SARAS

investor update

Milan, 18 October 2006

Disclaimer

Certain statements contained in this presentation are based on the belief of the Company, as well as factual assumptions made by any information available to the Company. In particular, forward-looking statements concerning the Company's future results of operations, financial condition, business startegies, plans and objectives, are forecasts and quantitative targets that involve known and unknown risks, uncertainties and other important factors that could cause the actual results and condition of the Company to differ materially from that expressed by such statements.

Saras business model

- Focussed high margin refining integrated with power production
- Third most complex supersite in Western Europe
  - ✓ Complexity included 100% Sarlux ownership and Petrolchemical : **8.7** (*)

"*High complexity means that a refinery has had a continuous historical capital investment and as a result should have an above average yield quality and hence higher value products".* **(**Wood Mackenzie**)**

- Full integration with Power production and Petrochemical plant = superior site margins and more stable cash flows
- Unique business model
  - ✓ Processing contracts
  - ✓ 65% of non standard crudes

(*) source Wood Mackenzie, February 2006 plus Saras further elaboration

Strategy

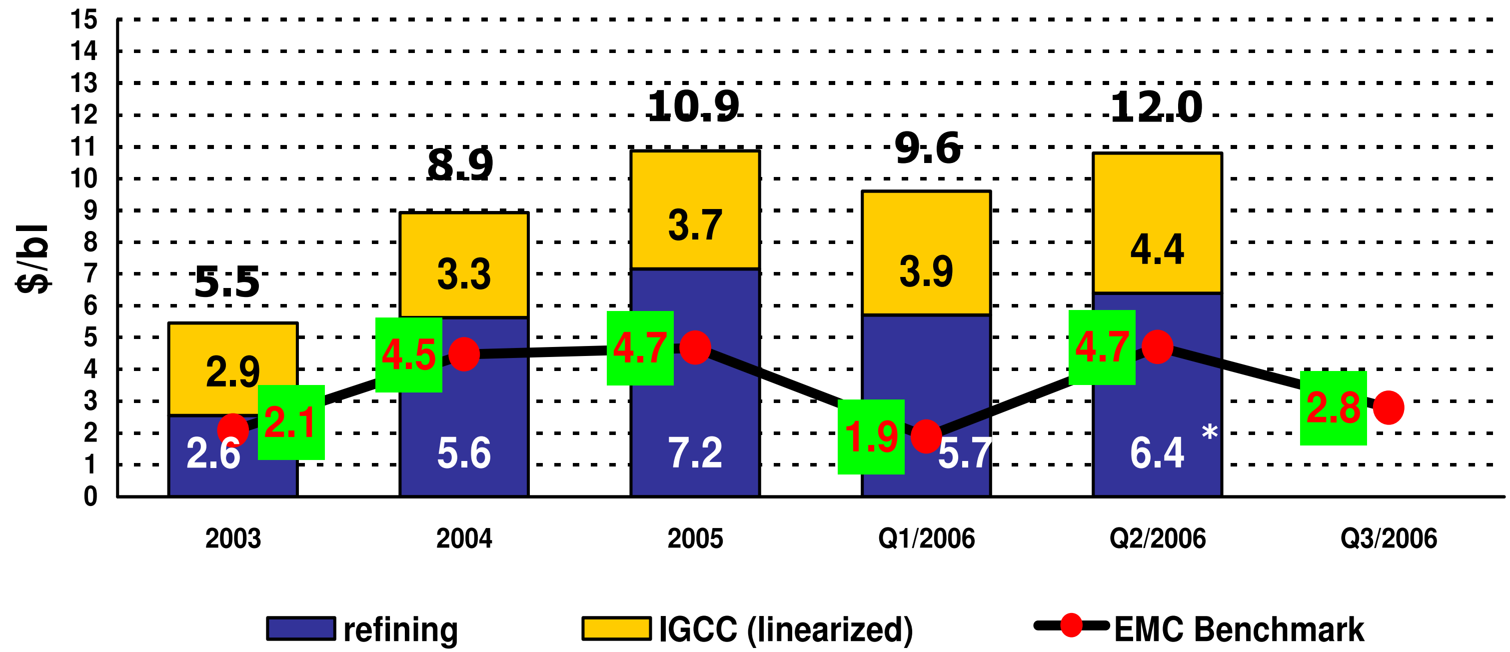
- Saras planned CAPEX investment program will continue to ensure Saras's superiority of complexity:
  - ✓ Total planned CAPEX 600 m€ in the period 06-09
  - ✓ Incremental EBITDA at completion of program of US$ 230-300 million
- Saras well ahead of regulatory requirements:
  - ✓ already fully compliant with 2009 EU Diesel specs, only 45m€ needed to become fully compliant with 2009 EU Gasoline specs
- Optimization of processing contracts
- Focus on improving operational performance
- Additional growth drivers:
  - ✓ Further step changes in refining
  - ✓ Opportunities for external growth in core business areas
  - ✓ Biodiesel/wind
  - ✓ GALSI/SAPEI

Medium term strategy – progress update

Plan	Target (base year 2005)	notes
Increasing conversion capacity	**350,000** t/y of ULSD by 2008	**200,000 t/y** by **Q3/06** and **150,000 t/y** by **Q3/07** (ahead of schedule) **50,000 t/y** of high octane gasoline component by **Q3/06** (additional achievement) **Approx. 200,000 t/y** of Heating oil converted into ULSD thanks to increased Hydrogen production by **Q3/06** (additional achievement)
Efficiency recovery	**0.5%** reduction C&F* by 2009	Engineering phase
Heavy up crude slate	**-2 deg API** by 2009	Engineering phase – in effect in 06 will run a lighter crude slate exploiting market opportunities (Caspian)
Increase refinery runs	**15,1** million t in 2008 (from 14.4 in 05)	Runs in 2006 similar to 2005 despite significant maintenance

*** Consumption & fuel**

Track record of superior margins



(*) Q2/2006 : margin would have been **1.2 $/bl** higher without major maintenance

Superior site margins:

- Significant increase of premium above benchmark in refining segment
- Stability from power generation

Use of funds – maximizing value creation

- Rational for IPO
  - ✓ immediate effect reduction of debt
  - ✓ increased financial flexibility for growth
- Dividend payout policy vs. M&A / refinery step change opportunities
  - ✓ Payout in the range 40-60%
  - ✓ Evaluating M&A / refinery step change opportunities but stringent investments criteria/hurdle rate 10% (after tax project IRR)
- Best practice in communication

Final remarks

- Role of family in day-to-day operational decision making
  - Family involved in stategic decisions
  - Interests aligned with those of minority shareholders
- Focus of new General Manager / CFO team
  - accelerating the pace of modernisation
  - improving operational efficiency
  - ensuring a continuation of our best-in-class status