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32

31

34

68

73

72

63

**62**

Norway

18

18

12

7

1

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	10
	14
	20
	37
	41
	<b>42</b>
Netherlands	2
	2
	1
	1
<b>Rest of World</b>	<b>17</b>
	<b>16</b>
	<b>22</b>
	<b>30</b>
	2

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48

86

109

130

144

142

Pakistan

2

7

28

45

48

Kazakhstan

11

18

3

Indonesia

United States

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12

23

20

30

23

19

**14**

Trinidad & Tobago

2

10

10

**10**

Croatia

2

4

5

	5
	5
	6
	7
Australia	1
<b>Total outside Italy</b>	<b>61</b>
	<b>76</b>
	<b>91</b>
	<b>120</b>
	<b>182</b>
	<b>273</b>
	<b>321</b>
	<b>365</b>
	<b>399</b>
	6

451

370

375

385

390

439

512

551

581

590

626

(1) Includes natural gas consumed in operations (16,000, 23,000, 26,000, 38,000 and 44,000 boe/day in 2001, 2002, 2003, 2004 and 2005 respectively).





**Contents**

## ENI FACT BOOK / EXPLORATION &amp; PRODUCTION

Hydrocarbon production by country <sup>(1)</sup>	(thousand boe/day)	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>Italy</b>		<b>406</b>	<b>403</b>	<b>394</b>	<b>358</b>	<b>333</b>	<b>308</b>	<b>316</b>	<b>300</b>	<b>271</b>	<b>261</b>
<b>North Africa</b>		<b>228</b>	<b>229</b>	<b>236</b>	<b>269</b>	<b>306</b>	<b>317</b>	<b>354</b>	<b>351</b>	<b>380</b>	<b>480</b>
Egypt		78	92	111	157	189	180	192	187	200	213
Libya		112	103	92	80	82	87	83	84	97	164
Algeria		22	20	19	18	21	35	65	66	68	88
Tunisia		16	14	14	14	14	15	14	14	15	15
<b>West Africa</b>		<b>184</b>	<b>180</b>	<b>196</b>	<b>206</b>	<b>224</b>	<b>233</b>	<b>237</b>	<b>260</b>	<b>316</b>	<b>343</b>
Nigeria		84	80	70	69	86	98	98	132	161	152
Angola		55	55	58	59	63	64	62	58	80	124
Congo		45	45	67	75	72	69	75	68	74	67
Gabon				1	3	3	2	2	2	1	
<b>North Sea</b>		<b>114</b>	<b>155</b>	<b>156</b>	<b>154</b>	<b>168</b>	<b>288</b>	<b>308</b>	<b>345</b>	<b>308</b>	<b>283</b>
United Kingdom		54	92	97	95	93	202	212	202	164	145
Norway		60	63	59	59	75	84	94	142	143	138
Netherlands							2	2	1	1	
<b>Rest of World</b>		<b>52</b>	<b>54</b>	<b>56</b>	<b>77</b>	<b>156</b>	<b>223</b>	<b>257</b>	<b>306</b>	<b>349</b>	<b>370</b>
Kazakhstan		14	16	23	37	50	42	58	69	88	102
Venezuela							39	42	54	67	61
Pakistan							4	7	28	46	49
United States		24	22	15	17	61	46	59	48	44	33
Indonesia							47	44	41	34	27
Australia									14	21	22
Ecuador					2	22	25	22	21	19	17
Trinidad & Tobago								2	10	10	10
Iran								3	9	9	35
Croatia						2	2	5	5	6	7
China		14	13	12	14	14	12	10	7	5	7
Qatar			3	6	7	7	6	5			
<b>Total outside Italy</b>		<b>578</b>	<b>618</b>	<b>644</b>	<b>706</b>	<b>854</b>	<b>1,061</b>	<b>1,156</b>	<b>1,262</b>	<b>1,353</b>	<b>1,476</b>
		<b>984</b>	<b>1,021</b>	<b>1,038</b>	<b>1,064</b>	<b>1,187</b>	<b>1,369</b>	<b>1,472</b>	<b>1,562</b>	<b>1,624</b>	<b>1,737</b>

(1) Includes natural gas consumed in operations (16,000, 23,000, 26,000, 38,000 and 44,000 boe/day in 2001, 2002, 2003, 2004 and 2005 respectively).



**Contents****ENI FACT BOOK / EXPLORATION & PRODUCTION****Hydrocarbon production**

<b>sold</b>	(million boe)	1996	1997	1998	1999	2000	2001	2002	2003	2004	<b>2005</b>
Hydrocarbon production		360.3	372.5	378.8	388.4	434.5	499.7	537.3	570	594.6	<b>634.2</b>
Over/under lifting and change in inventories		0.9	(1.4)	(3.3)	(1.5)	(1.9)	(3.1)	(4)	(4.3)	(4.2)	<b>(3.1)</b>
Withdrawals from (input to) natural gas storage		(4)	(1)	6.9	6.7	(4.6)	9.1	(1.8)			
Own consumption of gas							(6)	(8.4)	(9.5)	(13.9)	<b>(16.2)</b>
<b>Hydrocarbon production sold</b>		<b>357.2</b>	<b>370.1</b>	<b>382.4</b>	<b>393.6</b>	<b>428</b>	<b>499.7</b>	<b>523.1</b>	<b>556.2</b>	<b>576.5</b>	<b>614.9</b>
oil	(million barrels)	225.5	234.30	234.86	244.53	272.45	310.69	333.40	354.10	375.40	<b>402.60</b>
- of which to R&M Division		95.9	89.30	93.79	202.29	214.42	216.38	242.89	247.87	260.83	<b>272.29</b>
natural gas	(billion cubic meters)	21.01	21.69	23.58	23.89	25.03	30.50	30.68	32.73	32.89	<b>34.53</b>
- of which to G&P Division		17.13	16.87	17.76	16.24	13.70	14.39	13.69	14.07	13.16	<b>15.19</b>

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ENI FACT BOOK / EXPLORATION &amp; PRODUCTION

**Principal oil and natural gas interests at 31 December 2005**

	Commencement of operations	Number of interests	Gross exploration and development acreage <sup>(1)</sup>	Net exploration and development acreage <sup>(1)</sup>	Net development acreage <sup>(1)</sup>	Type of fields/ surface	Number of producing fields	Number of other fields
<b>Italy</b>	1926	<b>180</b>	<b>31,048</b>	<b>24,053</b>	<b>12,700</b>	Onshore/Offshore	<b>83</b>	<b>79</b>
<b>Outside Italy</b>		<b>861</b>	<b>479,153</b>	<b>241,949</b>	<b>42,398</b>	Onshore/Offshore	<b>348</b>	<b>232</b>
<b>North Africa</b>								
Algeria	1981	37	14,352	3,792	860	Onshore/Offshore	23	15
Egypt	1954	56	34,918	22,644	4,180	Onshore/Offshore	35	28
Libya	1959	15	44,955	37,703	15,466	Onshore/Offshore	11	7
Tunisia	1961	11	6,464	2,317	1,601	Onshore/Offshore	9	6
		<b>119</b>	<b>100,689</b>	<b>66,456</b>	<b>22,107</b>		<b>78</b>	<b>56</b>
<b>West Africa</b>								
Angola	1980	53	15,234	2,310	715	Offshore	36	32
Congo	1968	20	9,855	4,224	880	Offshore	16	8
Nigeria	1962	49	46,075	8,922	6,539	Onshore/Offshore	119	69
		<b>122</b>	<b>71,164</b>	<b>15,456</b>	<b>8,134</b>		<b>171</b>	<b>109</b>
<b>North Sea</b>								
Norway	1965	51	26,601	8,814	128	Offshore	14	13
United Kingdom	1964	84	6,504	1,506	652	Offshore	29	15
		<b>135</b>	<b>33,105</b>	<b>10,320</b>	<b>780</b>		<b>43</b>	<b>28</b>
<b>Rest of World</b>								
Australia	2001	15	31,948	22,349	3,299	Offshore	2	1
Brazil	1999	2	2,203	2,057		Offshore		1
China	1983	4	866	181	103	Offshore	8	4
Croatia	1996	3	6,056	3,029	988	Offshore	2	6
Ecuador	1988	1	2,000	2,000	2,000	Onshore	1	1
India	2005	2	14,445	5,698		Onshore/Offshore		
Indonesia	2001	12	31,419	15,859	984	Onshore/Offshore	7	8
Iran	1957	4	1,456	820	820	Onshore/Offshore	4	
Kazakhstan	1995	6	4,934	959	488	Onshore/Offshore	1	5
Pakistan	2000	14	21,876	11,692	615	Onshore/Offshore	6	1
Saudi Arabia	2004	1	51,687	25,844		Onshore		
Trinidad & Tobago	1970	1	382	66	66	Offshore	3	2
United States	1968	389	7,890	3,569	389	Onshore/Offshore	17	8
Venezuela	1998	4	1,701	867	511	Onshore/Offshore	5	2
		<b>458</b>	<b>178,863</b>	<b>94,990</b>	<b>10,263</b>		<b>56</b>	<b>39</b>
Other countries		9	6,276	1,279	1,114	Offshore		1
Other countries with only exploration activity		18	89,056	53,448		Onshore/Offshore		
<b>Total</b>		<b>1,041</b>	<b>510,201</b>	<b>266,002</b>	<b>55,098</b>		<b>431</b>	<b>311</b>

(1) Square kilometers.

**Contents****ENI FACT BOOK / EXPLORATION & PRODUCTION**

<b>Exploration wells</b>	(units)	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
<b>Wells drilled</b>		<b>113</b>	<b>127</b>	<b>121</b>	<b>60</b>	<b>95</b>	<b>110</b>	<b>120</b>	<b>105</b>	<b>66</b>	<b>52</b>
Outside Italy		81	98	82	43	75	99	111	97	60	50
Italy		32	29	39	17	20	11	9	8	6	2
<b>Wells drilled (net to Eni)</b>		<b>66</b>	<b>74</b>	<b>66</b>	<b>29</b>	<b>47</b>	<b>47</b>	<b>52</b>	<b>43</b>	<b>30</b>	<b>22</b>
Outside Italy		41	52	35	16	30	37	45	36	26	20
Italy		25	22	31	13	17	10	7	7	4	2

**SEC Criteria**

Wells drilled			95	122	65	72	85	83	107	71	56
Total successful wells			39	54	32	24	31	32	50	37	22
<b>Total success rate</b>	(%)		<b>41.1</b>	<b>44.3</b>	<b>49.2</b>	<b>33.3</b>	<b>36.5</b>	<b>38.6</b>	<b>46.7</b>	<b>52.1</b>	<b>39.3</b>
Wells drilled (net to Eni)			62	68	31	40	40	43	47	32	24
Total successful wells (net to Eni)			27	32	12	12	13	17	22	19	12
<b>Total success rate (net to Eni)</b>	(%)		<b>43.3</b>	<b>47.0</b>	<b>38.0</b>	<b>30.6</b>	<b>31.3</b>	<b>39.1</b>	<b>45.7</b>	<b>57.3</b>	<b>47.4</b>

<b>Reserve life index</b>	(years)	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Italy		11.2	11.5	10.2	10.7	11.7	10.9	10.8	9	8.8	9.2
North Africa		16.7	18	19.3	18.6	17.5	18.4	15.8	15.9	15.5	11.7
West Africa		12.8	12.8	12.4	14.6	13.3	13.4	14.8	13.9	11.7	10.2
North Sea		15.4	11	11.7	12	11.4	8.4	7.4	7.2	7.2	7.3
Rest of World		6.7	19.7	20.9	16.8	15.6	18	17.1	18.1	16.1	13.9
		<b>13.1</b>	<b>13.6</b>	<b>13.4</b>	<b>14</b>	<b>14</b>	<b>13.7</b>	<b>13.2</b>	<b>12.7</b>	<b>12.1</b>	<b>10.8</b>

<b>Reserve replacement ratio</b>	(%)	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Italy		32	106	53	30	26	39	..	..	..	77
North Africa		618	229	277	265	172	267	30	93	168	60
West Africa		65	107	179	312	132	151	273	138	128	42
North Sea		244	120	119	113	185	271	53	168	6	53
Rest of World		(5)	1.410	245	196	825	818	324	396	124	..
		<b>200</b>	<b>207</b>	<b>147</b>	<b>171</b>	<b>210</b>	<b>282</b>	<b>119</b>	<b>142</b>	<b>91</b>	<b>40</b>

**Contents****ENI FACT BOOK / EXPLORATION & PRODUCTION****Economic indicators per**

<b>boe</b>	(USD/boe)	1996	1997	1998	1999	2000	2001	2002	2003	2004	<b>2005</b>
Revenues		20.66	19.02	13.68	16.95	24.67	21.52	22.07	24.82	31.22	<b>41.97</b>
Lifting cost <sup>(1)</sup>		3.97	3.98	3.56	3.64	3.75	4.02	3.87	4.09	4.8	<b>5.45</b>
Income		4.95	3.86	0.13	4.11	7.86	5.48	5.08	5.95	8.87	<b>12.2</b>
Exploration cost (three-year average) - discovery cost <sup>(2)</sup>		1.56	1.67	1.78	1.77	1.7	1.55	1.38	1.21	1.21	<b>1.67</b>
Finding and development cost (three-year average) <sup>(3)</sup>		4.33	4.72	5.16	5.43	5.35	5.33	5.67	6.53	7.26	<b>10.72</b>

- (1) Ratio of production costs (incurred for well and facilities maintenance and royalties) and volumes produced.
- (2) Exploration cost for each boe of new reserves discovered or proved is calculated as ratio of costs incurred with respect to exploration activity and purchase of unproved property to additions to proved reserves related to improved recovery, extensions and new discoveries and revisions of previous estimates. Starting in 2001 averages were calculated excluding purchase costs of unproved property of Lasmo in 2001 and of Fortum Petroleum in 2003.
- (3) Finding and development cost for each boe of new reserves discovered or proved is calculated as ratio of costs incurred with respect to exploration and development activities and purchase of unproved property to additions to proved reserves related to improved recovery, extensions and new discoveries and revisions of previous estimates. In order to allow for an homogeneous comparison the following adjustments were carried out: (i) averages for the 2001-2005 period were calculated with the exclusion of the purchase cost of unproved property of Lasmo (purchased in 2001) and Fortum Petroleum (purchased in 2003); (ii) averages for the 2002-2005 period were calculated with the exclusion of development costs related to Iranian buy-back contracts; (iii) averages in the 2003-2005 period were calculated with the exclusion of estimated costs for asset retirement obligations. Following the Statement of Financial Accounting Standard No. 143 Accounting for Asset Retirement Obligations these costs are capitalized when the related capital expenditure is incurred; further adjustments of previous estimates are recognized whenever an estimate needs to be updated.

<b>Capital expenditure</b>	(million euro)	1996	1997	1998	1999	2000	2001	2002	2003	2004	<b>2005</b>
<b>Exploration</b>		555	677	755	636	811	757	902	635	499	<b>656</b>
Italy		192	178	191	132	156	80	66	59	51	<b>25</b>
Outside Italy		363	499	564	504	655	677	836	576	448	<b>631</b>
<b>Acquisition of proved and unproved properties</b>		<b>292</b>	<b>95</b>	<b>103</b>	<b>752</b>	<b>416</b>	<b>67</b>	<b>317</b>	<b>30</b>		<b>301</b>
Italy		55	48		54		13				
Outside Italy		237	47	103	698	416	54	317	30		<b>301</b>
<b>Development and capital goods</b>		<b>816</b>	<b>1,550</b>	<b>2,024</b>	<b>1,880</b>	<b>2,312</b>	<b>3,452</b>	<b>4,396</b>	<b>5,016</b>	<b>4,354</b>	<b>4,007</b>
Italy		383	581	507	435	543	600	442	469	390	<b>414</b>
Outside Italy		433	969	1,517	1,445	1,769	2,852	3,954	4,547	3,964	<b>3,593</b>
		<b>1,663</b>	<b>2,322</b>	<b>2,882</b>	<b>3,268</b>	<b>3,539</b>	<b>4,276</b>	<b>5,615</b>	<b>5,681</b>	<b>4,853</b>	<b>4,964</b>

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ENI FACT BOOK / GAS & POWER

## Gas & Power

### **STRATEGIES**

Maintain leadership position in the Italian natural gas market

Grow market share in European gas markets

Increase LNG sales also to monetize Eni's natural gas reserves

Improve quality of commercial offer

## NATURAL GAS

Eni operates in the supply, transport, distribution and sale of natural gas. In 2005, Eni sold 96 billion cubic meters of natural gas including direct upstream sales in Europe. Eni's transport network in Italy through medium and high pressure pipelines is about 31,000-kilometer long. Outside Italy Eni owns transportation rights on over 5,000 kilometers of pipelines.

Eni aims to strengthen its position as the leading European operator in terms of sales by maximizing value from its unique mix of equity gas in Italy, Libya, Egypt and the North Sea and long-term supply contracts with major producers Gazprom, Sonatrach, Gasunie and Statoil.

Growth in natural gas sales in the rest of Europe and in the LNG business is intended to compensate for the lower growth opportunities on the domestic market, due to the limits imposed to operators by the sector regulation. In Italy, in an increasingly competitive market Eni intends to maintain sales volumes and margins by leveraging on a competitive offer in terms of price and quality of services, also integrating the supply of natural gas and electricity. The respect of the regulatory limits to volumes input into the network and on direct sales will be guaranteed through the optimal allocation of natural gas availability from production and supplies between sales in Italy and in the rest of Europe and by using natural gas at its own power

generation plants and, at the same time, leveraging on the expected increase in demand.

In the rest of Europe the demand for natural gas is expected to increase at an average rate of 3% from 2005. The development of sales on European target markets will leverage on the competitive advantage of Eni's diversified portfolio of supply contracts and extensive gas pipeline network which allows the supply of natural gas from several sources, as well as the long standing relationships with producing countries and a good knowledge of markets. Eni intends to consolidate its presence in target markets (Iberian Peninsula, Germany and Turkey) and develop sales in markets with significant growth and profitability prospects (in particular France and the United Kingdom). The flexibility of Eni's commercial supply will be boosted by the upgrade of logistical services.

Based on contracts signed and actions defined or planned, Eni expects to sell over 100 billion cubic meters of natural gas on European markets in 2009.

Eni also intends to accelerate the development of its LNG business on a global scale through the acquisition of interests in assets covering the whole LNG chain (in particular regasification terminals) also in order to monetize in its own natural gas reserves. Eni is targeting sales of 13 billion cubic meters in 2009, thus acting as one of the world leading operators in LNG.





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ENI FACT BOOK / GAS &amp; POWER - MAIN RESULTS

**Main results**

Natural gas sales (96 billion cubic meters including direct upstream sales in Europe) were up 8% due to increased demand for power generation in Italy and the acquisition of new customers combined with growth in markets in the rest of Europe as a result of Eni's expansion strategy. Eni expects to sell over 100 billion cubic meters of natural gas on European markets in 2009

The agreement signed by Eni, Amorim Energia and Rede Eléctrica Nacional shareholders of Galp with 33.34, 13.312 and 18.30% respectively confers stability to the shareholding structure of the Portuguese energy company and sets the stage for future developments aimed at enhancing Eni's investment. The Portuguese Government is expected to sell part of its Galp holding through a public offer before the end of 2006

As part of its strategy of international expansion in LNG, Eni purchased 6 billion cubic meters/year for 20 years of the regasification capacity of the Cameron terminal on the coast of Louisiana in the USA with start-up planned for 2008-2009. This will allow Eni to sell in the United States part of its natural gas reserves located in North Africa and Nigeria

Eni continues its development in power generation aimed at reaching 5.5 gigawatt of installed capacity by 2009 with total expected expenditure of euro 2.4 billion, of which 1.8 already disbursed. The new combined cycle power plants will absorb over 6 billion cubic meters/year of natural gas from Eni's portfolio of supplies. At year-end 2005 installed capacity was 4.5 gigawatt

**Contents****ENI FACT BOOK / GAS & POWER - MAIN RESULTS**

Eni defined the plans for the upgrade of transport capacity of pipelines carrying natural gas from Algeria and Russia. When fully operational in the 2009-2010 thermal year these upgrades will allow an increase in import capacity of about 13 billion cubic meters/year. All the new capacity will be made available to third parties under non discriminating procedures

In January 2005, Eni agreed a long-term contract for the supply of 1.2 billion cubic meters/year of natural gas to the German company Wingas starting in 2006. The gas will be delivered at Eynatten at the German-Belgian border

Eni purchased 50% of Siciliana Gas SpA in which it already held a 50% interest. Siciliana Gas SpA operates in natural gas distribution in Sicily and holds the rights for the distribution of gas to 76 Sicilian municipalities, including Agrigento, Enna, Trapani and Gela (of these 70 concessions are operating) through a 2,600-kilometer long network. It owns Siciliana Gas Vendite SpA operating in the sale of natural gas to end users with approximately 215,000 customers and sales volumes of about 190 million cubic meters per year

**Main financial data****Italian GAAP****IFRS**

(million euro)	Italian GAAP									IFRS	
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2004	2005
Revenues	9,352	9,985	9,625	9,900	14,427	16,098	15,297	16,067	17,258	17,302	<b>22,969</b>
Operating profit	2,024	2,012	2,513	2,580	3,178	3,672	3,244	3,627	3,463	3,428	<b>3,321</b>
Replacement cost operating profit						3,672					