terms of short and medium or long-term credit facilities, exchange rate derivatives and provision of guarantees for participating at the award of contract works and performance bonds, except for those guarantees outstanding at the date of the Overall Transaction).

The strategic plan 2015-2018 foresees capital expenditure amounting to EUR 47.8 billion which, excluding Saipem's contribution, has been reduced by EUR 2.6 billion. The Overall Transaction improves in a significant manner the Group capital structure, which is measured in terms of leverage (i.e. ratio of net borrowings to shareholders' equity, including non-controlling interests).

Finally, following the Overall Transaction, the provision of general services by Eni Group to Saipem, such as real estate management services, training, human resources recruitment, insurance services, and other general services are expected to terminate. The amount of such services is immaterial.

## **4 ISSUER'S CONSOLIDATED PRO-FORMA FINANCIAL STATEMENTS**

### **4.1 Introduction**

Eni's Pro-Forma Consolidated Financial statements are presented below. They account for the impacts of the Overall Transaction on consolidated profit, statement of financial position and net borrowings. The Pro-Forma Consolidated Financial Statements include a Pro-Forma Reclassified Consolidated Balance Sheet.

On the basis of the International Financial Reporting Standards ("IFRSs"), the Overall Transaction involves: (i) loss of sole control by Eni over Saipem and its derecognition ("Saipem Deconsolidation"); (ii) recognition of its retained investment in the former subsidiary (30.555%) at its fair value at the date when sole control is lost) and, subsequently, its classification and measurement as an investment in a joint venture ("joint control") which is measured in accordance with the equity method of accounting.

The Pro-Forma Consolidated Financial Statements have been prepared on the basis of the Issuer's consolidated statements of financial position and profit and loss accounts for the half-year ending 30 June 2015, which have been included in the Interim consolidated financial report for the same half-year ending 30 June 2015, by applying the pro-forma adjustments to the Overall Transaction, as illustrated hereunder.

The external auditors carried out a limited review of the 2015 Interim Report and issued their own report on August 7, 2015. The 2015 Interim Report has been prepared in accordance with IAS 34 "Interim Financial Reporting". The statements of profit and loss and financial position are the same adopted in the Annual Report 2014 on Form 20-F filed on April 2, 2015.

The 2015 Interim Report has been prepared by adopting the same consolidation principles, as well as the same measurement and assessment criteria used for the Financial Statement for the year ending 31 December 2014 (to which reference is made), with the exception of the international accounting standards adopted from January 1 2015 onwards described in the paragraph "Recent accounting standards" contained in the Financial Statement for the year ending 31 December 2014 (to which reference is made).

Reference is also made to notes 1, 2 and 3 of the 2015 Consolidated Interim Report for a description of the accounting policies applied in preparing the said 2015 Consolidated Interim Report.

The Pro-Forma Consolidated Financial Statements have been presented on the basis of the statements used for the Consolidated Financial Statements for the half-year ending 30 June 2015. The pro-forma summarized balance sheet, which is derived from the Interim report 2015, is presented by using the same summarized structure used in the Operating and Financial Review of the Interim report 2015.

The pro-forma consolidated balances have been determined by making the appropriate pro-forma adjustments to the original balances of the Eni 2015 Interim consolidated report to reflect retroactively the material effects of the Overall Transaction and its impacts on Issuer's profit and financial position.

On the basis of the instructions set out in Consob Notice no. DEM/1052803 of 5 July 2011 and the prescriptions issued jointly with Assirevi and in collaboration with Borsa Italia SpA, the pro-forma adjustments have been made by adopting certain assumptions. The transactions affecting the Issuer financial position are assumed to have been completed at the end of the reporting period which is being restated (i.e. the half year ending 30 June 2015), whereas transactions impacting profit are assumed to have been completed at the beginning of the mentioned reporting period (i.e. January 1, 2015).

The purpose of presenting pro-forma results and financial position is to allow market participants and investors to appreciate the ongoing effects of the Transaction on the operating performance and financial position of the Issuer. Particularly, the main impact of the Transaction is the improvement in Eni financial structure measured with reference to leverage (ratio of net debt and shareholders' equity of the Group, plus any non-controlling interests). This improvement is due to the proceeds collected as consideration for the Overall Transaction and as result of the execution of agreements connected with the Transaction which, following the loss of control of Eni over Saipem, provide Eni with the right to the reimbursement of the financial receivables owed to the Eni Group by Saipem through the financial liquidity granted to Saipem by the Share Capital increase and the new credit facilities.

The pro-forma results and financial position do not represent an earnings and financial outlook, because they were prepared to represent only the effects of the Overall Transaction that can be isolated and objectively measured, as well as their consequent impact on profit and financial position. None of the possible changes in Eni's business plans following the Overall Transaction have been factored in the Pro-Forma Financial Statements as of June 30, 2015 and for the six months then ended.

The Pro-Forma Consolidated Financial Statements indicated hereunder show:

- the consolidated statement of financial position at June 30, 2015 and the consolidated profit and loss account for the six months ended June 30, 2015 of ENI in the first column ("ENI Consolidated Financial Statements as of 30 June 2015");
- in the second column ("Saipem Deconsolidation") the derecognition of the SAIPEM Group assets and liabilities and revenues and expenses and recognition of Eni's share of the net assets of SAIPEM in the line-item "Equity-accounted investments". The derecognition effects have been partly offset by the recognition of intercompany balances resulting from transactions between the ENI Group and the SAIPEM Group, because they become transactions with third parties. Those

intercompany transactions were eliminated in the Interim consolidated report at June 30, 2015 as consolidation adjustments;

- the equity and earnings impact of the sale, the effects of SAIPEM share capital increase as well as the reimbursement of the financing receivables due to ENI by SAIPEM in the third column;
- the Pro-Forma Consolidated Statement of Financial Position at June 30, 2015 and the Pro-forma Consolidated Profit and Loss Account for the first half 2015 resulting from the sum of the previous columns in the fourth third column (“Eni Pro-Forma Consolidated Financial Statements as of 30 June 2015”);

By their very nature, the pro-forma results and financial position are not intended to furnish a complete representation of the prospective earnings and financial position of the Issuer, since they are prepared to reflect retroactively the effects of subsequent transactions, in spite of compliance with generally accepted accounting principles and the use of reasonable assumptions.

Investors should consider the following aspects to assess correctly information provided by pro-forma results:

- since these representations are based on assumptions, the pro-forma results and financial position do not necessarily coincide with those that would have been effectively determined on a final basis if the Overall Transaction and its impacts on the balance sheet and profit and loss account had actually been realised at the reference dates used to prepare the pro-forma data;
- the pro-forma results do not reflect the changed prospects of the Issuer, in that they have been prepared to represent only the effects of the Overall Transaction and related financial and economic transactions that can be isolated and objectively measured, without considering the contingent effects of changes in management policies and operating decisions resulting from the Overall Transaction.

Moreover, considering the different purposes of the pro-forma results with regard to the historic financial statements and the different methods used to calculate the effects of the Overall Transaction, the Pro-Forma Consolidated Financial Statements must be read and interpreted separately, without seeking accounting relationships between the two documents on the basis of the instructions set out in Consob Notice no. DEM/1052803 of 5 July 2011.

Finally, the Pro-Forma Consolidated Financial Statements do not intend to represent a forecast of the future results and a financial outlook of the ENI Group; consequently, investors are urged to not use pro-forma results and financial position for that purpose.

## 4.2 Pro-forma Consolidated Statement of Financial Position

(€ million)	Eni Consolidated	Pro-forma adjustments		Eni Pro-Forma
	Financial Statements 2015 as of 30 June 2015	Saipem Deconsolidation	Effects of the Transaction	Consolidated Financial Statements 2015 as of 30 June 2015
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	5.466	(751)	5.190	9.905
Financial assets held for trading	5.038	0	0	5.038
Financial assets available for sale	265	(8)	0	257
Trade and other receivables	28.131	13	(2.997)	25.147
Inventories	7.386	(2.347)	0	5.039
Current tax assets	743	(311)	0	432
Other current tax assets	988	(399)	0	589
Other current assets	3.336	192	0	3.528
	<b>51.353</b>	<b>(3.611)</b>	<b>2.193</b>	<b>49.935</b>
<b>Non-current assets</b>				
Property, plant and equipment	76.845	(7.221)	0	69.624
Inventory - compulsory stock	1.571	0	0	1.571
Intangible assets	3.551	(777)	0	2.774
Equity-accounted investments	3.395	1.464	732	5.591
Other investments	2.180	(124)	0	2.056
Other financial assets	1.094	3.477	(3.477)	1.094
Deferred tax assets	5.651	(482)	0	5.169
Other non-current receivables	2.570	(96)	0	2.474
	<b>96.857</b>	<b>(3.759)</b>	<b>(2.745)</b>	<b>90.353</b>
<b>Assets held for sale</b>	<b>159</b>	<b>0</b>	<b>0</b>	<b>159</b>
<b>TOTAL ASSETS</b>	<b>148.369</b>	<b>(7.370)</b>	<b>(552)</b>	<b>140.447</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>Current liabilities</b>				
Short-term debt	5.099	151	(678)	4.572
Current portion of long-term debt	4.015	0	0	4.015
Trade and other payables	23.147	(5.188)	0	17.959
Income taxes payable	595	(128)	0	467
Other taxes payable	2.504	(181)	0	2.323
Other current liabilities	2.997	415	0	3.412
	<b>38.357</b>	<b>(4.931)</b>	<b>(678)</b>	<b>32.748</b>
<b>Non-current liabilities</b>				
Long-term debt	18.346	0	0	18.346
Provisions for contingencies	16.387	(256)	0	16.131
Provisions for employee benefits	1.304	(240)	0	1.064
Deferred tax liabilities	7.805	(29)	1	7.777
Other non-current liabilities	2.245	9	0	2.254
	<b>46.087</b>	<b>(516)</b>	<b>1</b>	<b>45.572</b>
<b>Liabilities directly associated with assets held for sale</b>	<b>53</b>	<b>0</b>	<b>0</b>	<b>53</b>
<b>TOTAL LIABILITIES</b>	<b>84.497</b>	<b>(5.447)</b>	<b>(677)</b>	<b>78.373</b>
<b>SHAREHOLDERS' EQUITY</b>				
<i>Non-controlling interest</i>	<b>1.981</b>	<b>(1.923)</b>	<b>0</b>	<b>58</b>
<i>Eni shareholders' equity:</i>				
Share capital	4.005	0	0	4.005
Reserve related to the fair value of cash flow hedging derivatives net of tax effect	(166)	0	0	(166)
Other reserves and net profit	58.633	0	125	58.758
Treasury shares	(581)	0	0	(581)
Interim dividend	0	0	0	0
<b>Total Eni shareholders' equity</b>	<b>61.891</b>	<b>0</b>	<b>125</b>	<b>62.016</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>63.872</b>	<b>(1.923)</b>	<b>125</b>	<b>62.074</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>148.369</b>	<b>(7.370)</b>	<b>(552)</b>	<b>140.447</b>

#### **4.2.1 Saipem Deconsolidation**

The column “Saipem Deconsolidation” reports the derecognition of the assets and liabilities of the SAIPEM Group, consolidated on a line-by-line basis at 30 June 2015, and recognition of Eni’s share of the net assets of the SAIPEM Group in the line-item “Equity-accounted investments” for €1,464 million. The derecognition effects have been partly offset by the recognition of intercompany balances and receivables and payables resulting from transactions between the ENI Group and the SAIPEM Group, because they become transactions with third parties. Those intercompany transactions were eliminated in the Interim consolidated report at June 30, 2015 as consolidation adjustments.

The main pro-forma adjustments are described below:

- A EUR 13 million increase has been reported in “Trade and other receivables”, consisting mainly in the net effect of the following changes: (i) derecognition of Saipem’s trade and other receivables amounting to EUR 3,089 million; (ii) recognition of short-term financial receivables owed by Saipem to Eni amounting to EUR 2,997 million relating to funding granted by Eni to the Saipem Group, which were intended to support Saipem’s cash requirements for operating needs and other receivables due to Eni (which were eliminated from the Eni Group 2015 Interim Consolidated Financial Report because they were intercompany balances);
- The reduction of EUR 2,347 million in the line-item “Inventories “ relating to contract work in progress is mainly due to the derecognition of Saipem. Furthermore, following the derecognition Eni Group’s property, plant and equipment and relevant down payments advances relating to construction contracts commissioned to Saipem have been reassessed for a negligible amount. This adjustment reflects the recognition of construction contracts, which were previously intercompany transactions, on the basis of contractual amounts, instead of using the stage of completion accounting for recognizing intercompany construction contracts based on the cost-to-cost method;
- An increase of EUR 3,477 million in non-current assets recorded in the item “Other financial assets”, consisting mainly in long term financial receivables related to funding granted by Eni to the Saipem Group, which were intended to support Saipem’s cash requirements for operations (which were eliminated from the Eni Group 2015 Interim Consolidated Financial Report because they were intercompany balances);
- An increase of EUR 151 million in short-term financial liabilities as a result of the recording of EUR 678 million of financial payables owed by Eni to Saipem (which holds cash deposits with the Eni Group financial companies) that are partly offset by the derecognition of Saipem financial liabilities amounting to EUR 527 million owed to third-party financial institutions. Saipem’s derecognition has changed

marginally the amount of the Eni Group's current and non-current financial liabilities because at the date of Eni's 2015 Interim Consolidated Financial Report, Saipem was almost completely financed by Eni;

- A reduction of EUR 5,188 million in trade payables and other as a result of the following changes: (i) derecognition of trade payables and other owed by Saipem amounting to EUR 5,709 million; (ii) recognition of the trade payables amounting to EUR 521 million owed to the Saipem Group by Eni, which were eliminated in the consolidation process and which were for contract works performed by Saipem on behalf of the Eni Group companies for the construction of turnkey plants and infrastructures, mainly in the “*Exploration & Production*” segment and related drilling services sector;
- The derecognition of Saipem non-controlling interests amounting to EUR 1,923 million.

#### **4.2.2 *Effects of the Overall Transaction***

The column “Effects of the Overall Transaction” reports the effects on Eni's financial position of the sale of Saipem interest to FS1, of the Share Capital Increase and of the other financial transactions related to the Sale (including, among others, the reimbursement of the financial receivables owed to Eni by Saipem), and more specifically:

- The increase in the line-item “Cash and cash equivalents” amounting to EUR 5,190 million as a result of the following changes: (i) collection of the Price for the Transaction amounting to EUR 463 million; (ii) collection, as a result of the performance of the agreements in the framework of the Transaction, of short-term (EUR 2,997 million) and long term (EUR 3,477 million) financial receivables, net of the Eni Group's financial debt due to Saipem, which corresponds to Saipem's cash deposits held at Eni Group companies (amounting to EUR 678 million) by using the proceeds received by Saipem and SFI from the completion of the Capital Increase and the granting of the New Credit Facilities (iii) the pro rata share capital increase amounting to EUR 1,069 million.
- the increase of EUR 732 million in the line-item “Equity-accounted investments” due to the following changes: i) derecognition of the carrying amount of Eni's interest in the net assets of the SAIPEM Group that has been divested (EUR 426 million); ii) an EUR 89 million gain due to the initial recognition of the retained investment in the former subsidiary at its fair value; iii) Eni's share of the capital contribution to Saipem for €1,069 million.
- The increase in “Other reserves and profits for the period”, which comprises profit resulting from the loss of sole control and includes: (i) a gain of EUR 37 million, net of tax, calculated as difference between the Price for the sale of Eni's 12.5% interest in Saipem amounting to EUR 463 million (which has been



*Courtesy translation from Italian.  
In case of any conflicts, the Italian version shall prevail.*

determined on the basis of the transaction price of EUR 8.3956 per share) and the carrying amount for EUR 426 million of the corresponding share of Eni's net assets in the Saipem Group, which has been divested ; (ii) an EUR 88 million gain, net of tax, on the initial recognition of the investment retained by Eni in the former subsidiary at its fair value at the date when control is lost in accordance to applicable international financial reporting standards.. This fair value represents the cost on initial recognition of the investment retained in a joint venture for the subsequent application of the applicable recognition and measurement criteria. The fair value corresponds to the same per share price used for the sale. .

The tax calculated on the capital gain arising from the sale and the fair value recognition takes into account the provision for "participation exemption" established by the Italian tax code , according to which these gains are taxed at the corporate income tax rate of 27.5%, which is applied to only the 5% of the amount thereof.

### 4.3 Pro-forma Consolidated Profit and Loss Account

(€ million)	Eni Consolidated Financial Statements 2015 as of 30 June 2015	Pro-forma adjustments		Eni Pro-Forma Consolidated Financial Statements 2015 as of 30 June 2015
		Saipem Deconsolidation	Effects of the Transaction	
<b>REVENUES</b>				
Net sales from operations	45.979	(4.838)	0	41.141
Other income and revenues	681	1	0	682
<b>Total revenues</b>	<b>46.660</b>	<b>(4.837)</b>	<b>0</b>	<b>41.823</b>
<b>OPERATING EXPENSES</b>				
Purchases, services and other	35.752	(3.815)	0	31.937
Payroll and related costs	2.814	(1.221)	0	1.593
<b>OTHER OPERATING (CHARGE) INCOME</b>	<b>(298)</b>	<b>(4)</b>	<b>0</b>	<b>(302)</b>
<b>DEPRECIATION, DEPLETION, AMORTIZATION AND IMPAIRMENTS</b>	<b>5.851</b>	<b>(593)</b>	<b>0</b>	<b>5.258</b>
<b>OPERATING PROFIT</b>	<b>1.945</b>	<b>788</b>	<b>0</b>	<b>2.733</b>
<b>FINANCE INCOME (EXPENSE)</b>				
Finance income	6.401	(529)	0	5.872
Finance expense	(6.892)	620	(10)	(6.282)
Finance income from financial assets held for trading, net	17	0	0	17
Derivative financial instruments	(108)	90	0	(18)
	<b>(582)</b>	<b>181</b>	<b>(10)</b>	<b>(411)</b>
<b>INCOME (EXPENSE) FROM INVESTMENTS</b>				
Share of profit (loss) of equity-accounted	34	10	(278)	(234)
Other gain (loss) from investments	420	(13)	0	407
	<b>454</b>	<b>(3)</b>	<b>(278)</b>	<b>173</b>
<b>Profit before income taxes</b>	<b>1.817</b>	<b>966</b>	<b>(288)</b>	<b>2.495</b>
Income taxes	(1.760)	(36)	3	(1.793)
<b>Net profit</b>	<b>57</b>	<b>930</b>	<b>(285)</b>	<b>702</b>
<i>Attributable to:</i>				
- Eni's shareholders	591	392	(285)	698
- Non-controlling interest	(534)	538	0	4
			<b>0</b>	<b>0</b>
<b>Earnings per share attributable to Eni's shareholders (€ per share)</b>				
Basic	0,16	0,11	(0,08)	0,19
Diluted	0,16	0,11	(0,08)	0,19

#### 4.3.1 Saipem Deconsolidation

As explained in Section 4.2.1 of this Information Document, the column "Deconsolidation Saipem" reports the derecognition of the Saipem Group, consolidated on a line-by-line basis in the 2015 Interim Report from the scope of consolidation of the Eni Group.

The derecognition effects have been partly offset by the recognition of intercompany revenues and expenses resulting from transactions between the ENI Group and the SAIPEM Group, which were eliminated in the 2015 Interim Report since they were consolidation adjustments, because they become transactions with third parties, to the extent that those transactions relate to activities that are expected to continue after the Closing of the Transaction.

The main pro-forma adjustments are described below.

- The change in the line-item “Net sales from operations”, amounting to EUR4,838 million is due to the derecognition of Saipem’s revenues. . Following loss of sole control on Saipem, the Eni Group’s service companies are expected to discontinue the supply of general services to the Saipem Group companies. Therefore the assumption is that no revenues of Eni towards Saipem are recognized while a corresponding reduction in Eni’s operating costs is assumed, with a neutral impact on the pro-forma results. . It is worth mentioning that in the first half of 2015 Eni Group companies provided general services to Saipem amounting to EUR 46 million,
- The change in the line-item “Purchases, services and other” and “labour costs” for a total amount of EUR 5,036 million is due to: (i) the derecognition of Saipem costs for EUR 5,708 million; (ii) the recognition of the costs incurred by the ENI Group for the services provided by the former subsidiary for €718 million. These costs, part of which is capitalized, mainly relate the supply of maintenance services and the turnkey construction of plant and infrastructures, comprising engineering, procurement, construction, installation and commissioning on behalf of ENI Group companies, mainly in the Exploration & Production segment, as well as Refining and Chemical businesses, and drilling services valued on historical costs incurred corresponding at market prices; and (iii) a reduction of operating costs as mentioned in the previous paragraph (EUR 46 million) due to Eni’s Group companies discontinuing the provision of general services to Saipem;
- The reduction of EUR 529 million in the line-item “Financial income” is due to the derecognition of Saipem gains, which mainly comprise exchange rate differences. . The line-item “Financial expenses” have been reduced by EUR 620 million mainly due to the derecognition of Saipem financial charges mainly comprising negative exchange differences. The fair value of derivative financial instruments increased by EUR 90 million due to the derecognition of Saipem.

#### **4.3.2 *Effects of the Overall Transaction***

The column “Effects of the Overall Transaction” reports the ongoing economic effects of the sale of the shareholding in Saipem and the retention of a 30.555% investment in the former subsidiary. This investment is accounted for as a joint venture. The impact of the equity-accounting of the retained investment in Saipem has resulted in the recognition of Eni’s share of the investee’s loss incurred in the first half of 2015 for EUR 278 million. .

Furthermore, an increase of EUR 10 million has been recorded in financial expenses, following higher net borrowings relating to the subscription of share capital increase, partly offset by the investment of the cash resulting from receipt by ENI of the consideration for the Transaction, which has been conventionally reported to be effective as at 1 January 2015.

The effects on the financial charges/gains have been determined by considering the weighted average cost of the euro-denominated loans granted to the Group, amounting on yearly basis to 3.16% for the first half of 2015. The reimbursement of the financial receivable owned by Eni Group over the Saipem Group does not yield any further gains to ENI pro-forma profit. This is because the lower financial charges associated with those yield-bearing financing receivables have already been recognized upon derecognition of Saipem.

The EUR 3 million tax effect resulting from the aforementioned pro-forma adjustments mainly reflects the lower taxable income for corporate income tax (IRES) payable due to increasing financial charges.

The pro-forma profit and loss account as of 30 June, 2015 has registered a EUR 107 million increase in the net profit attributable to Eni as a result of the derecognition of Saipem's loss, which is partly offset by higher financial charges amounting to EUR 7 million (net of the related tax effects) and Eni's share of the investee's loss incurred in the first half of 2015 which is accounted under the equity-accounting method (EUR 278 million). Moreover, pursuant to the rules for the preparation of pro-forma financial reports, as established by Consob Notice No. DEM/1052803 of 5 July 2001, the positive effect on the pro-forma net profits excluding third party non-controlling interests, amounting to EUR 107 million, does not reflect the EUR 37 million gain on the sale (net of the related tax effect) and revaluation of the retained investment in the former subsidiary for €88 million (net of the related tax effect), insofar as they are one-off components of the Transaction that will be recognised in the profit and loss account for the period when the Transaction is actually executed.

#### 4.4 Pro-forma Reclassified Group Balance Sheet

(€ million)	Eni	Pro-forma adjustments		Eni Pro-Forma
	Consolidated Financial Statements 2015 as of 30 June	Saipem Deconsolidation	Effects of the Transaction	Consolidated Financial Statements 2015 as of 30 June 2015
<b>Fixed assets</b>				
Property, plant and equipment	76.845	(7.221)	0	69.624
Inventory - Compulsory stock	1.571	0	0	1.571
Intangible assets	3.551	(777)	0	2.774
Equity-accounted investments and other investments	5.575	1.340	732	7.647
Receivables and securities held for operating purposes	2.196	3.477	(3.477)	2.196
Net payables related to capital expenditures	(2.037)	(255)	0	(2.292)
	<b>87.701</b>	<b>(3.436)</b>	<b>(2.745)</b>	<b>81.520</b>
<b>Net working capital</b>				
Inventories	7.386	(2.347)	0	5.039
Trade receivables	18.293	(2.281)	0	16.012
Trade payables	(14.253)	2.977	0	(11.276)
Tax payables and provisions for net deferred tax liabilities	(2.314)	(854)	(1)	(3.169)
Provisions	(16.387)	256	0	(16.131)
Other current assets and liabilities	1.121	1.468	0	2.589
	<b>(6.154)</b>	<b>(781)</b>	<b>(1)</b>	<b>(6.936)</b>
<b>Provisions for employee post-retirement benefits</b>	<b>(1.304)</b>	<b>240</b>	<b>0</b>	<b>(1.064)</b>
<b>Net assets held for sale including related liabilities</b>	<b>106</b>	<b>0</b>	<b>0</b>	<b>106</b>
<b>Capital Employed, net</b>	<b>80.349</b>	<b>(3.977)</b>	<b>(2.746)</b>	<b>73.626</b>
Eni shareholders' equity	61.891	0	125	62.016
Non-controlling interest	1.981	(1.923)	0	58
<b>Shareholders' equity</b>	<b>63.872</b>	<b>(1.923)</b>	<b>125</b>	<b>62.074</b>
Total debt	27.460	151	(678)	26.933
Cash and cash equivalents	(5.466)	751	(5.190)	(9.905)
Securities held for non-operating purposes	(5.054)	8	0	(5.046)
Financing receivables for non-operating purposes	(463)	(2.964)	2.997	(430)
<b>Net borrowings</b>	<b>16.477</b>	<b>(2.054)</b>	<b>(2.871)</b>	<b>11.552</b>
<b>Total liabilities and shareholders' equity</b>	<b>80.349</b>	<b>(3.977)</b>	<b>(2.746)</b>	<b>73.626</b>
<b>Leverage</b>	<b>0,26</b>	<b>0,00</b>	<b>0,00</b>	<b>0,19</b>

The reclassified pro-forma balance sheet is presented in order to provide a summary of the change in Eni's net borrowings, which have improved by EUR4,925 million due to:

- The reimbursement of the financial receivables owed to Eni by Saipem amounting to EUR 4,727 million (net of the Eni's share of Saipem's capital increase amounting to EUR1,069 million). The reimbursement is part of the Overall Transaction, which foresees that the cash proceeds obtained in connection with the share capital increase and the financing of third party financial institutions be used to reimburse the funds owed to Eni. The above mentioned reimbursement reduces Eni's

consolidated net borrowings, in observance of the guidelines on the reporting of the Issuers' net financial position stated by CONSOB in Notice No. DEM/6064293 dated 28 July 2006, which implements the recommendations of the "Committee of European Securities Regulators" (CESR) of February 2005.

- The reduction of Eni Group net borrowings as a result of the consideration paid for the Overall Transaction, totalling EUR 463 million;
- The deconsolidation of Saipem cash and cash equivalents and of its financial debt (EUR 265 million);

The change in the leverage from the 0.26 ratio recorded in the 2015 Interim Consolidated Report to the 0.19 ratio of the Pro-Forma Financial Statements as of June 30, 2015.

#### **4.4.1 Assumptions considered for elaboration of pro-forma financial statements**

The accounting standards adopted to prepare the Pro-Forma Consolidated Financial Statements are the same as the ones used to prepare the 2014 Consolidated Financial Statements and the Interim Consolidated Report for the Half-Year ending 30 June 2015 of the Eni Group (i.e. the IFRSs endorsed by the European Union).

Considering that the Overall Transaction entails the loss of sole control by Eni over Saipem and its deconsolidation, the assumptions used to define the pro-forma balance sheet and profit and loss account are illustrated as follows:

- the retained investment of 30.555% in the former subsidiary is classified as a joint venture;
- the general services provided by Eni's Group companies to Saipem before the Overall Transaction, albeit not significant, are assumed to be discontinued in the future, with a consequent reduction of the costs incurred by Eni;
- financial charges have reduced by EUR 81 million due to lower net borrowings of Eni as a result of the reimbursement of the financing receivables due to Eni by Saipem through the use of the proceeds of the share capital increase and of the financing obtained by third party financial institutions, as well as the use of cash resulting from the sale of shares to FSI. These positive effects have been partly offset by higher net borrowings related to the Share Capital Increase. These effects have been determined on the basis of the weighted average cost of debt of Eni Group denominated in Euros, equal to 3.16% for the first half of 2015 (net of the related statutory tax effect);
- the price for the sale of the Shareholding to FSI was determined based on a Price per Share equal to the arithmetical average of the Official Prices of the Shares recorded in the six Trading Days between 26 October 2015 and 2 November 2015

(both included), or at the price of EUR 8.8300 per Share (corresponding to the Maximum Price per Share), or at the price of EUR 7.4000 per Share (corresponding to the Minimum Price per Share). This sale price has also been used in order to evaluate at fair value Eni's retained investment in Saipem;

- Eni's financial receivables due to Eni by Saipem, equal to EUR 5,796 million shall be reimbursed through the proceeds from the completion of the share Capital Increase and the granting of the New Credit Facilities;
- the tax rate used to calculate the tax effects resulting from the pro-forma adjustments has been assumed to be equal to the rate in force as of 30 June 2015.

#### 4.5 Historical and pro-forma data per share ratios of the Eni Group

	Interim Consolidated Report as of 30 June 2015	Pro-forma data
Net profit per share (EUR/share)	0.16	0.19

The net profit per share is calculated on the basis of the ratio of the net profit attributable to Eni on a consolidated basis and the average number of outstanding shares in the first half of 2015, equal to 3,601.1 million, which has remained unchanged in calculating the pro-forma ratio. The net profit per share has increased from EUR 0.16 per share, reported in the Interim Consolidated Report as of 30 June 2015 to EUR 0.19 per share recorded in the Pro-forma Profit and Loss Account. The increase is due to deconsolidation of the net loss attributable to Saipem upon joint control (equal to 30.555%) being lost, assessed with the equity accounted method.

	Interim Consolidated Report as of 30 June 2015	Pro-forma financial statements
<i>Cash flow</i> per share (Euro/share)	1.64	1.66

The cash flow per share is calculated as the ratio of the consolidated net profit plus amortisation, depreciation and impairments charges incurred and the average number of outstanding shares in the first half of 2015. The cash flow per share has increased from the EUR1.64 per share reported in the Consolidated Report for the half-year ending 30 June

2015 to EUR 1.66 per share recorded in the Pro-forma Profit and Loss Account, due to deconsolidation of the cash flow attributable to Saipem.

#### **4.6 Comparative data contained in the historical consolidated financial statements and the pro-forma financial statements for the half-year ending 30 June 2015**

Leverage (ratio of net borrowings and shareholders' equity attributable to the Group and non-controlling interests):

Consolidated Financial Report for the half-year ending 30 June 2015	Pro-forma financial statements
0.26	0.19

Leverage is reduced from the ratio of 0.26 reported in Eni's Interim Consolidated Report for the half-year ending 30 June 2015 to the pro-forma value of 0.19. This is due to the collection of cash proceeds associated with the Overall Transaction amounting to EUR463 million and the reimbursement of the financial receivables owed to Eni by Saipem amounting to EUR4,727 million (net of Eni's share of the capital increase in Saipem, amounting to EUR1,069 million). The reimbursement is part of the other transactions connected to the Overall Transaction, which provides for the use of the cash proceeds received by Saipem in relation to the share capital increase and the credit facilities received from third party financial institutions in order to reimburse the funds owed to Eni. The above-mentioned reimbursement reduces Eni's consolidated net borrowings in compliance with the guidelines on the reporting of the Issuers' net financial position issued by CONSOB with Notice No. DEM/6064293 of 28 July 2006, which has implemented the recommendations of the "Committee of European Securities Regulators" (CESR) of February 2005.

For the sake of clarity, it must be pointed out that net borrowings are calculated in accordance with the principles defined in Consob Notice no. DEM/6064293 of 28 July 2006. More specifically, the sum of short-term debt and long-term debt is reduced: (i) by the amount of cash and cash equivalents (i.e. cash and financial assets payable within 90 days); (ii) by the amount of short-term financial receivables and financial instruments not used in transactions, which reflect the temporary investment in cash surpluses (financial receivables, financial instruments, etc.) or instruments strictly related to financial payables. Leverage is the principal indicator used by Eni management to measure the Group's financial position and financial solidity. It is obtained from the exact ratio (end of period balances) between net indebtedness and the consolidated shareholders' equity (sum of the shareholders' equity attributable to Eni and to non-controlling interests).



*Courtesy translation from Italian.  
In case of any conflicts, the Italian version shall prevail.*

#### **4.7 Report of the External Auditors on the pro-forma consolidated economic and financial data**

The report of the External Auditors Ernst & Young S.p.A. concerning the examination of the pro-forma consolidated economic and financial figures, which certifies the reasonableness of the assumptions used in the drafting thereof, the correct application of the procedures used, as well as the accuracy of the accounting principles used in the drafting of such figures, is attached to this Disclosure Document (as Annex "D").

## **5 PROSPECTS FOR THE ISSUER AND THE GROUP HEADED BY IT**

### **5.1 General information on the Issuer's business from the end of the year covered by the latest published financial statement**

In the first nine months of 2015 Eni reported a net loss of €361 million, down by €4,036 million from the first nine months of 2014. The operating profit of €2,006 million declined by 76.3%, impacted by sharply lower Brent prices (down by 51%) reflected in decreasing revenues from the E&P segment and lower carrying amounts of oil and products inventories under the weighted-average cost accounting. Furthermore, the Gas & Power segment reported a negative performance due to the reversal of natural gas volumes prepaid in previous years, whose carrying costs were higher than the current average supply cost of the Eni gas portfolio, and an unfavourable trading environment impacting certain sales to large clients.

The results of the first nine months of 2015 were also affected by the extraordinary loss incurred by Saipem in the second quarter of 2015. These negatives were partly offset by higher production volumes, the depreciation of the euro against the dollar and progress made in efficiency programmes and capacity optimization, mainly in the Chemical business.

The net loss reported in the third quarter of 2015 was significantly affected by a higher consolidated tax rate mainly in the E&P segment. This was impacted by a deteriorating price scenario, which resulted in the segment taxable profit being earned in countries with higher rates of taxes and being impacted to a larger extent by certain expenses that could not be deducted from taxable profit among which successful exploration costs relating to projects yet to be sanctioned, and by the circumstance that Saipem loss was non-deductible for tax purposes.

Net sales from operations of the first nine months of 2015 were €64,786 million, down by €18,370 million or 22.1% from the first nine months of 2014, due to a weak commodity price environment whose effects were partially offset by the impact of exchange rate and positive volume contribution (hydrocarbon production, refining throughputs and gas sales, while retail sales of refined products and sales of petrochemical products reported a decline).

As of September 30, 2015 net borrowings increased by €4.729 million to €18.414 million, compared to December 31, 2014.

Total debt amounted to €29,281 million (€25,891 million as of December 31, 2014), of which short-term debt was €9,987 million (€6,575 million at December 31, 2014) and included current portion of long-term debt of €3,970 million (€3,859 million as of December 31, 2014) and long-term debt was €19,294 million (€19,316 million as of December 31, 2014).

As of September 30, 2015, the ratio of net borrowings to shareholders' equity including non-controlling interest – leverage – increased to 0.30, compared to 0.22 as of December 31, 2014. This trend was due to increased 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 use the US dollar as functional currency, resulting in an equity gain of €3.33 billion. The US dollar was up by 7.7% compared to the closing of the previous reporting period at December 31, 2014 and September 30, 2015.

Shareholders' equity including non-controlling interest was €61,174 million, representing a decrease of €1,035 million from December 31, 2014. This was due to dividend distribution and other changes of €3,485 million (€3,457 million being the 2014 balance dividend and the interim dividend for 2015 paid to Eni's shareholders and dividends to non-controlling interests). This was offset by comprehensive income for the period (€2,450 million) related to a net loss from the profit and loss account (€855 million) more than offset by other items of the comprehensive income, notably the positive foreign currency translation differences (€3,325 million).

Net cash provided by operating activities amounted to €7,388 million. Proceeds from disposals were €905 million and mainly related to the divestment of non-strategic assets in the Exploration & Production segment. These inflows funded a fair share of the capital expenditure for the period (€8,653 million) and the payment of the 2015 interim dividend and the balance dividend for 2014 (€3,434 million) to Eni's shareholders.

In the nine months of 2015, capital expenditure amounted to €8,653 million (€8,607 million in the nine months of 2014) and mainly related to:

- development activities deployed mainly in Angola, Norway, Egypt, Kazakhstan, Congo, Italy, the United States and Indonesia and exploratory activities of which 97% was spent outside Italy, primarily in Egypt, Libya, Cyprus, Gabon, Congo, the United States, the United Kingdom and Indonesia;
  - upgrading of the fleet used in the Engineering & Construction segment (€407 million);
  - refining activity (€171 million) with projects designed to improve the conversion rate and flexibility of refineries, as well as the upgrade of the refined product retail network (€63 million);
- initiatives to improve flexibility of the combined cycle power plants (€39 million).

## **5.2 Information on the reasonable forecast made in relation the results for the ongoing financial year**

The outlook 2015 features a slowdown in the global economic growth caused by the reduced pace of activity in China and other emerging economies. These trends drove downwards the prices of commodities. Against this backdrop, crude oil prices have

contracted markedly, falling below the 50 \$/b mark during summer months. The fundamentals of the oil market remain weak due to oversupplied global markets and uncertainties about the resilience of demand, which in the course of 2015 has shown a noticeable recovery till now. Crude oil prices for the FY 2015 are forecasted to be significantly lower than the previous year. In the Exploration & Production segment, management will carry out efficiency initiatives relating to operating costs and optimize investments, while retaining a strong focus on project execution and time-to-market delivery in order to cope with the negative impact of a lower oil price environment. In the downstream sectors of gas, refining and chemicals, considering the structural issues of overcapacity and competitive pressure on a global scale, management has targeted executed efficiency measures, contract renegotiations and capacity optimizations in order to achieve structurally positive results and cash flows.

Management expects the following production and sales trends for Eni's businesses:

- **Hydrocarbon production:** production is expected to achieve strong growth, increasing by approximately 9% from 2014 driven by new field start-ups and ramp-ups in 2014 mainly in Venezuela, Norway, the United States, Angola, Egypt and Congo in additions to projected higher volumes in Libya;
- **Gas sales:** excluding the impact of the divestment of Eni's assets in Germany and the unusual weather conditions in 2014, natural gas sales are expected to remain stable compared to 2014. Management intends to leverage on marketing innovation in the wholesale and retail markets in order to mitigate competitive pressures. Based on the marketing initiatives and the renegotiations performed till now, a substantial recovery of prepaid gas volumes in previous reporting periods is expected compared to amounts outstanding as of December 31, 2014;
- **Refining throughputs on Eni's account:** excluding the impact of the divestment of the Company's share of capacity in the CRC refinery in the Czech Republic, completed in April 30, 2015, volumes are expected to increase from 2014 driven by a favourable trading environment and better plant performance on the back of yield ramp-up at the EST conversion unit of the Sannazzaro refinery. Production of bio-fuels is projected to increase at the restructured Venice plant;
- **Retail sales of refined products in Italy and the Rest of Europe:** retail sales in Italy are expected to slightly decline compared to 2014 due to strong competitive pressure, against the backdrop of improving trends in fuel demand. The proprietary network is expected to perform well. Outside Italy, retail sales are expected to slightly increase, excluding the impact of the divestment of the Company's retail networks in Eastern Europe.

In 2015, in the context of lower oil prices, Eni's management plans to implement capital project optimization and rescheduling which will reduce expenditure compared to the 2014 levels by approximately 17%, excluding the impact of the US dollar exchange rate and

*Courtesy translation from Italian.  
In case of any conflicts, the Italian version shall prevail.*

other changes. These initiatives are estimated to have a limited impact on our production growth outlook in the near to medium term. As early as in 2015, at a Brent scenario of 55 \$/b, when excluding Saipem, capex is expected to be self-financed through operating cash flow. Following Saipem transaction, leverage is expected well below the 0.30 threshold.

\* \* \* \*

**DECLARATION MADE BY THE MANAGER RESPONSIBLE FOR PREPARING THE  
COMPANY'S FINANCIAL REPORTS**

The undersigned Massimo Mondazzi, as Manager responsible for preparing the financial reports of Eni S.p.A., declares, pursuant to Article 154-bis, paragraph 2, of Legislative Decree 24 February 1998 No. 58, that the Eni S.p.A. accounting information contained in this Information Document, other than the Eni S.p.A. pro forma data, corresponds to the Eni S.p.A. accounting records, corporate books and accounting records.

*Courtesy translation from Italian.  
In case of any conflicts, the Italian version shall prevail.*

## **ANNEXES**

Annex "A" - Opinion of the Control and Risk Committee of Eni SpA issued on 27 October 2015

Annex "B" - Fairness opinion issued by Credit Suisse Securities (Europe) Limited on 27 October 2015

Annex "C" - Fairness opinion issued on 27 October 2015 by Evercore Partners International LLP for the benefit of the Control and Risk Committee

Annex "D" - Report of the External Auditors on the consolidated pro-forma economic and financial data

**Annex “A” - Opinion of the Control and Risk Committee of  
Eni SpA issued on 27 October 2015 - Courtesy Translation  
from the original Italian version**

---

## Opinion of Eni S.p.A's Control and Risk Committee<sup>1</sup>

### Background

#### **(A) The Sale Transaction and the Overall Transaction**

Eni S.p.A. (“**Eni**”) holds 189,423,307 ordinary shares, representing approximately 42.9% of Saipem S.p.A.’s (“**Saipem**” or the “**Company**”) share capital.

Eni has expressed interest in selling a total of 55,176,364 Saipem ordinary shares (the “**Shareholding**”), which currently represent approximately 12.503% of Saipem’s share capital (the “**Transaction**”) to Fondo Strategico Italiano S.p.A: (“**FSI**”).

The Transaction will be carried out within a broader transaction (the “**Overall Transaction**”) which, in addition to the sale of the Shareholding to FSI, involves: (A) a shareholders’ agreement to be signed with FSI to regulate the relationships between the parties and Saipem’s shareholding structure (the “**Shareholders’ Agreement**”), and (B) an agreement with Saipem the (“**Acknowledgement Agreement**”) which, among other things, will: (i) include in a single document, with 30 September 2015 as a reference date, the list of credit facilities, of the finance transactions in force between Eni (and certain subsidiaries thereof) and Saipem (and certain subsidiaries thereof), and of the counter-guarantees issued by Eni in favour of third-party banks which have issued autonomous first request guarantees in the interest of the Company and/or Saipem Group companies (the “**Guarantees**”); (ii) acknowledge Saipem’s intention to fully repay the Debt to Eni (the “**Debt**”) in order to make the Company financially independent and to refinance it through the Capital Increase and the resort to new credit facilities; and (iii) regulate the terms and conditions of the full repayment of the **Debt** and of the gradual cancellation of the Guarantees.

The Overall Transaction allows Eni to achieve the following major objectives: (a) focusing more on the core upstream business, making additional financial sources available to be reinvested in development the considerable mineral resources that have recently been discovered; (b) strengthen its capital structure; and (c) support Saipem in the process of capital strengthening equity and achieving financial independence.

Saipem’s board of directors has today resolved to propose at the next shareholders’ meeting an option capital increase up to maximum EUR 3.5 billion, to be completed in the first quarter of 2016 (the “**Capital Increase**”), the proceeds of which will be entirely used to repay the Debt.

Saipem has informed Eni and FSI that, in light of the Capital Increase, it has received a proposal for a pre-underwriting agreement, signed by the joint global coordinators, in accordance with which the latter committed to subscribe or cause third parties to subscribe the part of the Capital Increase with regards to which the option right has not been exercised as a result of the competitive bid (net of the share related to the Shares Held).

Furthermore, Saipem has informed Eni and FSI that it has received a draft term sheet from a pool of financing banks, in accordance with which these banks have committed to grant the Company new facilities at a total amount of EUR 4.7. billion, to be used to repay the remaining part of the Payable.

---

<sup>1</sup> In the event of discrepancies the Italian language shall prevail.



---

Eni and FSI (the latter subject to the completion of the Transaction) have committed to subscribe the Capital Increase *pro-rata*, within the limit of the option rights to which they are entitled as a result of the Shareholding purchase.

Today Eni's board of directors convened to approve, among other things, the signing of the contract for the sale and purchase of the Shareholding with FSI (the "**Sale and Purchase Agreement**"), the Shareholders' Agreement and the Acknowledgement Agreement.

The closing of the **Sale and Purchase Agreement**, and therefore the effectiveness of the Shareholders' Agreement, will be subject to certain conditions precedent to be satisfied by 30 April 2016.

Under the Sale and Purchase Agreement, in consideration of the sale of the Shareholding, FSI shall pay a price per Saipem share corresponding to the arithmetical average of the official prices of the Company's ordinary shares recorded in the two Trading Days before and the four Trading Days after the announcement to the market by Saipem of the Capital Increase, and therefore in the Trading Days of 26 and 27 October and the Trading Days of 28, 29 and 30 October 2015, and 2 November 2015. Without prejudice to the above, the price per share may not exceed EUR 8.83 and may not be lower than EUR 7.40 (the "**Minimum Price per Share**"). Therefore, the total consideration shall be equal to the price per share calculated as mentioned above, and multiplied by the number of shares which make up the Shareholding (the "**Price**").

**(B) The nature of the Transaction as a "related-party transaction of significant importance" and the involvement and role of the Control and Risk Committee**

Eni is subject to the de facto indirect control of the Ministry of Economy and Finance ("**MEF**"), as a result of the interest that the latter holds in the Company both directly (with a 4.34% interest) and indirectly (with a 25.76% interest) through Cassa Depositi e Prestiti S.p.A. ("**CDP**"), which is, in turn, controlled by MEF.

FSI is also subject to the indirect control of MEF, as a result of the 80% interest that CDP holds in FSI.

Therefore, with regards to the Transaction, FSI is a party related to Eni under Article 2, letter a) (i), of the Related Party Procedure that Eni has adopted (the "**Related Party Procedure**").

The Transaction qualifies as a related-party transaction of "significant importance" under the Regulation adopted by Consob by Resolution No. 17221 of 12 March 2010 (as supplemented and amended) (the "**Related Party Regulation**") and under the Related Party Procedure. As a result, it is subject to the provisions of Article 5 of the Related Party Procedure.

Under Article 5 of the Related Party Procedure, Eni's board of directors must approve the Transaction after having received a reasoned favourable opinion of the Control and Risk Committee – i.e. the committee of independent and unrelated directors (the "**Committee**") – on the company's interest in completing the Transaction and on the appropriateness and substantial correctness of the conditions thereof.

Therefore, the Committee was timely informed under Article 5 of the Related Party Procedure of the terms and conditions of the Transaction within the Overall Transaction and, through the independent advisor appointed by the Committee, was involved in the preliminary phases of the Transaction and in the negotiations through an adequate and timely information flow.

Eni and Saipem are also related parties due to the control that Eni exercises on the Company. Without prejudice to the above, with specific reference to the Acknowledgement Agreement, Eni availed itself of the exoneration provided by Article 14, paragraph 2 of the Related Parties' Regulation and by Article 9, letter (h) of the Related Party Procedure, concerning transactions involving related parties.

---

## **(C) The Control and Risk Committee's Activities**

### **Selection of the Independent Advisor**

In order to exercise the duties under the Related Party Regulation and Related Party Procedure, with the support of Eni's dedicated divisions, the Committee availed itself of the right to be assisted by an independent advisor of its choice under the legal provisions mentioned above. Therefore, in a timely fashion, it commenced the selection process for an advisor who satisfies the requirements of independence and professionalism. The Committee assessed the advisor's independence based, more specifically, on any economic, equity and financial relationship between the advisor and the parties involved in the Overall Transaction.

Based on transparent and non-discriminatory criteria, the advisor was selected on the basis of a competitive and confidential selection process. In the process, in addition to the advisor's technical skills, the absence of conflicts of interest was assessed in accordance with the Related Party Procedure and Annex 4 of the Related Party Regulation, having regard in particular to the following elements: (i) any economic, equity and financial relationship with the Eni Group, the MEF, the companies subject to common control with Eni, including FSI itself; (ii) any economic, equity and financial relationship with the directors of the companies indicated in point (i); and (iii) any conflicts of interest that might compromise the candidates' independence in issuing the fairness opinion.

As a result of this competitive process, which involved three consultancy companies, after having examined the offers received on 21 October 2014, the Committee unanimously decided to appoint Evercore Partner International LLP ("**Evercore**" or the "**Advisor**") as its independent advisor to assist and advise the Committee in the Overall Transaction, based on the favourable assessment of (i) Evercore's high profile and experience in the oil sector and in activities in support of conflict/special committees; (ii) the project team's organisation and professionalism; (iii) the advantageous economic terms of the offer compared to the other offers.

Given the time required to complete the transaction, the appointment term, of initially one year, was extended on 16 October 2015.

### **Assessment of the Transaction's Terms**

Evercore has attended several meetings with the Eni's relevant technical departments and the independent advisor appointed by Eni's board of directors, Crédit Suisse Securities (Europe) Limited and has collected all the documents it needs to perform its duties under the appointment. Evercore has kept the Committee regularly informed on the activities it has performed and the information it has received.

The Transaction and any matters concerning the independent advisor's activities were discussed in 12 Committee meetings that were held from June 2014. More specifically, in the extraordinary meeting of 15 October 2015, the Committee met with Evercore's representatives to receive an update on: (i) the progress of the ongoing negotiation with FSI; (ii) the most relevant aspects of the Overall Transaction's structure on that date; (iii) a description of the approach and methodology to be followed and on any further developments.

Finally, during the extraordinary meeting of 27 October 2015, the CFRO informed the Committee of the outcome of the latest negotiations with FSI and the Committee met again with Evercore's representatives. Subsequently, the Committee acquired, analysed in depth and discussed in detail the Advisor's analyses and considerations, with specific reference to: (i) the Transaction's background and main terms; (ii) the methodological approaches applied and the figures resulting from each approach; (iii) the method for determining the price and the summary of the figures resulting from its application.

---

As a result of its presentation, Evercore delivered a copy of its fairness opinion, issued in performance of its duties as part of the appointment, which shows that the EUR 7.4. Minimum Price per Share is fair from a financial point of view.

**Conclusions**

In accordance with the provisions of Article 5 of the Related Party Procedure, having examined the opinion issued by the independent advisor Evercore Partner International LLP on the financial fairness of the Minimum Price per Share, and on the basis of the information collected through the updates received from the independent advisor, having regard to the objectives of the Overall Transaction, the Committee unanimously expressed its favourable opinion on the Company's interest in completing the Transaction in the contest of Overall Transaction as well as on the appropriateness and substantial correctness of the conditions thereof, including the fairness of the Minimum Price per Share.

The Chairman of the Control and Risk Committee

Alessandro Lorenzi

[signature]

*San Donato Milanese, 27 October 2015*

**Annex “B” - Fairness opinion issued by Credit Suisse  
(Europe) Limited on 27 October 2015**

Board of Directors  
Eni S.p.A.  
Piazzale Enrico Mattei, 1  
00144 Rome

27 October 2015

Dear Sirs,

You have asked us to advise you with respect to the fairness to Eni S.p.A. (the “Company” or “Eni”) from a financial point of view of the consideration to be received by the Company pursuant to the terms of the final draft of the Share Sale and Purchase Agreement, dated as of October 27, 2015 (the “Sale Agreement”), to be entered into between the Company and Fondo Strategico Italiano S.p.A. (the “Acquiror” or “FSI”).

The transaction documents provide, amongst other things, for:

- i) the acquisition of a number of ordinary shares of Saipem S.p.A. (“Saipem”) by FSI equal to 55,176,364, representing a percentage of the issued share capital of Saipem equal to 12.5% (the “Sale”);
- ii) the price per share payable under the Sale Agreement will be determined as the arithmetic average of the “Official Prices” per ordinary share of Saipem, as calculated by the Milan Stock Exchange, for the two trading days preceding, and the four trading days following, the announcement of the Saipem Capital Increase (as defined below) (i.e. as estimated and indicated under the Sale Agreement, the six trading days included in the period of time starting on October 26, 2015 and ending on November 2, 2015 included. Precisely, the “Official Price” is defined under the Sale Agreement as “*the official price of the Shares calculated as the weighted average price for the relevant quantities of all the contracts executed on the MTA during the trading session, excluding those executed through the cross-order technicality, as calculated and published by Borsa Italiana*”. In any event, the price per Saipem ordinary share payable under the Sale Agreement will not be higher than €8.83 per share and not lower than €7.40 per share (this latter, the “Bottom Price”);
- iii) Commitments by Eni and FSI, the latter subject to the completion of the Sale, to subscribe pro-rata to the capital increase of up to €3.5bn approved by Saipem Board of Directors on October 27, 2015 (“Saipem Capital Increase”);
- iv) Certain governance provisions as included in the final draft of the shareholder agreement between Eni and FSI, dated as of October 27, 2015 (the “SHA”).

As of the date hereof, Eni is the major lender of Saipem. The amounts of the intercompany debt and counter-guarantees provided by Eni and some of its affiliates to Saipem and to some of its affiliates were equal to €6.5 billion and €3.8 billion respectively, as of June 30, 2015. Immediately before Eni and FSI entering into the Sale Agreement, the Board of Directors of Saipem has approved (i) a pre-underwriting agreement for the Saipem Capital Increase, with proceeds of such capital increase being used to repay a portion of the intercompany debt currently being provided to Saipem by Eni, and (ii) a committed termsheet for the refinancing of the remaining intercompany debt with third party debt provided by a group of lenders.

With respect to the content of this opinion, it has preliminarily to be noted that the consideration to be paid to the Company pursuant to the Sale Agreement is undetermined as of today. Indeed, as already mentioned under point ii) above, the relevant price per Saipem share is equal to the arithmetic average of the “Official Prices” for the two trading days preceding, and the four trading days following, the announcement of the Saipem Capital Increase. These latter are, of course, undetermined as of today. In light of the above, this opinion is rendered with respect to the Bottom Price (i.e., the minimum price that will be received by the Company in the contest of the Sale).

In arriving at our opinion, we have reviewed certain publicly available business and financial information relating to Saipem, including amongst others, the interim financial reports of Saipem as of June 30, 2015 and certain available equity research reports on Saipem. We have also reviewed certain other information relating to Saipem, including, amongst others, (i) the Sale Agreement; (ii) a summary of the Saipem’s 2016-2019 Strategic Plan approved by Saipem Board of Directors on October 27, 2015 (the “Financial Forecasts”); (iii) the estimated revenue, EBITDA, EBIT, change in net working capital and capex data for Saipem for the period October – December 2015 (the “Q4 2015 Financial Forecasts”); (iv) certain balance sheet data for Saipem as of September 30, 2015; (v) the SHA between Eni and FSI. We have also discussed with the Company and Saipem’s management the business and prospects of Saipem.

In connection with our review, we have not assumed any responsibility for independent verification of any of the foregoing information and have relied on its being complete and accurate in all material respects. With respect to the Financial Forecasts, the Q4 2015 Financial Forecasts and the illustration of the business prospects of Saipem the management of Saipem and the Company have advised us, and we have assumed, that such forecasts and business prospects have been reasonably prepared and described on bases reflecting the best currently available estimates and judgments of Saipem’s management as to the future financial performance of Saipem. With respect to all outstanding and pending litigation involving Saipem and for which significant damages are alleged, you have instructed us to assume that the outcome of the litigation will not have a material adverse effect on the financial condition, results or operations of Saipem. We also have assumed, with your consent, that in the course of obtaining the necessary regulatory and third party approvals and consents for the Sale, no modification, delay, limitation, restriction or condition will be imposed that will have an adverse effect on the financial condition or results or operations of Saipem or the contemplated benefits of the Sale, and that the Sale will be consummated in accordance with the terms of the Sale Agreement, without waiver, modification or amendment of any material term, condition or agreement therein. In addition, we have not been requested to make, and have not made an independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of the Company, nor have we been furnished with any such evaluations or appraisals. Our opinion addresses only the fairness, from a financial point of view, to Eni of the consideration to be received by Eni under the terms of the Sale Agreement and does not address any other aspect or effect of the Sale or any other agreement, arrangement or understanding entered into in connection with the Sale or otherwise. Our opinion does not address the fairness or otherwise of the SHA or the Capital Increase and, with your consent, other than as expressly stated herein, does not take such into account, or any effect they may have, when assessing the fairness, from a financial point of view, to Eni of the consideration to be received by Eni under the terms of the Sale Agreement. Our opinion is necessarily based upon information made available to us on the date hereof and upon financial, economic, market and other conditions as they exist and can be evaluated on the date hereof. Our opinion does not address the relative merits of the Sale as compared to alternative transactions or strategies that might be available to the Company nor does it address the underlying business decision of the Company to proceed

with the Sale. We have acted as financial adviser to Eni in connection with the Sale and, as part of our assignment and as instructed by Eni, we have solicited interest from potential investors with respect to a transaction involving Saipem shares.

In connection with rendering this opinion, and in accordance with customary practice of internationally recognized investment banking firms when rendering similar opinions and performing similar valuations, we have performed a financial analysis to estimate ranges of the implied value per Saipem ordinary share and a summary of such financial analysis performed is presented below. We have considered each of the valuation methodologies used for the purpose of our analysis and represented below and we have not attributed any particular relevance to any of such valuation methodologies. No one valuation methodology should be considered individually. Each valuation methodology should be considered as an integral part of the valuation analysis we have performed for the purpose of rendering our opinion.

Furthermore, we considered such other information, financial studies, analyses and investigations and financial, economic and market criteria which we deemed relevant.

Our valuation analysis has been performed without taking into account the impact of the Saipem Capital Increase and the potential debt refinancing, we have, however, considered them solely for the purpose of assessing the future capital structure of Saipem post transaction. Finally, implied price per Saipem share has been calculated by dividing the estimated equity value of Saipem by the total number of shares outstanding at the date of this opinion, therefore attributing the same value per share to ordinary and saving shares.

The valuation methodologies we have used for the purpose of rendering our opinion are the following:

#### Discounted cash flow analysis

We have applied the discounted cash flow methodology to the Q4 2015 Financial Forecasts and the Financial Forecasts of Saipem. We have calculated the net present value of the unlevered after tax free cash flow of Saipem for the period from October 27, 2015 to December 31, 2019 and of the terminal value in 2019. The unlevered after tax free cash flows have been discounted at the weighted average cost of capital ranging from 9.0% to 10.0%, estimated using the Capital Asset Pricing Model. The terminal value in 2019 has been estimated applying a perpetual growth rate ranging from 2.0% to 3.0%. Using this methodology, the price per Saipem ordinary share ranges from €6.91 to €12.38.

#### Trading analysis

Analysis of the historic trading performance of the Saipem ordinary shares during the period of six calendar months prior to the announcement of the Sale, taking into account the highest and the lowest price per Saipem ordinary share in such period as well as the volume weighted average price of Saipem ordinary shares during the six, three and one calendar month before the announcement of the Sale. Using this methodology, the price per Saipem ordinary share ranges from €6.86 to €12.77.

### Selected companies analysis

We have considered certain financial and stock market data of Saipem, and we have compared that data with similar data for other publicly held companies in businesses which we deemed similar to those of Saipem. No company considered in this analysis is perfectly comparable with Saipem. In performing this analysis, we made judgments and assumptions with regard to the different industry, operating and financial profile of the companies considered. We have calculated their valuation multiples based on their EBITDA for the calendar year 2016 as estimated by IBES consensus. Using this methodology, the price per Saipem ordinary share ranges from €3.38 to €6.47.

### Selected minority transactions analysis

We have considered certain publicly available information relating to the financial terms of certain other selected minority disposals and block trades which have recently been effected. While none of the companies involved in the selected transactions is directly comparable to Saipem, the main elements of those transactions, including size of the stake being sold and form of consideration paid to the seller, may be considered relevant for the purpose of our analysis. Using this methodology, the price per Saipem ordinary share ranges from €6.97 to €8.57.

### Analysts' target prices

We have reviewed selected analyst reports issued by the research analysts covering Saipem following the release of Saipem interim results as of June 30, 2015. It has to be noted that those analyst reports have been released before the announcement of the Saipem's 2016-2019 Strategic Plan, which has been approved by Saipem Board of Directors on the date of the announcement of the Sale. Using this methodology, the price per Saipem ordinary share ranges from €5.00 to €12.00.

### Additional elements to be considered

There are a number of additional important elements which have to be taken into account in reading this opinion, including, amongst others:

- The high volatility experienced by the oil and gas price in recent months and the current oil and gas price outlook create significant uncertainty over the business and financial prospects of all companies operating in the oil and gas sector, including those of Saipem and other companies in the oil and gas sector whose businesses and prospects we have considered when performing our analysis in connection with the rendering of this opinion;
- More specifically, as a result of the above, a number of the major oil & gas companies have recently decided to materially reduce capital expenditures in the short term, creating further uncertainty for the companies operating in the oil field services sector

We have acted as financial advisor to the Company in connection with the Sale and will receive a fee for our services which is contingent upon the consummation of the Sale. In this context, as it is standard practice, the Company has agreed to indemnify us for certain liabilities and other items arising out of our engagement. From time to time, we and our affiliates are currently providing and in the future we may provide, investment banking and other financial services to the Company, Saipem and the Acquiror, for which we have received, and would expect to receive, compensation. We are a full service securities firm engaged in securities trading and



brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, we and our affiliates may acquire, hold or sell, for our and our affiliates own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of the Company, Saipem, the Acquiror and any other company that may be involved in the Sale, as well as provide investment banking and other financial services to such companies.

It is understood that this letter is for the information of the Board of Directors only in connection with its consideration of the Sale and may be disclosed to the public only in compliance with, and to the extent required under i) Consob regulation no. 17221/2010 and, precisely, together with the information document to be published in accordance with Section 5.1 and Annex 4 of the above mentioned regulation and ii) art. 71 of the Consob regulation no. 11971/1999 and annex 3B. Except for the above, this letter may not be disclosed to any person without our prior written consent and is not to be quoted or referred to, in whole or in part nor shall this letter be used for any other purposes, without our prior written consent.

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, consideration to be received by Eni equal to a price per share for the ordinary shares of Saipem being disposed of by Eni pursuant to the Sale of the Bottom Price or more, is fair to Eni from a financial point of view.

Yours faithfully,

CREDIT SUISSE SECURITIES (EUROPE) LIMITED, MILAN BRANCH



---

Guido Banti  
Managing Director



---

Andrea Donzelli  
Managing Director

**Annex “C” - Fairness opinion issued on 27 october 2015 by  
Evercore Partners International LLP for the benefit of the  
Audit and Risk Committee**

# EVERCORE

**Strictly private and confidential**

27<sup>th</sup> October 2015

To:

Eni S.p.A  
Piazzale Enrico Mattei I,  
00144 Rome  
Italy

For the attention of the Control and Risk Committee

Dear Members of the Control and Risk Committee

## **Background**

We understand that Eni S.p.A. (“**Eni**”, or the “**Company**”), proposes to enter into a transaction (the “**Transaction**”) to sell a portion of the stake held by Eni in Saipem S.p.A (“**Saipem**”) of 12.503% of the fully-diluted ordinary share capital of Saipem, to Fondo Strategico Italiano S.p.A. (the “**Buyer**” or “**FSI**” and, together with Eni, the “**Parties**”).

The proposed terms of the Transaction are set out in the execution copy of the Sale and Purchase Agreement (and the appended draft Deed of acknowledgement of existing Saipem Group debt to the Eni group (the “**Accordo Ricognitivo del Debito**”) (the “**SPA**”) and the execution copy of the Shareholders’ Agreement (the “**Shareholders’ Agreement**”) all to be entered into between Eni and FSI on or about the date hereof and, collectively, the “**Transaction Documents**”).

We understand from you that the principal financial terms of the Transaction are as follows:

- (i) the Buyer shall purchase shares representing 12.503% of the fully-diluted ordinary share capital of Saipem from Eni (the “**Saipem Shares**”);
- (ii) the price to be paid by the Buyer for the Saipem Shares shall be determined by calculating the arithmetic average of Saipem’s closing share price for: (a) the two (2) trading days prior to the announcement of the Capital Increase being €8.12 per share (the “**Price per Share**”); and (b) the four (4) trading days following the announcement of the Capital Increase (being, together with the Price per Share, the “**Final Price per Share**”)
- (iii) the Final Price per Share shall not in any event exceed €8.83 per Share, nor be less than €7.40 per share (the “**Minimum Price per Share**”);

# EVERCORE

- (iv) in parallel with the Transaction, and with an announcement date that shall be the same as the announcement date of the Transaction, Saipem will announce a refinancing via a debt refinancing (the “**Refinancing**”) and a planned capital increase in an amount of €3.5 billion through a rights issue (the “**Capital Increase**”), and the SPA shall provide that both Eni and FSI will each commit to subscribe to the capital increase *pro-rata* to their respective post-Transaction stakes in Saipem pursuant to the terms of the SPA;
- (v) Eni and FSI shall enter into the Shareholders’ Agreement in respect of an aggregate holding of 25.006% of the ordinary shares of Saipem divided equally at all times between them, for a period of 3 years, subject to the condition that FSI and Eni remain directly or indirectly controlled by the Italian Ministry of Economy and Finance; and
- (vi) the Shareholders’ Agreement will ensure joint control of Saipem between Eni and FSI and will govern the basis *inter alia* under which the Parties shall (a) exercise their joint control governance rights in respect of Saipem; (b) vote their shares subject to the Shareholder’s Agreement; (c) agree not to dispose of the shares subject to the Shareholder’s Agreement to a third party; (d) undertake not to take any action which may trigger a mandatory tender offer obligation on Saipem shares under Italian laws; and (e) undertake not to purchase any right to acquire or subscribe, directly or indirectly, for Saipem shares other than as permitted pursuant to the Shareholders’ Agreement.

We understand from you that the Transaction Documents will be approved by the competent corporate bodies of the Parties on 27<sup>th</sup> October 2015 that the Transaction and the Capital Increase are expected to be announced after the market close of the Milan Stock Exchange (Borsa Italiana) on 27<sup>th</sup> October 2015. We further understand that the closing of the Transaction is expected to take place in early 2016, when all conditions precedent to closing indicated in the Transaction Documents have been fulfilled, subject to a backstop date of 30<sup>th</sup> April 2016.

The principal conditions precedent to closing the Transaction include *inter alia*:

- (i) obtaining a positive decision from Commissione Nazionale per le Società e la Borsa (“**Consob**”), pursuant to article 106 paragraph 6 of Legislative Decree No. 58/98, confirming that the Transaction falls within the exemption from the obligation to launch a mandatory tender offer;
- (ii) completion of anti-trust clearances in relation to the Transaction;
- (iii) approval of the final terms of the Capital Increase and the execution of an underwriting agreement to guarantee the subscription for and payment of the Capital Increase;
- (iv) the signing by Saipem of the Refinancing documentation;
- (v) no Material Adverse Change as defined in the SPA;

# EVERCORE

- (vi) the resignation from the board of Saipem of one director currently nominated by Eni and the replacement by one director nominated by the Buyer; and
- (vii) the maintenance by the credit rating agencies Standard & Poor's and Moody's of a credit rating for Saipem of no lower than BB+ and Ba1 respectively.

The Transaction is also subject to the following conditions subsequent (“**Condizioni Risolutive**”):

- (i) failure to achieve settlement of the Capital Increase by 31<sup>st</sup> May 2016;
- (ii) failure to draw down the Refinancing by 30<sup>th</sup> June 2016; and
- (iii) failure to repay the outstanding debt balances owed by Saipem to Eni by 30<sup>th</sup> June 2016.

We understand from you that the Transaction represents a transaction with related parties and is therefore subject to (i) the regulation containing provisions for transactions with related parties, adopted by Consob under Resolution no. 17221 dated 12<sup>th</sup> March 2010 and subsequently amended by Resolution no. 17389 dated 23<sup>rd</sup> June 2010 (hereinafter the “**Consob Regulation**”); and (ii) the provisions of the Management Systems Guidelines of Eni governing the interest of the Directors and Statutory Auditors in respect of transactions with related parties issued by Eni on 19<sup>th</sup> January 2012 (the “**MSG**”).

According to the Consob Regulation and the MSG, taking into account the expected economic terms, and in accordance with your instruction, we further understand that the Transaction is also a transaction with a related party “of significant importance”. Therefore, the decision making procedure that Eni shall adopt for the purpose of executing the final agreement relating to the Transaction provides that the responsibility for deciding by resolution whether or not to proceed with the Transaction is reserved to Eni’s Board of Directors and that the Board of Directors shall require the “prior reasoned positive opinion” of the Control and Risk Committee of Eni (the “**CRC**”) in relation to the corporate interest of Eni in executing the Transaction and the “appropriateness and substantial correctness” of the Transaction’s conditions (the “**CRC Opinion**”).

In accordance with the provisions of the Consob Regulation, the CRC has exercised its right to be assisted by an independent adviser and has consequently appointed Evercore Partners International LLP (“**Evercore**”) by means of an Engagement Letter dated 27<sup>th</sup> October 2014 as extended by a Letter dated 16<sup>th</sup> October 2015 (the “**Engagement Letter**”) as its independent adviser to assist in the fulfilment of its duties under the Consob Regulation and the MSG. Specifically, Evercore has been requested to provide its opinion as to the fairness, from a financial point of view, of the Minimum Price per Share (the “**opinion**”).

## Information Sources

In connection with issuing this letter, we have, reviewed and relied on information received from Eni, as well as publicly available sources of information, including, *inter alia*, the following:

- (viii) the execution copy of the SPA;
- (ix) the execution copy of the Accordo Ricognitivo del Debito;
- (x) the execution copy of the Shareholders' Agreement;
- (xi) Saipem's Management Presentation to FSI dated 16<sup>th</sup> September 2015;
- (xii) Saipem's Strategic Plan 2016-2019 dated October 2015 (the "**Strategic Plan**");
- (xiii) Saipem's published consolidated Financial Statements for the year ending 31<sup>st</sup> December 2014, the six months ending 30<sup>th</sup> June 2015 and certain limited disclosure in relation to the three months ending 30<sup>th</sup> September 2015;
- (xiv) the reported prices and trading activity for Saipem shares;
- (xv) the financial performance, share prices and trading activity of certain other publicly-traded companies considered by us to be comparable with Saipem as a whole and / or with its divisions;
- (xvi) the financial terms, to the extent publicly available, of certain comparable acquisition transactions and analogous capital market transactions;
- (xvii) the target prices published by certain equity research analysts covering Saipem;
- (xviii) a number of discussions with the management of the Company during the course of our engagement; and
- (xix) other publicly available information and such other factors as we have deemed appropriate.

In providing this opinion, we have also assumed, without independent verification, that all information supplied by Eni and / or Saipem, and all publicly available information is accurate, truthful and complete, and did not assess the reliability of such information, or the validity of the legal relationships underlying the activity performed by Eni and Saipem under which historical and prospective information was acquired and elaborated. With respect to the financial projections contained in the Strategic Plan, we have assumed that they have been reasonably prepared reflecting the best currently available estimates and judgements of the management of Saipem of the future financial performance of Saipem.

For the purposes of issuing this opinion, we have assumed, in all respects material to our analysis, that all conditions to the consummation of the Transaction will be satisfied without material waiver or modification thereof. We have further assumed that all governmental, regulatory or other consents, approvals or releases necessary for the consummation of the Transaction, as well as for the consummation of the Refinancing and the Capital Increase, will be obtained without any material delay, limitation, restriction or

# EVERCORE

condition that would have an adverse effect on Eni or Saipem or the consummation of the Transaction.

We have not made any independent valuation or appraisal of the assets or liabilities of Saipem, nor have we been furnished with any such valuations or appraisals. Our opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to us as of, the date hereof. Events occurring after the date hereof, including without limitation the determination of the Final Price per Share to the extent that it is other than the Minimum Price per Share, may affect this opinion and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this opinion.

As a consequence, potentially significant differences from the conclusions set out in this opinion could result from any inaccuracies, errors or omissions in the data, documentation or information provided to Evercore.

This opinion does not address the merits associated with Eni's participation in the Transaction, nor does it assess the appropriateness of the market conditions in which the Transaction is being concluded. Importantly, in arriving at our opinion, we were not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction, involving Saipem or the Saipem Shares.

## **Valuation Approach**

In order fully to comply with the disclosure obligations set forth in the Consob Regulation, we report below a brief summary of the main analyses and financial valuations that we have deemed useful in connection with the preparation of this opinion.

We performed a variety of financial and comparative analyses for the purposes of rendering this opinion. It is important to note that the preparation of a financial opinion is a complex process and does not lend itself to a partial analysis or summary description.

In arriving at our opinion, we considered the results of all of the analyses and valuation methodologies as a whole and did not attribute any particular weight to a particular analysis or factor which we considered. We believe that selecting any portion of our analyses, without considering all analyses as a whole, would create an incomplete view of the process underlying our analyses and, consequently, our opinion. In addition, we may have given various analyses and factors more or less weight than other analyses and factors, and may have deemed various assumptions more or less probable than other assumptions. As a result, the ranges of valuations resulting from any particular valuation methodology described herein should not be taken to be our view of the actual value per share of the Saipem Shares. In performing our analyses, we made numerous assumptions with respect to industry performance, general business and economic conditions and other matters. Many of these assumptions are beyond the control of Eni or Saipem or any other party involved with the Transaction and may have a significant degree of uncertainty. Any estimates contained in our analyses are not necessarily indicative of future results or actual values, which may turn out to be significantly more or less favorable than those suggested by such estimates.

# EVERCORE

We conducted the analyses described below in connection with the Transaction solely as part of our analysis of the fairness from a financial point of view of the Minimum Price per Share to the Company. These analyses do not purport to be appraisals and do not in any manner address the prices at which the ordinary shares of Saipem will trade following consummation of the Transaction, the Refinancing and the Capital Increase.

## *Summary of valuation methodologies and references*

In conducting our analyses, we have adopted valuation methodologies and certain valuation references which we consider to be generally used and in line with the market practice for valuation exercises of this nature. We have had to adapt these valuation methodologies to take into account (i) the specific features of the Transaction; (ii) certain pro forma adjustments to reflect the pro forma impact of the Refinancing and Capital Raise on Saipem's valuation; and (iii) certain limitations and critical elements we have encountered, some of which are set out herein.

In preparing this opinion, we have applied a range of different valuation methodologies, taking into account Saipem's fundamental value incorporated into the Business Plan and additional information provided to us by Eni, using the discounted cash flow method ("**Unlevered Discounted Cash Flow**" or "**DCF**") and current trading multiples related to comparable companies to each of Saipem's divisions.

These valuation methodologies have been compared with valuation references afforded by (i) the historical trading prices of Saipem shares; (ii) the target prices published by equity research analysts covering Saipem; and (iii) recent comparable transaction multiples.

### **DCF Methodology**

Evercore has analyzed the valuation of Saipem as of 30<sup>th</sup> September 2015 being the closest Saipem financial reporting date to the expected Transaction date, utilizing the Unlevered Discounted Cashflow methodology applied to the consolidated and divisional financial projections for Saipem for the years 2016 to 2019 as set out in the Strategic Plan. We calculated the net present value of the unlevered after tax free cashflows of Saipem for the years 2016 to 2019 and of the terminal value in the year 2020, based on an assumed perpetuity growth rate. These values were discounted at a Weighted Average Cost of Capital ("**WACC**") which reflects our assessment of the Saipem WACC pro forma for the information provided to us in respect of the proposed Refinancing and Capital Increase.

The above described methodology implies a range of values for the Saipem share price of between €6.70 and €9.29 per share.

### **Current Trading Multiples Methodology**

Evercore has analyzed the ratio of Enterprise Value to the estimated earnings before interest, taxes, depreciation and amortization ("**EBITDA**") for calendar years 2016 and 2017 for a range of listed companies operating in each of the business areas of Saipem's four divisions. Based on the outcome of this analysis we have applied these multiple ranges to



# EVERCORE

Saipem's estimated 2016 and 2017 EBITDA from the Strategic Plan and aggregated the results to derive a comparable company based valuation on a Sum of the Parts basis.

The above described methodology implies a range of values for the Saipem share price of between €5.84 and €7.90 per share.

## **Transaction Multiples Reference**

Evercore also reviewed financial data, to the extent publicly available, for recent acquisition transactions involving companies operating in the field of operations of Saipem and/or each of its four business units. In our analysis of this valuation methodology, we have made important judgements as to the circumstances of particular transactions and consequent extent to which they are or are not comparable to the Transaction. In addition we have analyzed certain recent capital markets transactions for comparable sized stakes to the Saipem Shares where these have been deemed analogous to the Transaction.

With respect to this methodology, we would also note that the consideration agreed in the precedent transactions was negotiated by the parties to those transactions and, therefore, it is strictly connected and affected by the terms and conditions and the contractual agreements entered into among the parties. In addition, most of the transactions considered were for outright company acquisitions and were agreed in a time period when the oil price and environment for companies serving the oil & gas sector were materially different from the conditions prevailing at the time of the Transaction. The results deriving from the application of the precedent transactions multiples reference are potentially significantly affected by these factors as well as the prevailing trends of the M&A and/or capital markets at the time of the transaction and by significant heterogeneity of the examined situations. As a consequence Evercore has placed significantly less reliance on this reference than on the other methodologies and references in forming its opinion.

The above described valuation reference implies a range of values for the Saipem share price of between €7.74 and €14.47 per share.

## **Saipem's Share Price Trading Reference**

Evercore has performed a trading range analysis with respect to the historical official prices of Saipem shares on a volume weighted basis over a number of historical time periods ending on 23<sup>rd</sup> October 2015. In this approach, we have made certain judgements regarding the appropriateness of time periods selected and the extent to which market prices have been informed by market expectations of the Transaction, the Refinancing and/or the Capital Increase.

The above described valuation reference implies a range of values for the Saipem share price of between €7.05 and €8.95 per share.

## **Broker Target Prices Reference**

Evercore has also analyzed the target share prices published by a range of equity research analysts between 13<sup>th</sup> August 2015 and 21<sup>st</sup> October 2015.

In this approach, we have made certain judgements regarding the appropriateness of time periods selected and the extent to which research analyst Target Prices have been informed by market expectations of the Transaction, the Refinancing and/or the Capital Increase.

The above described valuation reference implies a range of values for the Saipem share price of between €7.00 and €10.70 per share.

## *Critical Considerations*

There are a number of critical considerations to be taken into account in reviewing this opinion, among which we wish to highlight the following:-

- Saipem operates in a sector which is highly exposed to the economic conditions of the oil & gas sector which itself is directly or indirectly impacted, immediately or with a time lag effect, by oil and gas and related commodity prices and may have a significant impact on Saipem's future financial performance and on the value of the Saipem Shares;
- The Transaction is part of a reorganization of the shareholding of Saipem and, linked contractually through the Conditions Precedent to the Refinancing and the Capital Increase. The trading prices of the shares can be significantly affected by the execution of a rights issue by a listed issuer and market experience shows that the trading prices of listed shares can be subject to volatility which does not necessarily reflect the value of the company;
- A substantial portion of the value of Saipem derived from the Discounted Cash Flow methodology relies on the terminal value of Saipem which requires judgement on both the normalized cashflows in the terminal year and on the long-term growth potential of the business.

We have not been asked to pass judgement upon, and express no opinion with respect to, any matter other than the fairness to Eni, from a financial point of view, of the Minimum Price per Share. We do not express any view on, and this letter does not address, the fairness of the Price per Share, Final Price per Share and/or of the Transaction to, or any consideration received in connection therewith by, the holders of any securities, creditors or other constituencies of Eni, nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of Eni, or any class of such persons, whether relative to the Minimum Price per Share or otherwise. We have assumed that any modification to the structure of the Transaction will not vary in any respect material to our analysis. This letter does not address the relative merits of the Transaction as compared to other business or financial strategies that might be available to

# EVERCORE

Eni or Saipem, nor does it address the underlying business decision of Eni to engage in the Transaction. We have not been asked to, nor do we offer, any opinion as to the material terms of the Transaction, other than the Minimum Price per Share.

This letter does not constitute a recommendation to the Board of Directors of Eni or to any other persons in respect of the Transaction. In issuing this letter, we have assumed, with your consent, that the Transaction as consummated will not differ in any material respect from that described in the execution copy of the SPA and the execution copy of the Shareholders' Agreement we have examined, without adverse waiver or amendment of any material term or condition thereof, and that Eni and FSI will comply with all material terms of the Transaction Documents. We are not legal, regulatory, accounting or tax experts and have assumed, without independent verification, the accuracy and completeness of assessments by the Company and its advisers with respect to legal, regulatory, accounting, actuarial and tax matters.

We will receive a fee for our services upon the issuance of this letter. Eni has also agreed to reimburse our expenses and to indemnify us against certain liabilities arising out of our engagement as set out in the Engagement Letter.

In the ordinary course of business, Evercore or its affiliates may actively trade the securities, or related derivative securities, or financial instruments of the Company, Saipem and their respective affiliates via businesses that are segregated from Evercore's advisory business in accordance with law and regulation, for their own account and for the accounts of their customers and, accordingly, may at any time hold a long or short position in such securities or instruments.

This letter is addressed to and is for the information and benefit of, the CRC only in connection with their evaluation of the Transaction. This letter is not on behalf of, and shall not confer rights or remedies upon, may not be relied upon, and does not constitute a recommendation by Evercore to any third party and Evercore accepts no responsibility to any person other than Eni in relation to the contents of this letter, even if it is disclosed with our approval.

This opinion has been approved by a committee of Evercore employees in accordance with our customary practice. This letter may not be disclosed, quoted, referred to or communicated (in whole or in part) to any third party, including, without limitation, employees, creditors or shareholders of Eni, for any purpose whatsoever except with our prior written approval, except that a copy of this opinion may be disclosed to the other directors of Eni and members of the Statutory Board of Auditors in the context of the Eni board meeting convened to approve the Transaction and disclosed or included in its entirety in any filing Eni is required to make in connection with the Transaction pursuant to the Consob regulation (Consob Regulation n. 172221/2010, Consob Regulation n. 11971/1999 and Annex 3B of the latter) or any other regulation applicable to Eni.

# EVERCORE

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the Minimum Price per Share is fair, from a financial point of view, to Eni.

Very truly yours,

EVERCORE PARTNERS INTERNATIONAL  
LLP

A handwritten signature in black ink, appearing to be 'David Waring', written in a cursive style.

By:

David Waring  
Senior Managing Director

**Annex “D” - Report of the External Auditors on the consolidated pro-forma economic and financial data - Courtesy Translation from the original Italian Version**

**Independent auditors' report on the examination of the Consolidated Pro-Forma Statements**  
(Translation from the original Italian text)

The European Commission's regulation on Prospectuses n. 809/2004A, adopted by Consob in Italy under Regulation n. 11971, requires, for the preparation of the information memorandum (the "Information Statement") in connection with significant mergers, acquisitions or disposals by Italian listed companies that, when unaudited pro-forma financial information are presented, the Information Statement contain "a report prepared by the independent auditors stating that in their opinion the unaudited pro-forma financial information has been properly compiled on the basis stated and that basis is consistent with the accounting policies of the Italian listed company". Consob in Italy requires that the independent auditors' report be prepared in accordance with Consob Rule n. DEM/1061609 of August 9, 2001.

Accordingly, an Independent auditors' report on the examination of the unaudited pro-forma financial information was issued by the independent auditors of Eni S.p.A., in connection with the preparation of the Information Statement by Eni S.p.A. pursuant to Article 5 of the Regulation adopted by Consob with Resolution no. 17221 of March 12, 2010, as amended by Resolution no. 17389 of June 23, 2010, and pursuant to Article 71 of the Regulation adopted by Consob with Resolution no. 11971 of May 14, 1999, as amended for the sale of 55.176.364 ordinary shares in Saipem S.p.A. to Fondo Strategico Italiano S.p.A.. and the financial transactions related or consequent to it (the "Transaction"), for the sole purpose of the above mentioned Italian regulation. Such report forms part of the Information Statement for the Transaction.

The following is the English language translation of the original Italian independent auditors' report on the examination of the unaudited consolidated pro-forma financial information of Eni S.p.A. under the above mentioned Italian regulation, in connection with the Transaction, and cannot be used for any other

To the Board of Directors of  
Eni S.p.A.

1. We examined the statements of pro-forma consolidated balance sheet and income statement accompanied by the explanatory notes (the "Consolidated Pro-Forma Statements") of Eni S.p.A. and its subsidiaries (the "Eni Group") as of and for the six months ended June 30, 2015.

Such Consolidated Pro-Forma Statements derive from the historical financial information related to the condensed consolidated interim financial statements of the Eni Group as of June 30, 2015, prepared in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), as adopted by the European Union, and from the pro-forma adjustments applied to such financial information and examined by us.

The condensed consolidated interim financial statements of the Eni Group as of June 30, 2015 have been reviewed by us and we have issued our review report on August 7, 2015.

A review of condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed consolidated interim financial statements of the Eni Group as of June 30, 2015.

The Consolidated Pro-Forma Statements have been prepared on the basis of the assumptions described in the explanatory notes to retroactively reflect the effects of the sale of 12,5% stake in Saipem S.p.A. to Fondo Strategico Italiano S.p.A. and the financial transactions related or consequent to it (the "Transaction").

2. The Consolidated Pro-Forma Statements as of and for the six months ended June 30, 2015 have been prepared solely for the inclusion in the information document, prepared pursuant to Article 5 of the Regulation adopted by Consob with Resolution no. 17221 of March 12, 2010, as amended by Resolution no. 17389 of June 23, 2010, and pursuant to Article 71 of the Regulation adopted by Consob with Resolution no. 11971 of May 14, 1999 as amended, related to the Transaction.

The scope of the preparation of the Consolidated Pro-Forma Statements is to present, in accordance with valuation criteria consistent with the historical financial data and with the applicable regulations, the effects of the Transaction on the consolidated economic trend and on the consolidated balance sheet of the Eni Group, as if such Transaction virtually occurred on June 30, 2015 and, with respect to the economic effects only, at the beginning of the year 2015. However, it should be noted that if the Transaction had actually occurred on such dates, the results that are presented therein would not be necessarily obtained.

The Consolidated Pro-Forma Statements are the responsibility of Eni S.p.A.'s Directors. Our responsibility is to express an opinion on the reasonableness of the assumptions adopted by the Directors for the preparation of the Consolidated Pro-Forma Statements and on the utilization of a proper methodology in preparing such data. In addition, it is our responsibility to express an opinion on the correctness of the valuation criteria and of the accounting principles applied.

3. Our examination has been made in accordance with the criteria recommended by CONSOB in its Recommendation n. DEM/1061609 of August 9, 2001 for the examination of the pro-forma data applying the procedures we deemed necessary in the circumstances with respect to the engagement received.
4. Based on our review, nothing has come to our attention that cause us to believe that the assumption adopted by Eni S.p.A. for the preparation of the Consolidated Pro-Forma Statements as of June 30, 2015, accompanied by the explanatory notes, to retroactively reflect the Transaction, are not reasonable and the methodology utilized for the preparation of the above mentioned financial information has not been properly applied for the information purpose described above. Finally, nothing has come to our attention that cause us to believe that the valuation criteria and the accounting principles used for the preparation of the Consolidated Pro-Forma Statements, are not correct.

Rome, November 3, 2015

Reconta Ernst & Young S.p.A.  
Signed by: Massimo Antonelli, Partner