Eni SpA (E)

Updated August 14th, 2026 by Aristofanis Papadatos

Key Metrics

Current Price:	$55	**5 Year CAGR Estimate:**	2.0%	**Market Cap:**	$80 B
Fair Value Price:	$63	**5 Year Growth Estimate:**	-5.0%	**Ex-Dividend Date[1]:**	9/22/2026
% Fair Value:	88%	**5 Year Valuation Multiple Estimate:**	2.6%	**Dividend Payment Date:**	10/6/2026
Dividend Yield:	4.5%	**5 Year Price Target**	$48	**Years Of Dividend Growth[2]:**	6
Dividend Risk Score:	F	**Sector:** Energy		**Rating:**	Hold

Overview & Current Events

Eni is a major oil and gas producer based in Italy. It has exploration activity in more than 40 countries and trades with a market capitalization of $80 billion. It operates in four segments: exploration & production, gas & LNG, refining & marketing, and plenitude & power. Its upstream segment is by far the largest. In 2021, 2022, 2023, 2024 and 2025, this segment generated 89%, 80%, 69%, 90% and 91% of total operating income, respectively. This is a major difference between Eni and the other energy super majors; Eni's business is much less diversified.

Eni faced a downturn due to COVID-19 in 2020 and cut its dividend by -34%. However, it has thrived since 2021 thanks to the favorable price of oil, which has resulted from the sanctions of western countries on Russia and OPEC's output cuts.

In late July, Eni reported (7/29/26) results for the second quarter of 2026. Its production grew 11% over last year's quarter thanks to many new fields. The average realized price of oil surged and the average price of gas increased. As a result, adjusted net profit more than doubled. Thanks to its nearly pure upstream nature, Eni greatly benefits from the ongoing war in Iran, which has led the price of oil to surge over the prior year. If the straits of Hormuz do not reopen soon, the price of oil will remain exceptionally high. On the other hand, gas prices have not been affected by the war in Iran. As Eni is overweight on natural gas, it does not benefit from the war as much as most of its peers, such as BP.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	-$0.65	$2.12	$2.76	$1.79	-$0.51	$2.96	$8.01	$5.30	$3.39	$3.20	***$5.00***	***$3.87***
DPS	$1.79	$1.91	$1.89	$1.86	$1.23	$1.58	$1.80	$1.96	$2.09	$2.32	***$2.46***	***$2.50***
Shares[3]	1,801	1,801	1,794	1,820	1,789	1,778	1,689	1,653	1,589	1,520	***1,480***	***1,400***

Eni expects to grow its output significantly in the upcoming years. A major growth driver is the Zohr field in Egypt, the largest gas field in the Mediterranean, which holds about 30 trillion cf of gas. Eni has a 50% stake in this field. Eni was previously hurt by pressured oil prices due to the restoration of the output of OPEC in 2025 but it currently benefits from the ongoing war in Iran. Given the high comparison base formed this year, we expect a -5% average annual decrease of earnings-per-share over the next five years. Notably, natural gas comprises 52% of the total production of Eni, which aims to raise this metric to 60% by 2030. As a result, Eni is more sensitive to the price of natural gas than the other oil majors, which produce more oil than gas.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	---	15.8	13.0	17.9	---	8.4	3.4	5.7	9.1	10.2	***11.0***	***12.5***
Avg. Yld.	5.4%	5.7%	5.3%	5.8%	6.1%	6.3%	6.7%	6.4%	6.7%	7.1%	***4.5%***	***5.2%***

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[1] Estimated date.

[2] In EUR.

[3] In millions.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Eni is currently trading at a price-to-earnings ratio of 11.0, which is lower than its 10-year historical average of 12.5. If the stock trades at its average valuation level in five years, it will enjoy a 2.6% annualized gain in its returns.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	---	90.1%	68.5%	104%	---	53.4%	22.5%	37.0%	61.7%	72.5%	***49.2%***	***64.5%***

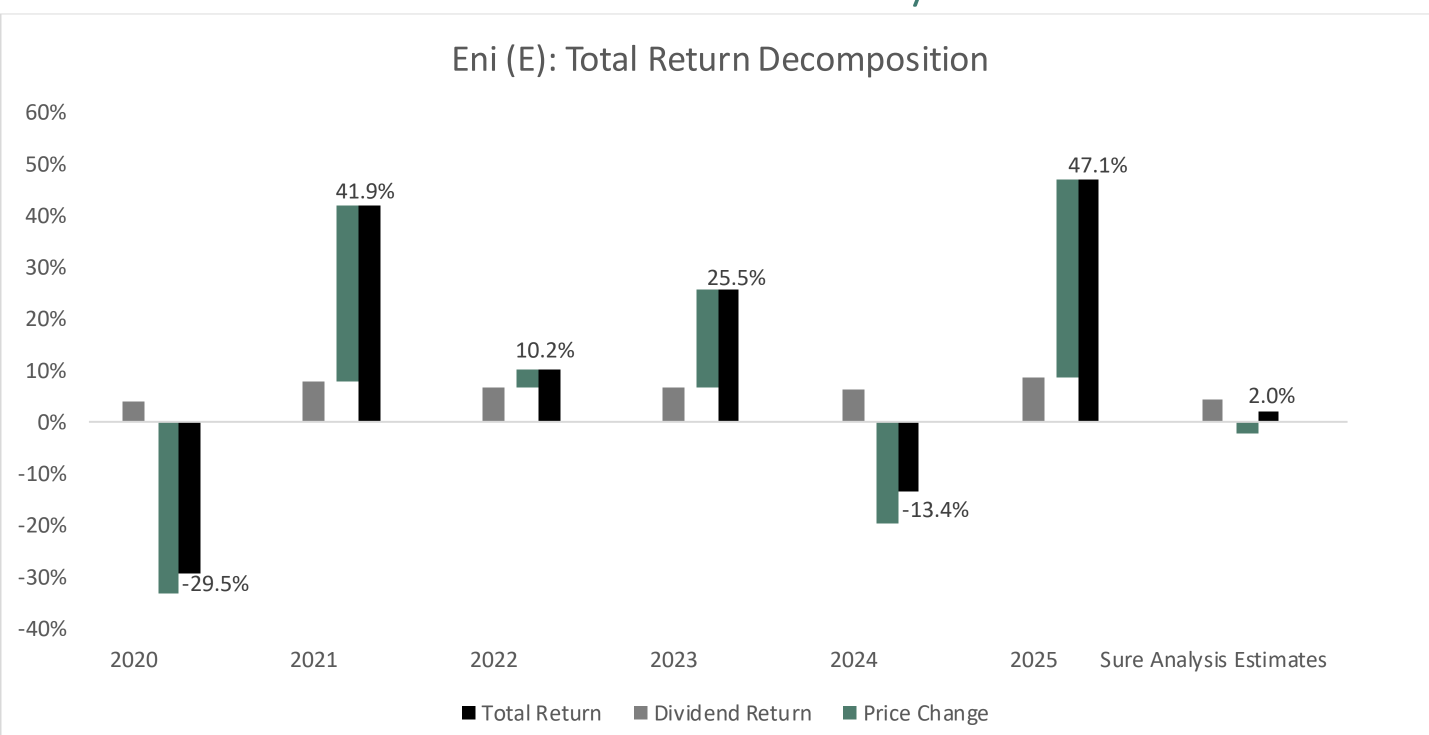
Due to its almost pure upstream focus, Eni suffered more than its peers in the downturn of the energy sector between 2014 and 2017. As a result, it reduced its dividend per ADR from €2.24 in 2014 to €1.60 in 2015. For comparison, during the downturn of the oil market between 2014 and 2017, the integrated oil majors, Exxon Mobil, Chevron, Shell, TotalEnergies and BP, saw their earnings plunge but none of them cut their dividend. Although BP and Shell cut their dividends amid the COVID-19 pandemic in 2020, along with Eni.

Eni posted poor reserve replacement ratios for years but it has improved its performance in the last two years: 55% in 2021, 90% in 2022, 67% in 2023, 113% in 2024 and 162% in 2025. Eni now has 6.9 billion barrels of oil equivalent in proved reserves, which are sufficient for ~10 years of production given the current production rate of the company. However, the duration of its reserves is lower than the ~12-year duration of the reserves of its peers. Moreover, income-oriented investors should be aware that the dividend of Eni is much more vulnerable than the dividends of its peers.

Final Thoughts & Recommendation

Due to its nearly pure upstream nature, Eni was hurt by suppressed oil prices in 2025. On the other hand, it greatly benefits from the ongoing crisis in Iran but the steep rally of Eni has rendered the stock less attractive. The stock could offer a 2.0% average annual return over the next five years thanks to its 4.5% dividend and a 2.6% valuation tailwind, partly offset by a -5.0% decrease of earnings-per-share. Due to the highly cyclical nature of the upstream business, we are cautious over the long-term potential of Eni and rate it as a hold. Those who want to benefit from high oil and gas prices might prefer TotalEnergies, which is more defensive than Eni.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue ($B)	61.72	75.79	89.5	78.2	50.2	90.6	139.5	101.5	96.1	92.7
Gross Profit	4514	7899	15,601	12,204	3,591	16,521	24,019	13,371	10,924	5,098
Gross Margin	7.3%	10.4%	17.4%	15.6%	7.1%	18.2%	17.2%	13.2%	11.4%	5.5%
SG&A Exp.	3314	3342	3,652	3,354	3,270	3,417	3,180	3,395	3,531	---
D&A Exp.	8366	8475	8,252	9,075	8,341	8,357	7.598	8,097	---	8,294
Operating Profit	2126	5334	12,730	9,978	542	13,104	19,009	10,494	7,013	6,753
Op. Margin	3.4%	7.0%	14.2%	12.8%	1.1%	14.5%	13.6%	10.3%	7.3%	7.3%
Net Profit	-1620	3821	4,872	166	-9,779	6,887	14,564	5,139	2,858	3,113
Net Margin	-2.6%	5.0%	5.4%	0.2%	-19.5%	7.6%	10.4%	5.1%	3.0%	3.4%
Free Cash Flow	-1668	1626	5,347	4,496	203	9,022	9,914	6,392	4,981	4,628
Income Tax	2143	3926	7,049	6,259	2,981	5,733	8,629	5,814	4,032	3,408

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets ($B)	131.66	137.88	135.5	138.3	134.9	156.0	162.7	157.7	152.92	161.0
Cash & Equivalents	5998	8833	12,395	6,714	11,578	9,345	10,890	11,267	8,515	17,724
Acc. Receivable	11825	12215	14,349	12,497	13,366	17,577	22,439	18,475	17,568	14,605
Inventories	4902	5544	5,320	5,303	4,788	6,875	8,314	6,838	6,513	6,040
Goodwill & Int.	3456	3509	2,390	2,272	4,162	4,400	5,925	7,051	6,695	7,073
Total Liab. ($B)	75.54	80.20	77.0	84.6	88.7	105.6	103.6	98,433	94,966	98,985
Accounts Payable	11669	13065	13,321	11,739	15,831	19,016	27,665	22,919	22,970	23,796
Long-Term Debt	28796	29641	29,587	27,464	32,823	31,469	28,866	31,757	31,623	34,380
Total Equity	56069	57622	58,357	53,588	46,096	50,312	58,590	58,761	54,971	---
LTD/E Ratio	0.51	0.51	0.51	0.51	0.71	0.63	0.49	0.54	0.58	0.71

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	-1.1%	2.8%	3.6%	0.1%	-7.2%	4.7%	9.1%	3.2%	1.8%	2.0%
Return on Equity	-2.8%	6.7%	8.4%	0.3%	-19.6%	14.3%	26.7%	8.7%	4.9%	5.4%
ROIC	-1.8%	4.4%	5.5%	0.2%	-12.2%	8.6%	17.2%	5.7%	3.2%	3.1%
Shares Out.	1,801	1,801	1,794	1,820	1,789	1,778	1,745	1664	1615	1544
Revenue/Share	34.28	42.09	49.69	43.53	28.07	50.71	79.92	60.99	59.50	60.05
FCF/Share	-0.93	0.90	2.97	2.50	0.11	5.05	5.68	3.84	3.08	3.00

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.