SARAS

Investor presentation

March 2018

Important Notice

Saras Group's Annual Financial Results and information are audited.

In order to give a representation of the Group's operating performance and in line with the standard practice in the oil industry, the operating results and the Net Result are displayed excluding inventories gain and losses and non-recurring items and reclassifying derivatives. Such figures, called "comparable", are financial measures not defined by the International Accounting Standards (IAS/IFRS) and they are not subject to audit. Non-Gaap financial measures should be read together with information determined by applying the International Accounting Standards (IAS/IFRS) and do not stand in for them.

From H1/17, with the aim to more analytically reflect such effects and align the calculation of "comparable" results to the sector best and more recent practices, the operating results and the Net Result, are displayed valuing inventories with FIFO methodology, excluding unrealised inventories gain and losses, due to changes in the scenario, by valuing beginning-of-period inventories at the same unitary value of the end-of-period ones. Moreover the realised and unrealised differentials on oil and exchange rate derivatives with hedging nature which involve the exchange of physical quantities are reclassified in the operating results, as they are related to the Group industrial performance, even if non accounted under the hedge accounting principles. Non-recurring items by nature, relevance and frequency and derivatives related to physical deals not of the period under review, are excluded by the operating results and the Net Result Comparable.

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 strategies, 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. This presentation has been prepared solely by the company.

Geographical footprint

Saras investment thesis: **our value proposition**

1. Major downstream player focused on **refining and power generation**
2. Ideally positioned to exploit **favourable market fundamentals**
3. Capable of keeping **leverage under control** throughout the cycles

SARAS

4. **5 key strengths of Saras site:** size, complexity, integration, flexibility and logistics
5. **Strong track record in delivering** improvement projects
6. Unlocking shareholders' value through **ongoing initiatives**

1 Downstream player focused on Refining and Power Generation

Refining

Supply & Trading

- ~150 crude cargoes every year from wide range of suppliers
- Supply & Trading company operating in Geneva since Jan 2016
- Balanced and differentiated sales portfolio...
- ... with world class oil supply chain knowledge

Exploit market opportunities for both crude oils & products

Sarroch Industrial Operations (strictly integrated refinery and power plant)

- Largest single-site refinery in the Mediterranean basin (300 kbl/d, ~17% of Italy's refining capacity)
- Top-tier large & complex Med refinery, according to Nelson and Wood MacKenzie Indexes
- Yields of medium and light distillates approx 85% of the production output (net of C&L)[1]
- Fuel Oil yield approx. 7%
- Petrochemical integration

Top-tier performance, thanks to high complexity and flexible configuration

Power Generation

- Largest liquid fuel gasification plant in the world (IGCC)
- Conversion of heavy refining fractions (TAR) to clean gas
- 575 MW of installed capacity
- Electricity production of approx. 4.2 - 4.4 TWh
- CIP6 tariff until 2021
- From 2022 to be fully integrated in the refining

Transform heavy refining fractions (TAR) into electricity

Other activities

Marketing

- Marketing activities in Italy and Spain:
  - ~4% MS[2] in Italian market
  - ~ 3% MS in Spanish wholesale market and presence also in retail (with 95 stations)

Stabilize refining margins with downstream presence

Wind Energy

- Wind farm with capacity of 96 MW in Ulassai (Sardinia)
- Utilization factor higher than Italian average

Further stabilize Group results, with incentivized scheme for renewable energy

1. C&L = Consumption & Losses
2. Market Share

1 Over 50 years of stable strategic direction and committed shareholders

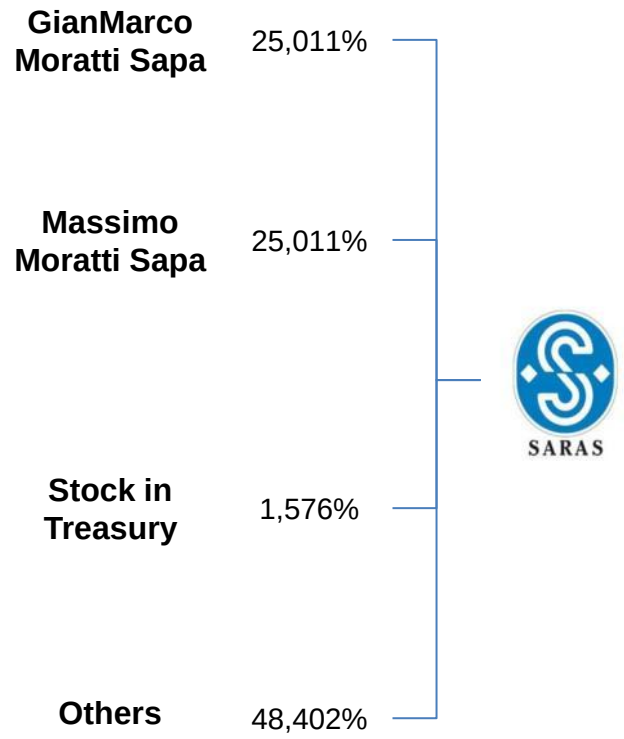
Saras history...

1962

- **1962**: Saras founded by Mr. Angelo Moratti
- **'70s**: Third party Processing Agreements
- **'80s**: Increase in conversion capacity
- **'90s**: Environment, new technologies (Sartec) and wholesale marketing
- **Early 2000s**: Further investments in conversion and Power business
- **2005**: Renewables (Wind)
- **2006**: Listing on Italian stock exchange
- **2007- 09**: Upgrades for conversion, environmental and prod. quality purposes
- **2013**: Rosneft purchases a 21% stake in Saras
- **Jul-13** : contribution in kind of Refining business from Saras SpA to its subsidiary Sarlux
- **Oct-14**: merger by incorporation of subsidiary Arcola in Saras
- **Dec-14**: Sarlux acquires majority of Versalis' petro-chemical plants in Sarroch
- **Jan-16**: Saras Trading SA fully operational in Geneva
- **Jan-17**: Rosneft sold the remaining 12% stake in Saras
- **Feb-18**: Chairman, Mr Gian Marco Moratti, passed away

2018

... and shareholder structure[1]



1. As of March 2018

2 Saras ideally positioned to exploit current market cycle for EU refining

Favourable refining economics expected to continue

Starting in 2015, structural changes strengthened the EU refining, and favourable economics are expected to continue in 2018 and beyond

- More balanced oil prices, robust supply
- Improving product demand
- Rationalization of EU refining capacity
- Correction of market distortions
- Robust product differentials

Benefits for typical EU refiners

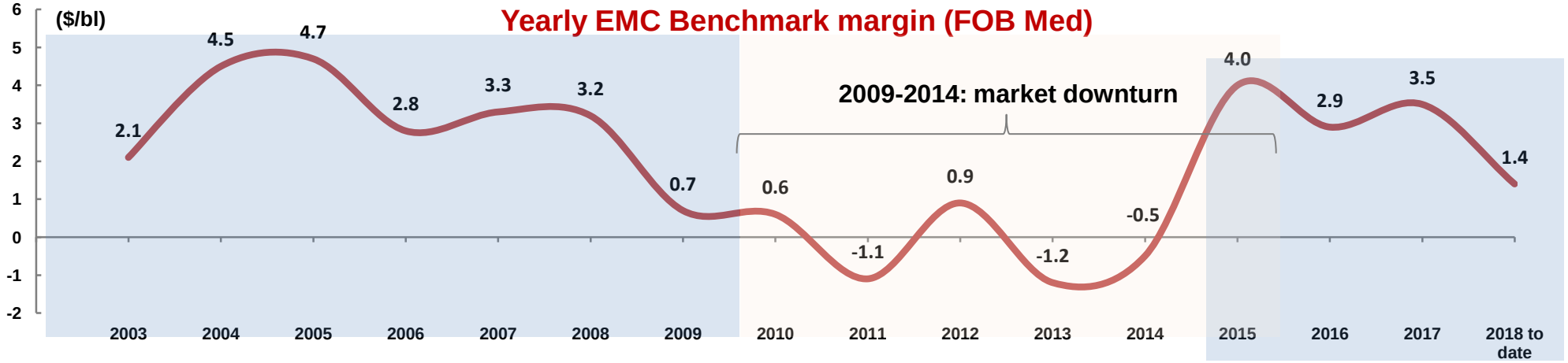
- Healthy refining margins
- EU refineries essential to regional supply chain

+

Saras' differentiating factors

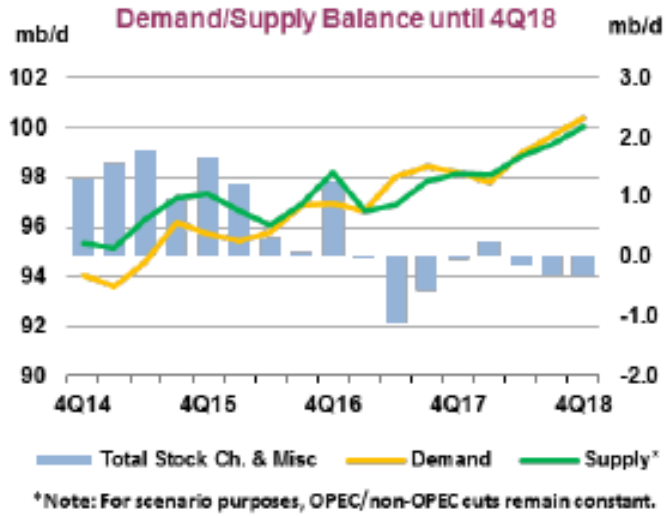
- Flexibility to source the most profitable crudes
- Asset capability to process multiple types of crudes
- Conversion to high-value product mix
- Steeper decrease of "consumption & loss" costs
- Track record in delivery of improvement initiatives

2 The new market cycle derives from 6 key structural changes



	Market Downturn from 2009 to 2014	New Market Cycle from 2015 onwards
i	**High crude prices**	More **balanced** oil **prices**, **robust supply**
ii	**Low** availability of **heavy sour crudes**	Larger availability **of heavy crudes**
iii	**Falling product demand** in Europe	**Improving product demand** in Europe and worldwide
iv	**Refining overcapacity**	**Rationalization** of European refining capacity **Over estimation** of global spare capacity
v	**Strong competition** from: • Wide Brent-WTI spread • Non-OECD refineries	**Correction of market distortions** **Reduction of global spare capacity** **Increase of international freight rates**
vi	**Low crack spreads and tight light-heavy products differentials**	**Healthy crack spreads**

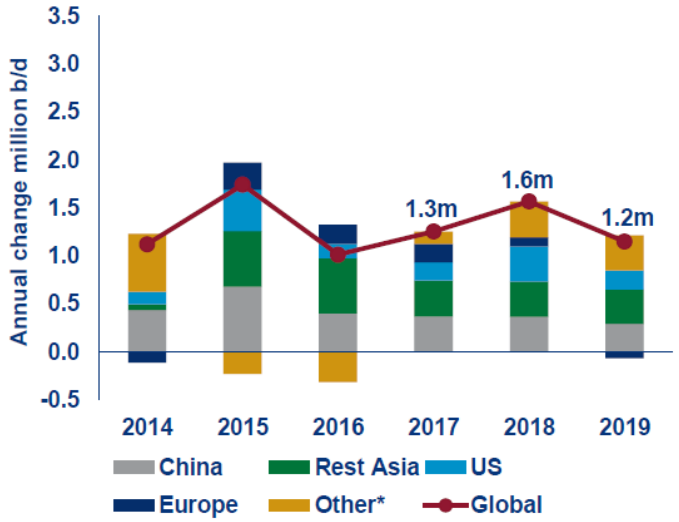
Global oil demand continues to grow. Despite OPEC cuts in 2018 the market is set to remain well supplied



Source:IEA

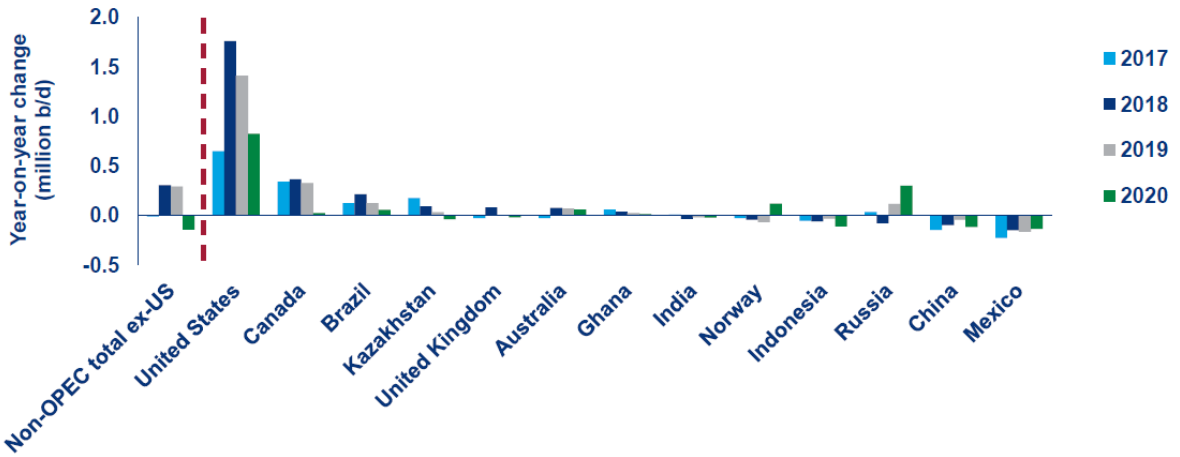
- **OPEC cuts extended in 2018…**
- **…and demand set to continue to grow**
- **But the market will remain well supplied mainly thanks to increasing US production**

Global demand



Supply

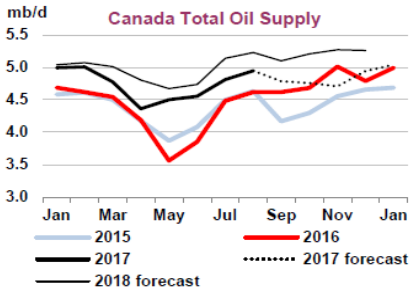
Key non-OPEC country growth/decline



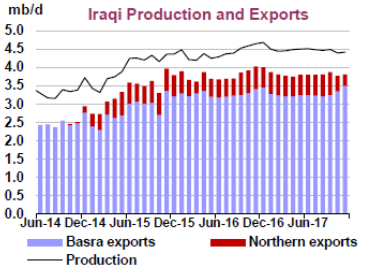
Source: Wood Mackenzie

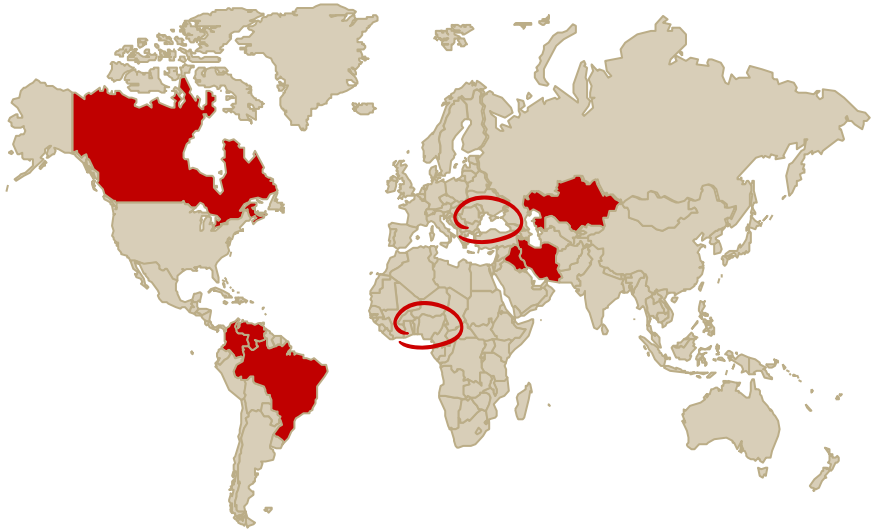
ii Availability of non-standard grades

Canada
- **New pipelines**:
  - **1.1** mb/d (Alberta-Montreal)
  - **1.5** mb/d (Alberta-USGC)

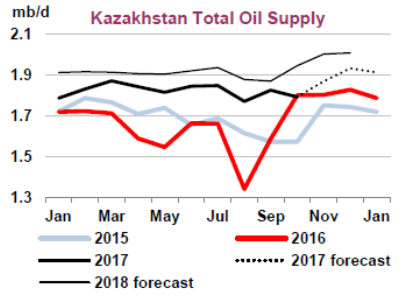


Iraq
- **New pipelines** from Kurdistan to Med
- New **Basrah heavy oil** available since 2016

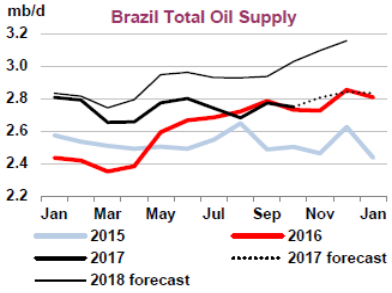




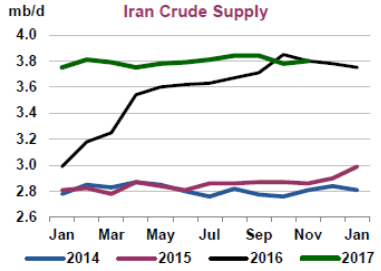
Caspian region
- Increased **CPC** production
- Development of **Kazakh and Turkmenistan** crudes (Kashagan, condensates)



Brazil
- 2017 volumes well above 2016 despite maintenance
- Heavy crudes ~50% of reserves



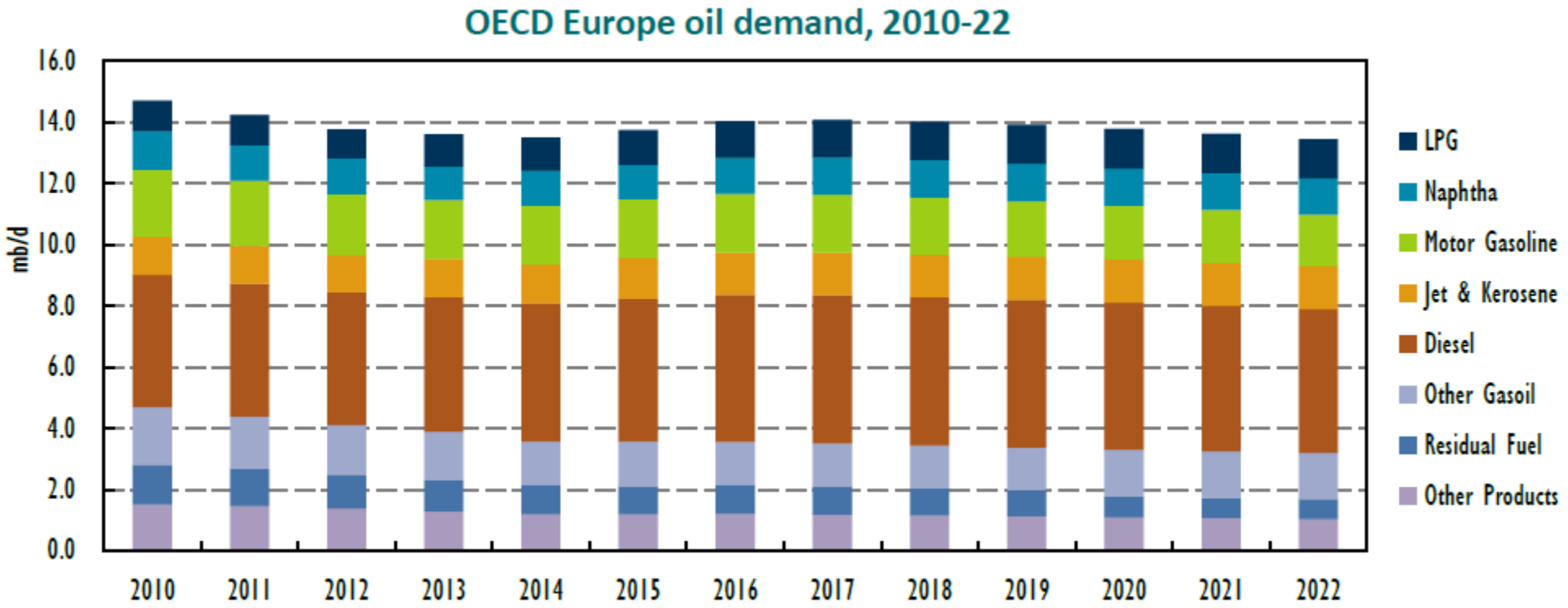
Iran
- **Returning to** pre-sanction levels (**~3.8mb/d**)



Source: IEA

2014 the inflection point of product demand

Sharp drop in Europe's total demand until 2014
followed by growth in 2015-16, and stable mid term outlook



Source: IEA

iii Robust diesel demand growth driven by freight transport

Global Diesel Demand in 2017 ['000 b/d}	EU28	USA	Africa	Asia	Middle East	FSU and Eastern Europe	Americas excl. USA	World
Gasoline Demand	1,759	8,997	1,062	6,923	1,708	1,082	3,512	**25,043**
Total Gasoil/Diesel Demand	5,453	3,991	1,665	9,187	2,164	2,214	3,292	**27,966**
Transport Diesel Demand (Passenger)	*1,564*	*129*	*442*	*1,393*	*167*	*325*	*103*	***4,125***
Transport Diesel Demand (Freight)	*2,197*	*2,317*	*663*	*4,179*	*947*	*976*	*1,848*	***13,127***
Other Gasoil Demand	*1,691*	*1,544*	*560*	*3,615*	*1,050*	*913*	*1,341*	***10,714***

Global Diesel Demand in 2025 - Base Case (1) ['000 b/d]	EU28	USA	Africa	Asia	Middle East	FSU and Eastern Europe	Americas excl. USA	World
Gasoline Demand	1,387	8,036	1,342	8,379	2,006	1,089	3,913	**26,152**
Total Gasoil/Diesel Demand	4,765	3,919	1,981	10,065	2,327	2,367	3,550	**28,973**
Transport Diesel Demand (Passenger)	*1,240*	*136*	*573*	*1,650*	*201*	*373*	*122*	***4,297***
Transport Diesel Demand (Freight)	*2,130*	*2,390*	*860*	*4,950*	*1,141*	*1,120*	*2,138*	***14,729***
Other Gasoil Demand	*1,395*	*1,392*	*547*	*3,465*	*985*	*873*	*1,289*	***9,947***

(1) Assuming EU diesel car sales' share decreasing from approx. 50% in 2016 to 24% in 2025

Source: JBC Energy SuDeP

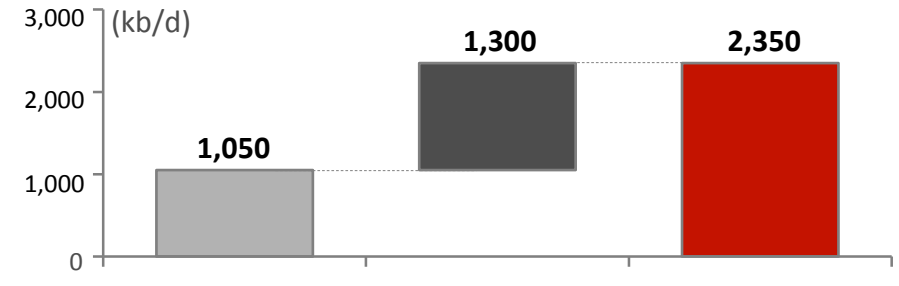
Transport Diesel passenger representing a small portion of total demand, set to stay strong on the basis of a robust diesel car fleet

Total gasoil /diesel demand underpinned by freight demand growth

iv Significant impact of European refineries rationalization

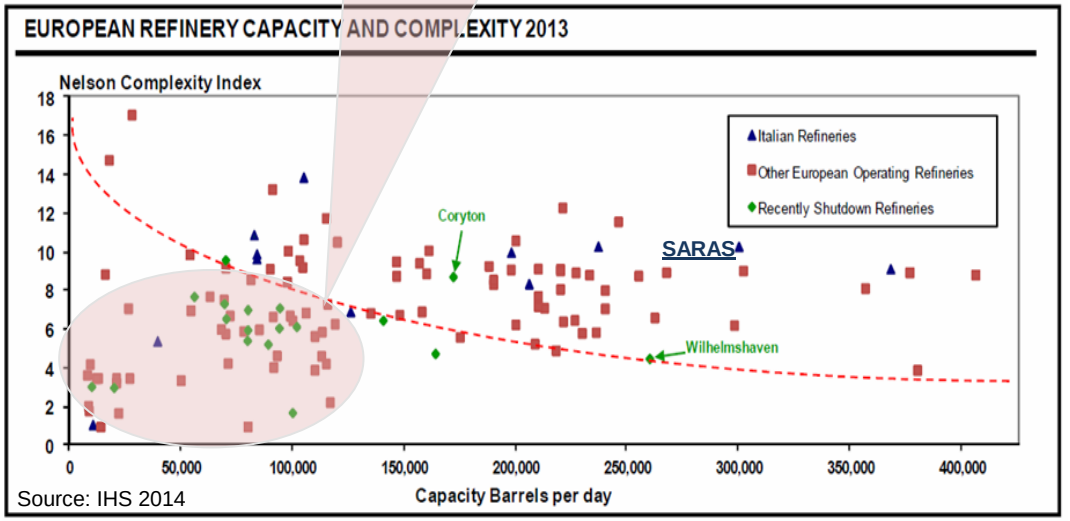
Closures and conversions in OECD Europe (2009-15)

Source: BCG



- Teesside (Petroplus)
- Dunkirk (Total)
- Reichstett (Petroplus)
- Cremona (Tamoil)
- Roma (TotalERG)
- Milford Haven (Murphy Oil)
- Wilhelmsh. (Hestya)
- Mantova (MOL)
- Venezia (Eni)
- La Mede (Total)
- Gela (Eni)
- Arpechim (Petrom)
- Harburg (Shell)
- Berre (LyondellBasell)
- Petit-Couronne (Petroplus)
- Coryton (Petroplus)
- Stanlow (Essar)[1]
- Paramo (Unipetrol/PKN)
- Collombey (Tamoil)
- Lischansk (Rosneft)
- Lindsey (Total)[1]

- **Majority of shutdown refineries had low complexity and small distillation capacity (less than 100,000 bl/day)**
- **Refineries under the red spotted line will continue to face the hardest competitive pressure**

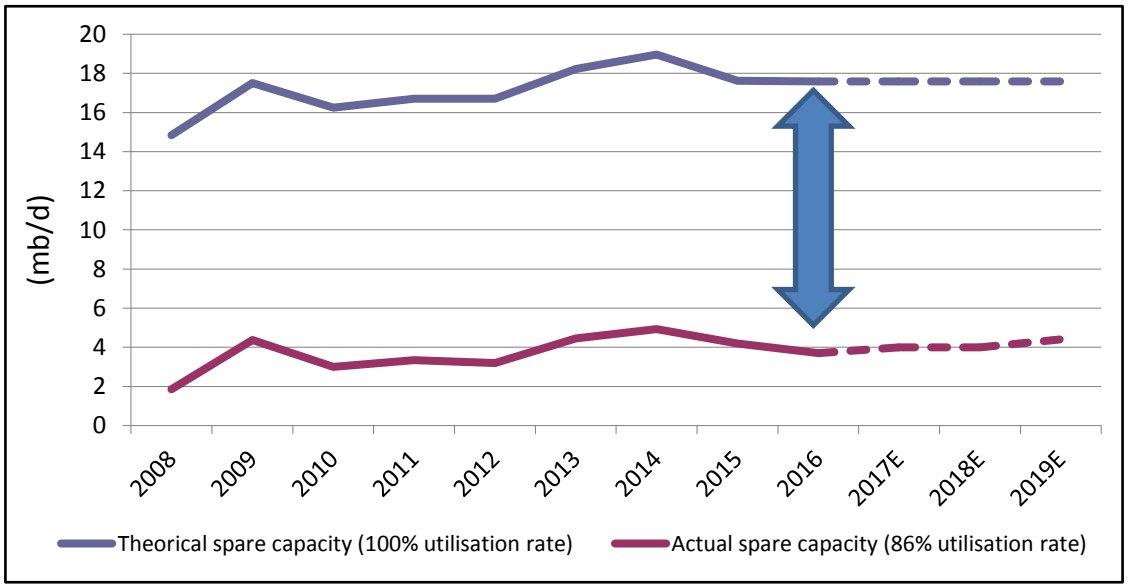


Large and complex refineries are the best positioned in the European competitive context

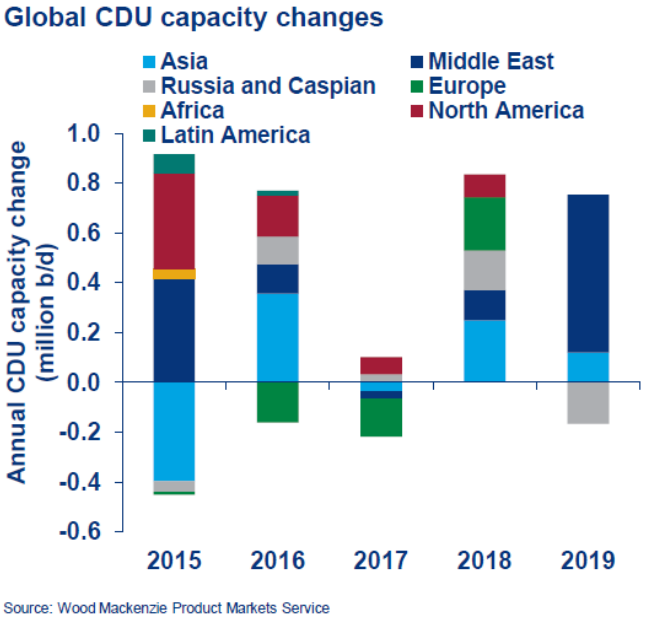
1. Shutdown of 1 CDU only
2. Includes conversion to oil storage terminal or logistic hub for oil products

iv Actual spare capacity largely over-rated and refinery additions lagging behind demand growth

Actual spare capacity is significantly lower than theoretical one, when factoring in planned and unplanned maintenance, seasonality, as well as other non-operability issues



Refinery capacity additions lag behind product demand growth

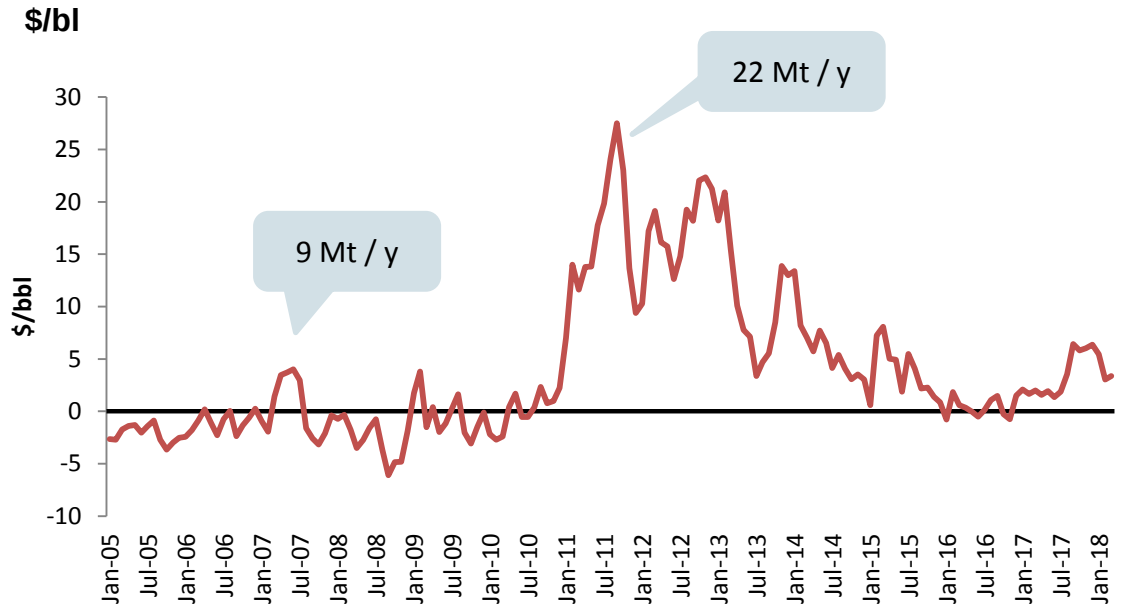


- The IEA in its 2016 Medium-Term Oil Market Report stated: *"Nearly two thirds of of global spare capacity is now in non-OECD countries where refineries are under-utilised for various reasons, ranging from war and conflict to poor state equipment making profitable operations impossible".*
- *In the next years the refinery capacity additions are expected to be lower than the demand growth, therefore supply/demand balance is set to remain tight*

Sources:
IEA "2016 Medium-Term Oil Market Report",
BP Statistics and Credit Suisse Research and
Wood Mackenzie

US refineries advantaged by WTI price distortions, which have faded

Brent-WTI spread



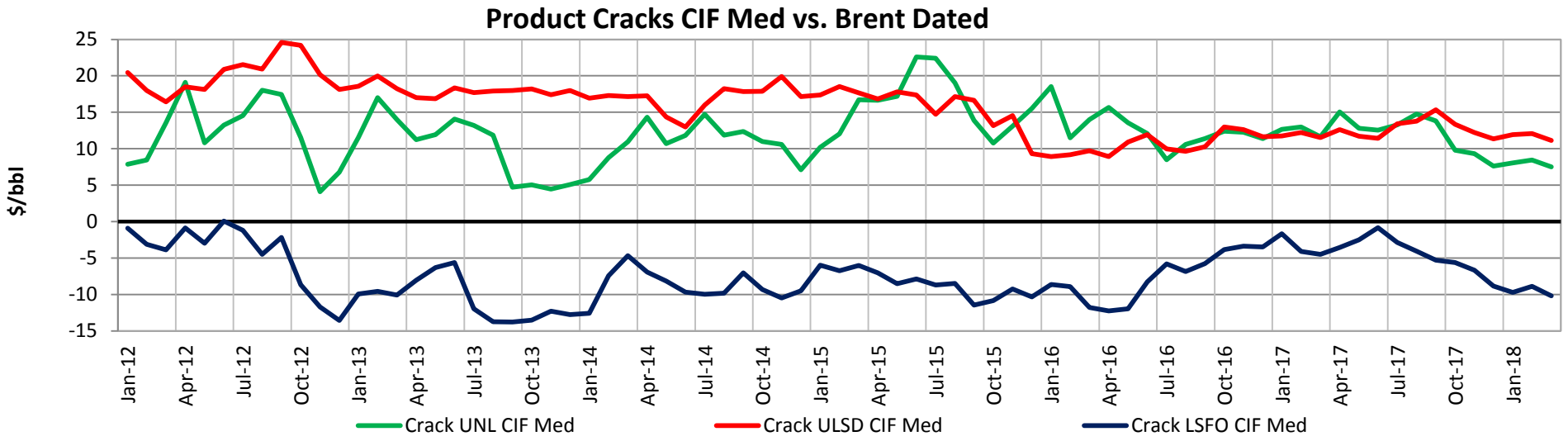
Legend: xx # Mt of middle distillates exported from USA towards Europe, on yearly basis

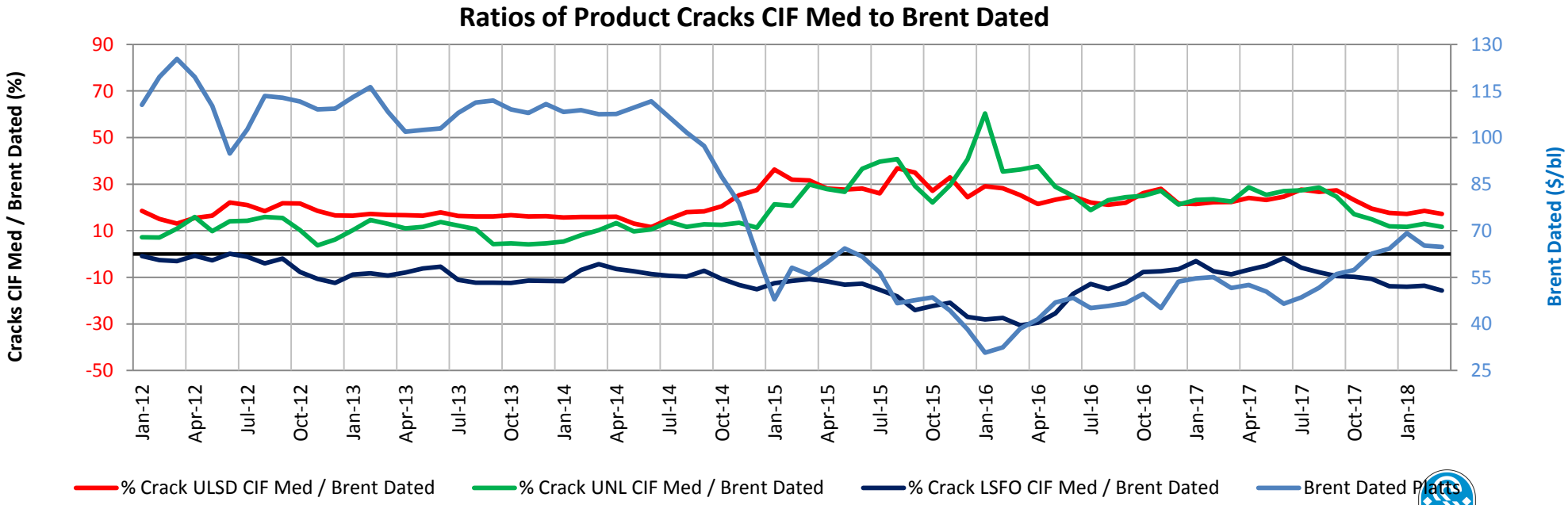
Factors which contributed to correct the distortion

- Debottlenecking of logistics in US & Canada
- Growing US domestic demand
- Lifting of crude exports ban

Sources: Bloomberg and Platts, Mar 9th 2018

Healthy crack spreads

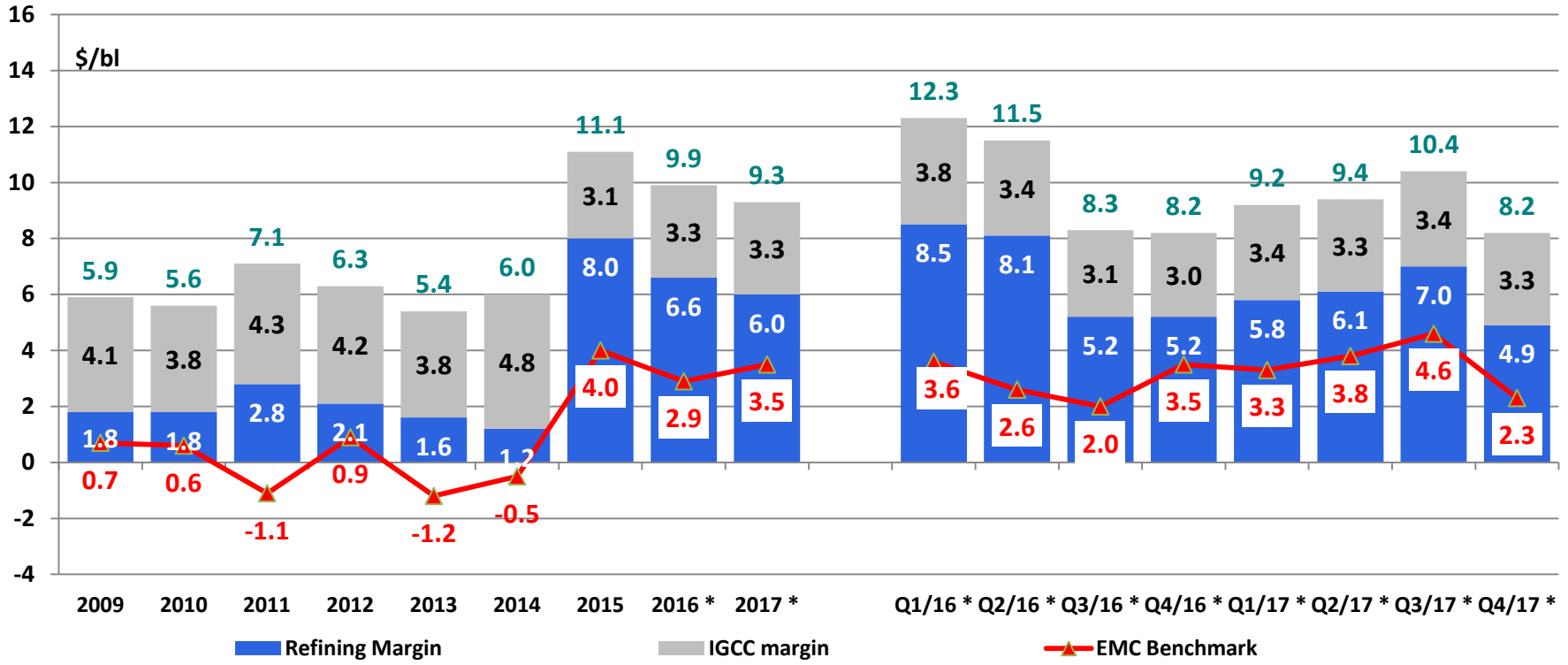




Note: Updated until Mar 9th, 2018

3 Saras profitability driven by company's strengths and market fundamentals

Saras margins and EMC benchmark ($/bl)



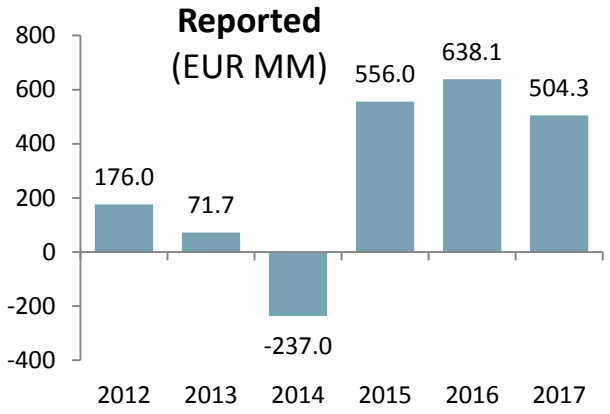
Refining margins: (*comparable* Refining EBITDA + Fixed Costs) / Refinery Crude Runs in the period
IGCC margin: (Power Gen. EBITDA + Fixed Costs) / Refinery Crude Runs in the period
EMC benchmark: margin calculated by EMC (Energy Market Consultants) based on a crude slate made of 50% Urals and 50% Brent

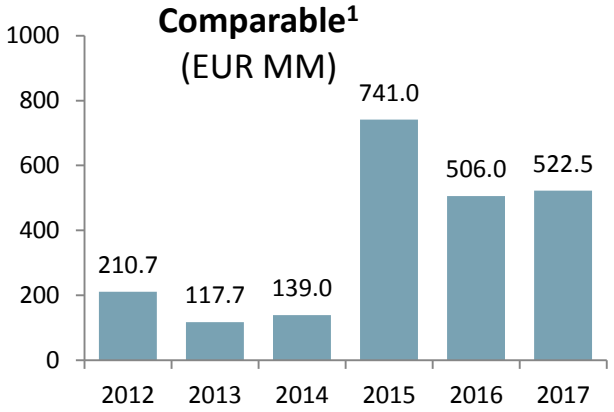
Saras' margin has a significant premium over the EMC Benchmark

(*) Refining margins for 2016 and 2017 refer to Refining comparable EBITDA calculated with the new criteria of determination of the comparable figures

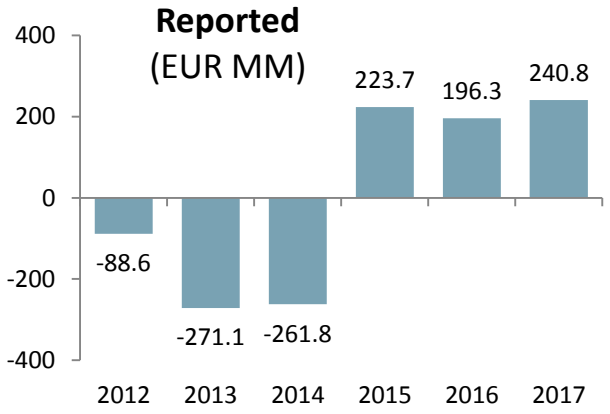
3 Good results delivered also in 2017

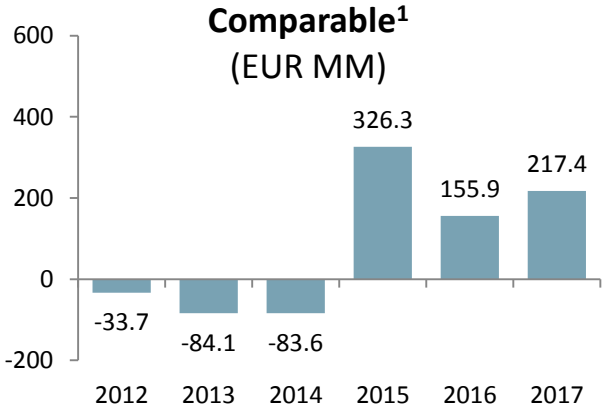
EBITDA



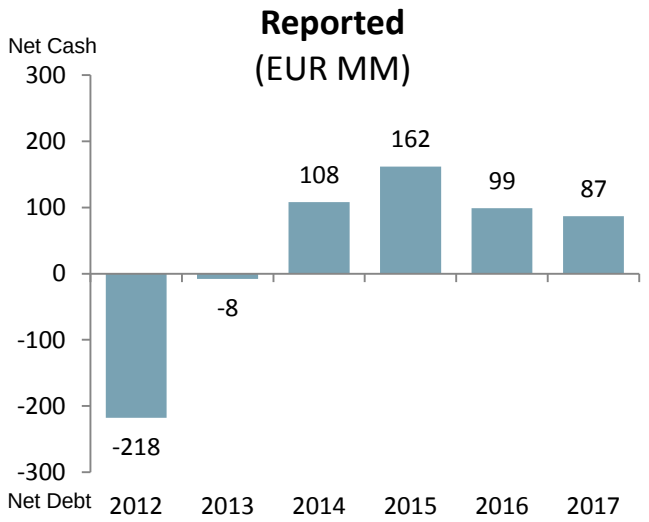


Net Result





Net Financial Position

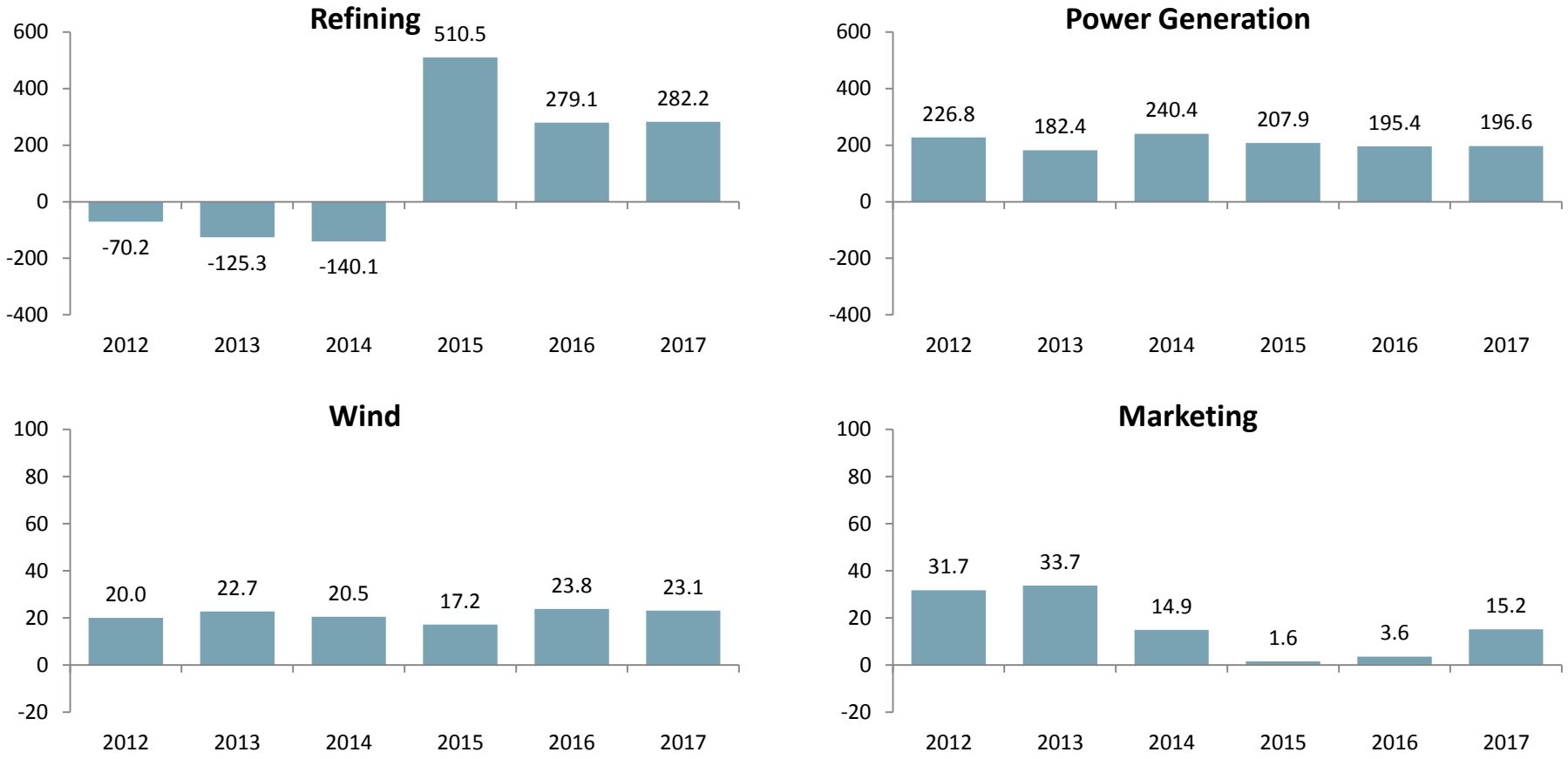


	2012	2013	2014	2015	2016	2017
Financial Gearing[2]	18%	1%	0	0	0	0%
NFP/ EBITDA	1.2x	0.1x	0x	0x	0x	0x

1. Until 2015 "Comparable" results evaluated oil inventories based on LIFO methodology (while IFRS accounting principles adopt FIFO methodology) and did not include non-recurring items and "fair value" of the open positions of the derivative instruments on oil and Forex. From 2016 "comparable" EBITDA and the Net Result are displayed valuing inventories with FIFO methodology, excluding unrealised inventories gain and losses, due to changes in the scenario, by valuing beginning-of-period inventories at the same unitary value of the end-of-period ones. Moreover the realised and unrealised differentials on oil and exchange rate derivatives with hedging nature which involve the exchange of physical quantities, are reclassified in the operating results. Non-recurring items by nature, relevance and frequency and derivatives related to physical deals not of the period under analysis, are excluded by the operating results and the Net Result (*for more details please refer to slide 56*).
2. Net financial Position / Equity

3 Segments profitability in 2017: stable Power and Refining, Marketing successful turnaround

Comparable EBITDA[1] (EUR MM)



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4 The 5 key strengths of the Saras site in Sarroch, Sardinia

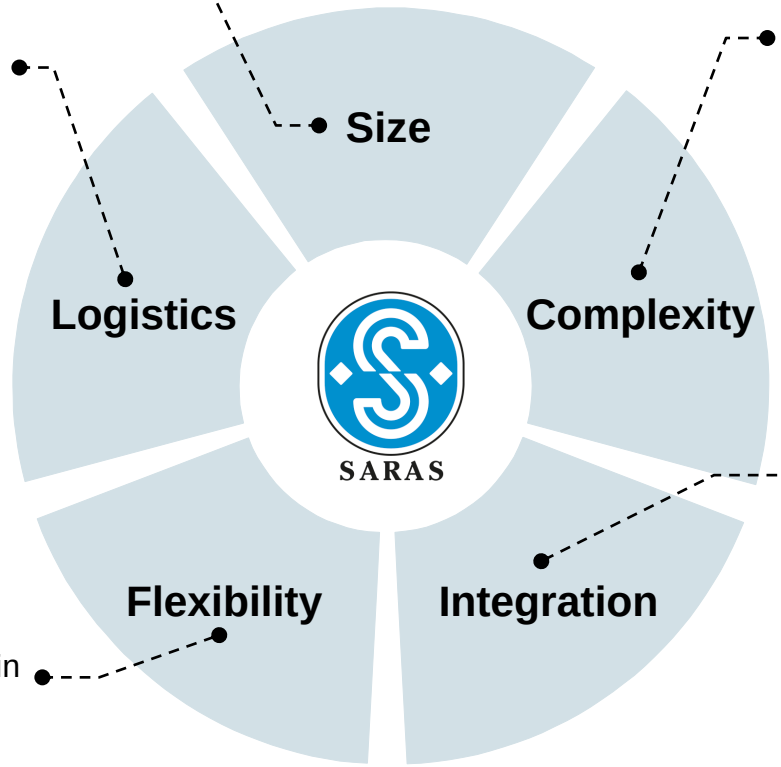
Largest single-site in the Mediterranean

→ **300k** barrels / day of refining capacity

13 berths for cargoes (up to VLCC size)

4+ million cubic meters of storage (16% of national costal refinery cap.)

→ **Trading-oriented hub** with primary location in the middle of Med, enabling logistic costs optimization



Top-tier Mediterranean site in terms of **complexity** and **size**

→ Nelson Complexity Index = 10.0 and WoodMacKenzie Index = 9.5 following Versalis' acquisition

Fully integrated power generation Plant (IGCC)

→ **10%** **Heavy residues from refining** transformed into **electricity, hydrogen and steam**

Petchem integrated processes

→ **Added value** due to Versalis petrochemical plant acquisition

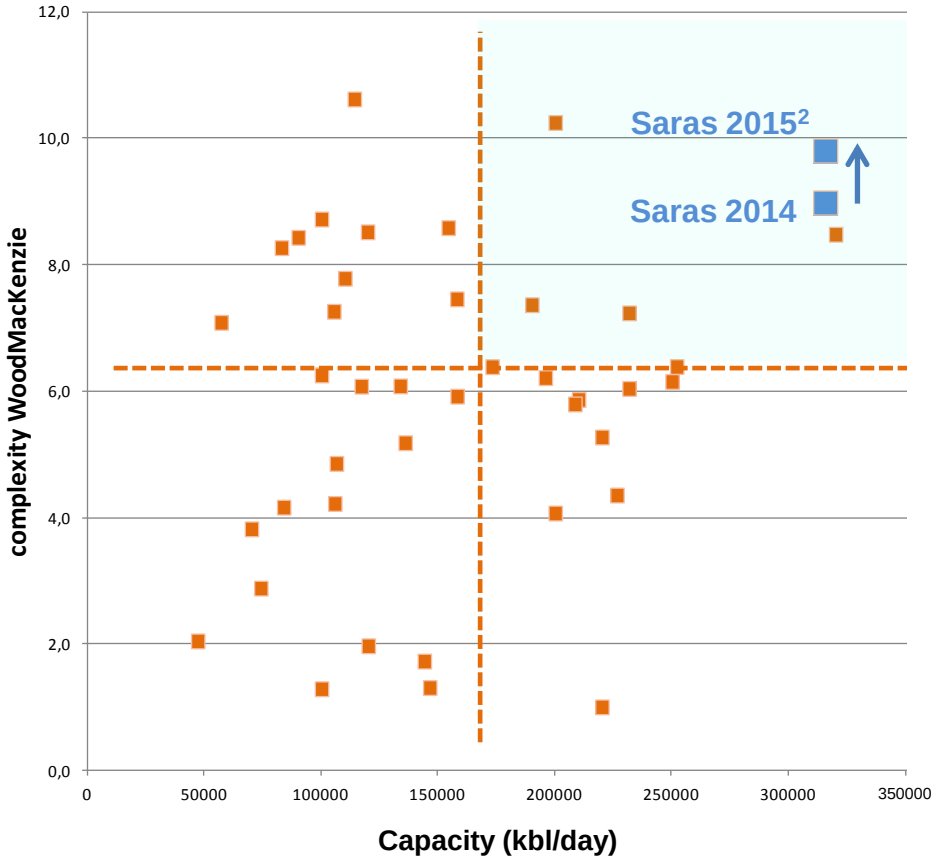
Approx. 30 different crudes processed in 2017, from a wide range of grades

→ Exploitation of crude differentials

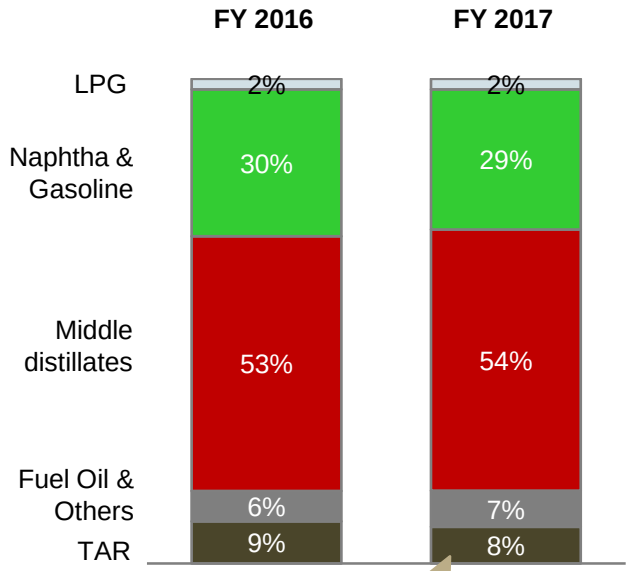
4 Top-tier large & complex refiner among Mediterranean players

Med refineries by complexity index[1] and capacity

Index that measures the degree to which refineries are equipped with conversion capacity to transform heavier residue streams into lighter fractions



Output yields[3]



Heaviest stream of output sent to Power Generation unit (IGCC) for electricity production

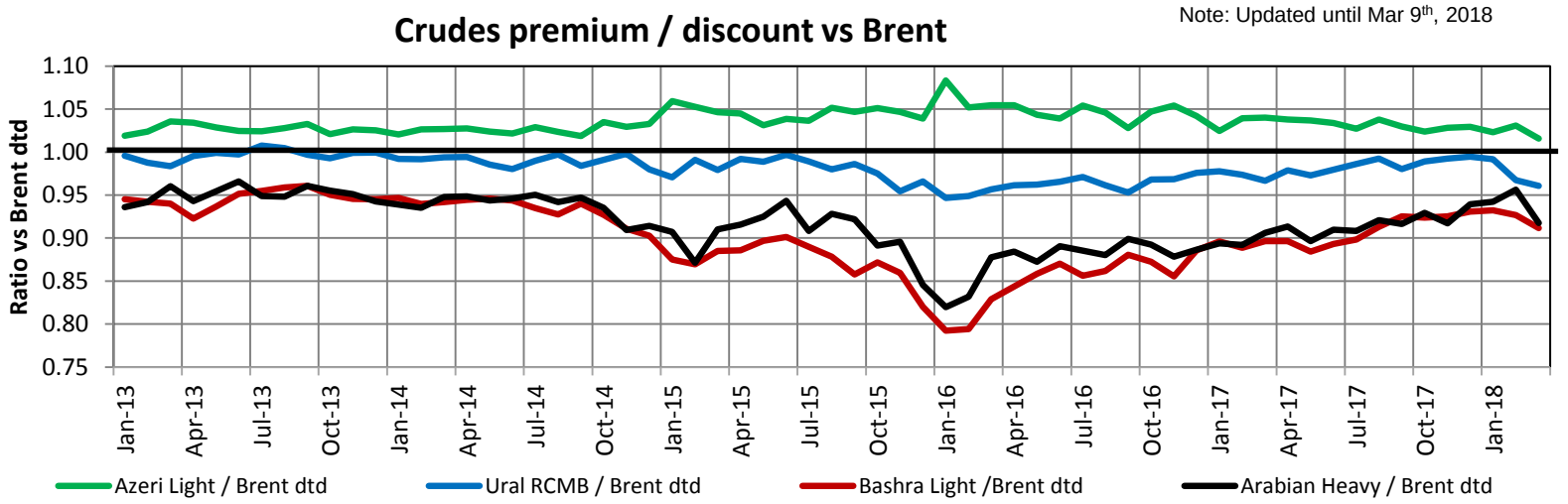
Top-tier refineries compete in global markets and are well positioned to fully capture favorable market cycles

~85% of output are light & middle distillates

1. Wood Mackenzie index
2. Saras calculation based on WoodMackenzie methodology, to account for the acquisition of Versalis petrochemical plant
3. Product Yields are calculated net of "C&L"

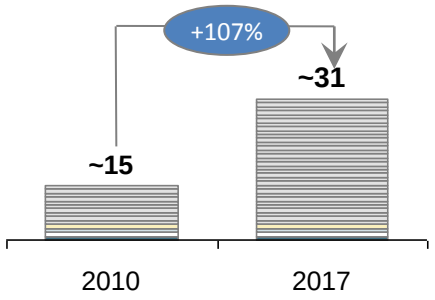
4 Crude flexibility & Supply Chain Integration: strong competitive advantages

Market volatility and variations of discounts / premiums for crudes

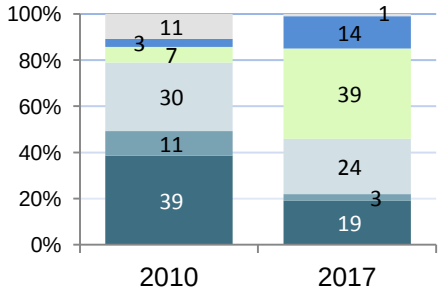


Change in variety of crudes processed and origin of crudes purchased

Crude grades



Origins of crude



North Africa | North Sea | FSU | Middle East | West Africa | Others

- **Saras flexible refinery is capable of processing multiple grades of crude**
  - Overcome supply disruptions
  - Exploit opportunities in differentials
- **Its central location allows for a geographically diversified supply**
  - Flexibility in crude origin
  - Supply optimization

... which allow Saras to overcome supply disruptions and exploit market opportunities

4 Fully-integrated industrial site, with Power Generation & Petrochemical

Inland Sardinia market via Truck:
~1,1 MM ton

Sarroch North plants (ex Versalis)

Integrated site flows

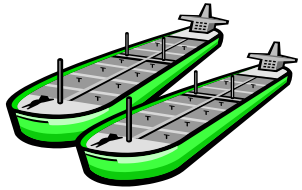
Pipeline exchange with Petchem:
~0,5 MM ton

1,4 MM ton

-0,9 MM ton

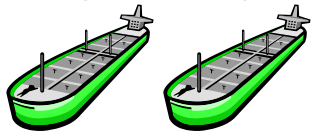
Steam and H2

Integrated exchange with Power Gen (TAR)
~1,1 MM ton



Cargo supply of crude from a wide range of grades:
~15 MM ton of crude
+ significant quantities of other feedstock

Power to grid:
4.2 ÷ 4.4 TWh



Cargo to Saras wholesale / retail system
~2,8 MM ton

FOB & delivered cargo market:
~7,8 MM ton

5 Operational Excellence program: main areas of intervention

2010-2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 onwards

Industrial Focus

Yield	• Yield Optimization • Give Aways reduction
Energy Efficiency	• Flare losses reduction to 0.1% • Decrease steam/fuel consump • Energy certificates
Asset Mgmt	• Efficiency in routine maint. • Turnaround management
Other Costs	• Fixed costs reduction • Reduction of utilities costs

Supply&Trading

- Processed crudes flexibility
- Reduction of inventory level
- New trading Business Model

New initiatives

- **#digitalSaras program**

SCORE

- SCORE Project Perf. Optimization
- Trading Company in Geneva
- Saras Capabilities Strengthening

Organization and Governance

- New organizational model
- Personnel cost reduction (turnover management, overtime control, etc.)

HSE

- Injury index down from 7 to 1
- SOx emissions down 20%
- BBS (Behaviour Based Safety) Project

Asset Upgrade

- MHC2 Revamping
- Upgrade of IGCC turbines

Versalis deal

- Sarroch site strengthening plan
- Versalis assets/resources integration

6 3 digital domains within Saras, with wide array of transformation initiatives

Domains of the Saras digital transformation program

Asset Operations and Maintenance advanced management

Asset

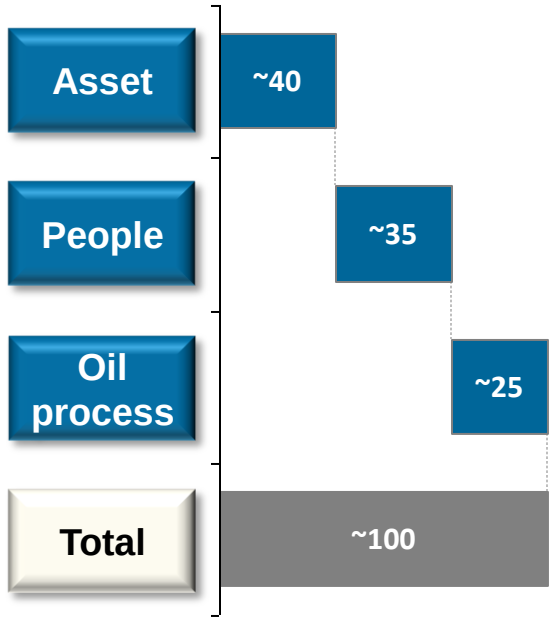
People

Field force productivity and safety improvement

Oil process

Oil process & supply chain optimization

Landscaping



10 priority pilots already developed with Agile methodology and currently in the industrialization phase: a first move towards digital transformation & cultural change

Selected examples of developed projects, now operational

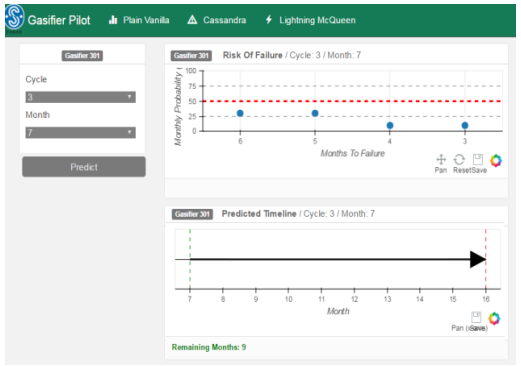
Asset

IGCC cycle optimization

IGCC generates ~EUR 200M of EBITDA every year...

...and the gasifier is the key equipment of the IGCC operational cycle

Machine learning algorithm to optimize and predict IGCC gasifier life-cycle length



People

Digitalization of field workforce

~450 workers every day within Saras refinery...

...performing manual and repetitive activities on the fields (digital checklists)

Online connection between field & control room operators and simplified process to enhance productivity

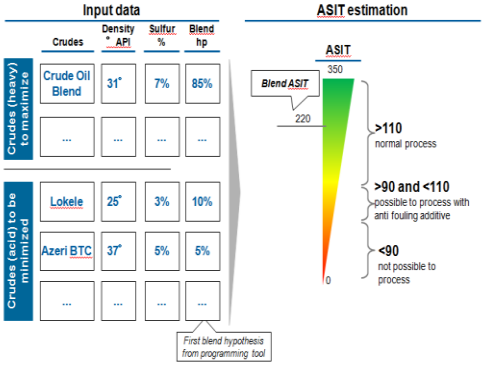
Oil process

Crude compatibility prediction

>30 crudes processed every year by Saras refinery…

…with crude oil blending being the key process for margin maximization

Advance analytics tool to predict blending compatibility



Business Plan 2018 – 2021

Outlook for 2018

- **Refining**: positive scenario expected also in 2018 even if with margins slightly below previous year.
  - Maintenance broadly in line with 2017 and concentrated in H1/18
  - EMC Benchmark estimated at approx 2.5 $/bl.
  - Saras expects to deliver a premium above the Benchmark of 2.5 ÷ 3.0 $/bl (post maintenance)
- **Power**: Standard maintenance activities. Expected a recovery of power production compared to 2017 thanks to better operating performance

		Q1/18E	Q2/18E	Q3/18E	Q4/18E	2018E
REFINERY						
Maintenance activity on:		T2, V2, North Plants	T1, RT2, VSB, MHC2		CCR	
Crude runs	Tons (M) Barrels (M)	3.2 ÷ 3.4 23.0 ÷ 25.0	3.3 ÷ 3.5 24.0 ÷ 26.0	3.6 ÷ 3.8 26.0 ÷ 28.0	3.7 ÷ 3.9 27.0 ÷ 29.0	13.8 ÷ 14.6 101 ÷ 107
Complementary feedstock	Tons (M)	0.2 ÷ 0.4	0.2 ÷ 0.4	0.1 ÷ 0.3	0.1 ÷ 0.3	0.6 ÷ 1.4
EBITDA reduction due to scheduled maintenance	USD (M)	28 ÷ 32	16 ÷ 20	-	1 ÷ 3	45 ÷ 55
IGCC						
Maintenance activity on:		1 Gasifier, 1 Turbine, 1 H_2S Absorber	1 Gasifier, 1 Turbine	1 Gasifier, 1 Turbine		
Power production	MWh (M)	0.90 ÷1.00	1.00 ÷1.10	1.10 ÷1.20	1.10 ÷1.20	4.10 ÷4.50

4 Pillars of the Business Plan 2018 – 2021

Keep strong market position in refining also in the next decade
Seize market opportunities arising from the IMO regulation

1

Strategic investments

Completion of the investment cycle started in 2015 to retain state of arts plants

2

Production optimisation

Performance improvement also thanks to selected **digital initiatives**

3

Supply Chain Management

Capture market opportunities on the crude market triggered by IMO regulation

4

Cost optimisation

Cost efficiencies to offset higher HSE and maintenance costs

Positive scenario for complex refineries to further improve
IGCC plant fundamental for high sulfur bottom conversion even after CIP6/92 expiry

Tightening environmental regulation…IMO - Marpol VI is the last step

Environmental regulation progressively tightening

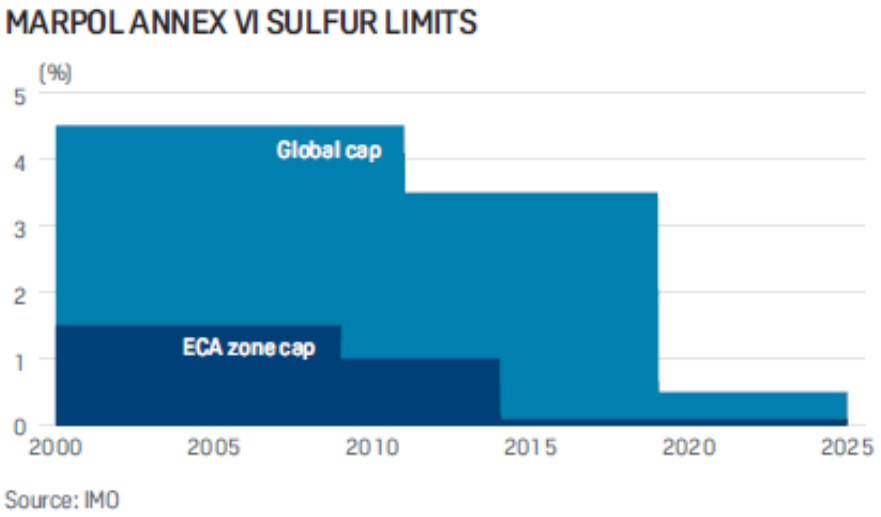
- EU Fuel Quality Directive, Clean Air For Europe Regulation, etc.

Air quality is more and more a relevant theme for the public opinion

- Despite representing only 4% of global oil demand, marine bunker accounts for approx. 40% of sulphur emissions from oil use

IMO decision to implement tighter limits on bunker emissions as of 1st Jan 2020, in accordance with "MARPOL Annex VI" Regulations**, is the last regulatory measure aiming at reducing sulphur emissions**

Lower bunker fuels emission cap by 2020

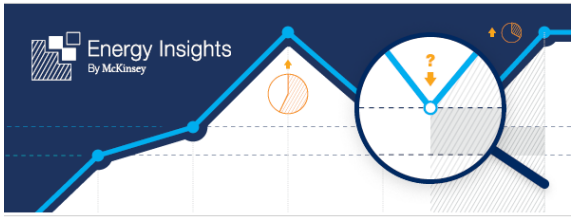


IMO has set a global limit for sulphur content of marine fumes of 0.5% from 1st January 2020, compared to current limit of 3.5%. Shippers can meet lower sulphur emission standards by:

- Using low-sulphur compliant fuel oil
- Using alternative fuels (i.e. gas or methanol)
- Installing scrubbers which clean the emissions before they are released in the atmosphere

IMO regulation to have a material impact on the refining sector…

According to IEA Market Report 2017:
"Lowering the bunker fuel emissions cap from 3.5% to 0.5% is easily the most dramatic change in fuel specifications in any oil product market on such large scale. In EU, it took over a decade of gradual changes to lower road fuel sulphur limits from 500ppm (0.05%) to 10 ppm (0.001%)."



MARPOL implications on refining and shipping markets

In 2020, global sulfur limits for bunker fuel will be lowered from the current 3.5% to 0.5%, affecting over 3 million b/d of residual fuel oil (resid). We expect the shipping industry to react by switching to a combination of marine gasoil and low-sulfur resid bunker. This will at least initially result in higher refining margins and wider light-heavy differentials, making an array of sulfur removal investments very attractive. However, the opportunity for refiners will depend greatly on how quickly other sectors respond.

A positive outlook in the medium term for the downstream refining industry

- **Refining to 2019 – refinery margins to remain strong**
  - » Strong growth in demand for oil products and a growing supply of US crude means that refinery margins should stay strong in the near term
  - » Net refinery capacity additions are forecast to run behind total demand lending support
- **Refining to 2020 – deep conversion refineries will benefit from IMO**
  - » A big shift takes place in 2020 when global bunker fuel specifications change
  - » The biggest windfall in 2020 is for deep conversion units with a distillate orientation
  - » The overall increase in margins in 2020 should be sufficient to incentivise refiners to increase crude throughputs enough to meet the extra distillate demand

Source: Wood Mackenzie a leading independent market consultancy

According to many different sources, IMO regulation by lowering the allowed sulfur emissions for shippers, will have a material impact also on the refining sector

…Saras ideally placed to exploit the expected market developments

Expected impact of IMO on the refining sector

Crack spreads

- Increase of diesel/gasoil crack spreads
- Sharp deterioration of HSFO crack spread

Crudes differentials

- Heavy and medium sour crude oils expected to increase their discounts vs. Brent

Refiners

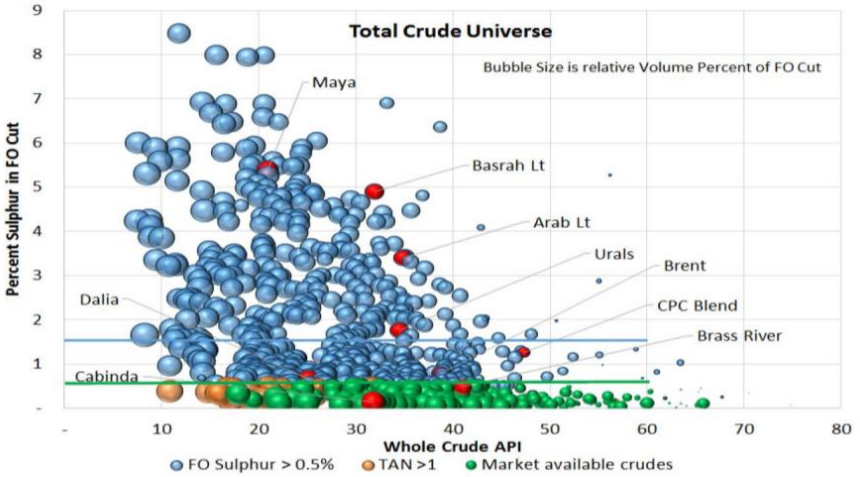
- Need of conversion investments for simple refiners or risk to be displaced
- Widening competitive advantages for deep conversion refineries

Saras is ideally placed to play this scenario

Site size & complexity	• Top-tier refiner by complexity index and capacity • High value output yields: 85% light & middle distillates, low production of HSFO • Strong competitive position in producing and supplying ULSFO
Integration	• IGCC, fully integrated with the refinery, efficiently converts heavy part of the barrel (TAR) into electricity and utilities exploiting crude differentials • IGCC intrinsic value to be maximized in a context of high differential of GO - HSFO (i.e. IMO) that reduces TAR value compared to electricity prices
Flexibility and business model	• Location in the middle of Med allows geographically diversified supply and sales • Business model based on the integrated supply chain management coupled with trading skills, will enable to seize market opportunities on both crudes differential and products

Exploiting strong competitive position in producing and supplying ULSFO

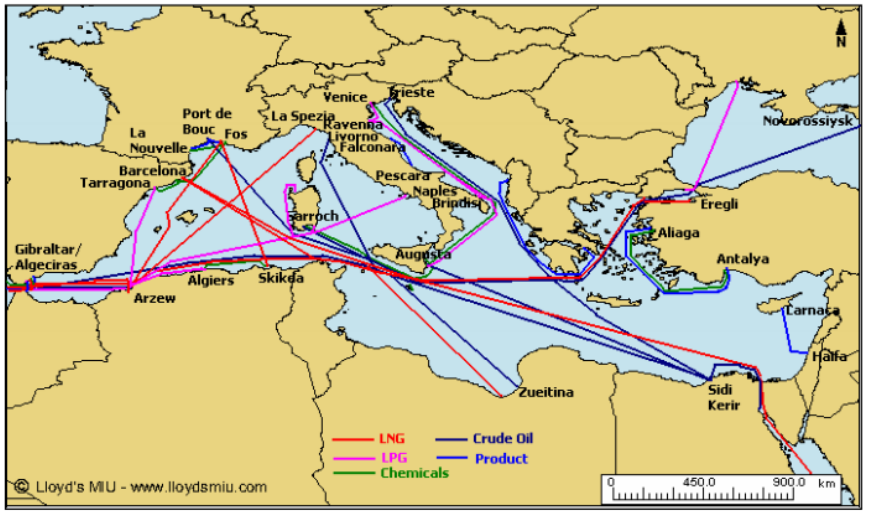
- According to Wood Mackenzie ULSFO could emerge as the lowest cost option to comply with IMO new regulation
- However the availability will likely be limited also considering that very few crude oils, within the total crude universe, are suitable for the production of ULSFO and that some of them are acidic (green and orange bubbles in the chart)



Saras is well positioned to exploit ULSFO opportunity due to the following advantages:

- Versatile & flexible refinery configuration allows to produce ULSFO, blending various vacuum residues with a very low sulphur fluxant
- Product specs achievable with Saras recipe in line with current bunker specs, hence avoiding any risk of damage for ship engines
- Long-standing supply positioning makes Saras a very reliable player
- Central position in the Mediterranean Sea is ideal to serve both local and “in transit” fleets

Major tankers routes



Business Plan 2018-2021 main assumptions

Business Plan Market Scenario

		2018E	2019E	2020E	2021E
Brent Dated	$/bl	60.0	60.0	63.0	70.0
Gasoline *crack spread*	$/bl	10.5	9.2	7.7	9.2
ULSD *crack spread*	$/bl	12.0	13.8	18.0	16.6
HS Fuel Oil *crack spread*	$/bl	-9.0	-9.0	-18.2	-18.4
PUN	€/MWh	50.0	45.0	47.0	50.0
Exchange Rate	€/$	1.20	1.24	1.23	1.24

Market Scenario conservatively determined starting from WoodMackenzie forecasts for the oil market (published on 14/02/2018) ; (ii) Ref4e (Dec. 2017) and Poiry (Dec. 2017) for the electricity and gas market and (iii) Bloomberg for Exchange Rate

Business Plan Operations & Fixed Costs

		2018E	2019E	2020E	2021E
Refinery Crude Runs	Mtons	Approx. 14 ÷15			
Refinery other feedstock	Mtons	Approx. 0.8 ÷0.9			
IGCC Power production	TWh	Approx. 4.3÷4.4			4.0 (1)
Total Fixed costs (Refining + Power)	€ M	Approx. 350÷360			

(1) It will be executed the 10Y turnaround on the IGCC plant

Market Scenario:

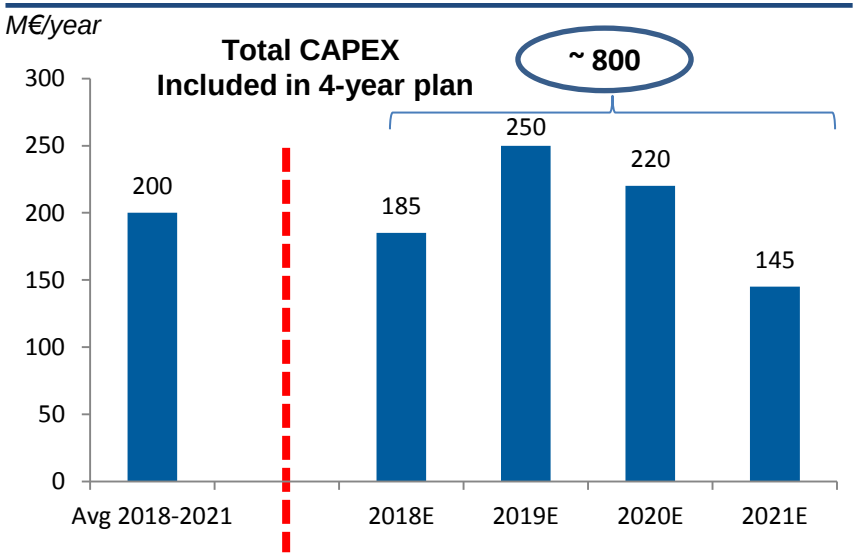
- We have set our oil scenario starting from the most recent Wood Mackenzie estimates including some caution on the diesel/gasoil crack spreads. Moreover the impact of IMO could materialize already in H2/2019 providing upside to our 2019 forecasts. In detail we expect :
  - **Heavy and medium sour crude grades to increase their discounts**. Saras able to capture widening price differentials thanks to its IGCC configuration and the integrated supply chain model
  - **Material strengthening of diesel/gasoil crack spread** as the demand of bunker fuel is expected to switch to lower sulphur fuels (gasoil/diesel representing approx. 50% of Saras yield)
  - **Good market opportunities for the ULSFO** that Saras is able to produce at competitive conditions
  - **HSFO crack spread widening** due to the sharp decline in demand

Operations and costs:

- In 2021 the refinery, completed the investment cycle and the planned maintenance, will operate at full capacity. It will be carried out the 10Y turnaround on the IGCC plant to extend its economic life up to 2031
- Total fixed costs equal to approx. EUR 350 ÷360 million per year, in line with the good level achieved in 2017, as the efficiencies will offset inflationary drift of HSE and maintenance costs and salaries. Savings to be achieved on variable costs (included in the refining margins) to compensate rising price of utilities driven by the scenario.

CAPEX Plan to keep operational and technological excellence also in the next decade

Business Plan Group CAPEX

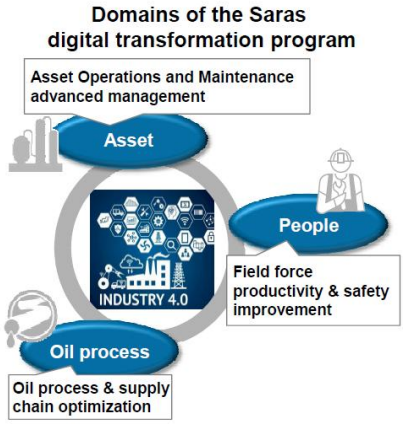


Main development CAPEX included in Plan

- **Investments in asset reliability, HSE, steam and power system reconfiguration with the aim to keep the operational and technological excellence also in the next decade**
- **Contribution at EBITDA level from EUR15M in 2018 to EUR65M in 2021** (i.e. energy efficiencies, operational availability improvements and digital initiatives)

Main new investments breaks down as follow: (i) EUR50M in digitalization; (ii) EUR45M turnaround of plants not included in previous plan perimeter (IGCC 10Y turnaround to extend the plant economic life to 2031) and (iii) EUR55M additional investments in assets reliability and power system reconfiguration

Digitalization investments



- In 2018 **industrialization of selected projects** in the field of predictive maintenance, digitalization of the operational workforce, advanced tools to optimize performance and reliability
- **Main objectives: downtime reduction, asset availability enhancement, safety and security improvements and productivity increase**
- EUR50M capex to be covered by tax benefits on Industry 4.0 investments (deriving from Iper and Super amortization) and the expected cumulated EBITDA contribution during the Business Plan period (approx. EUR30M)
- New technologies and innovation will be **paramount to remain competitive and successful in the long run**. The full potential of these investment will be exploited beyond 2021

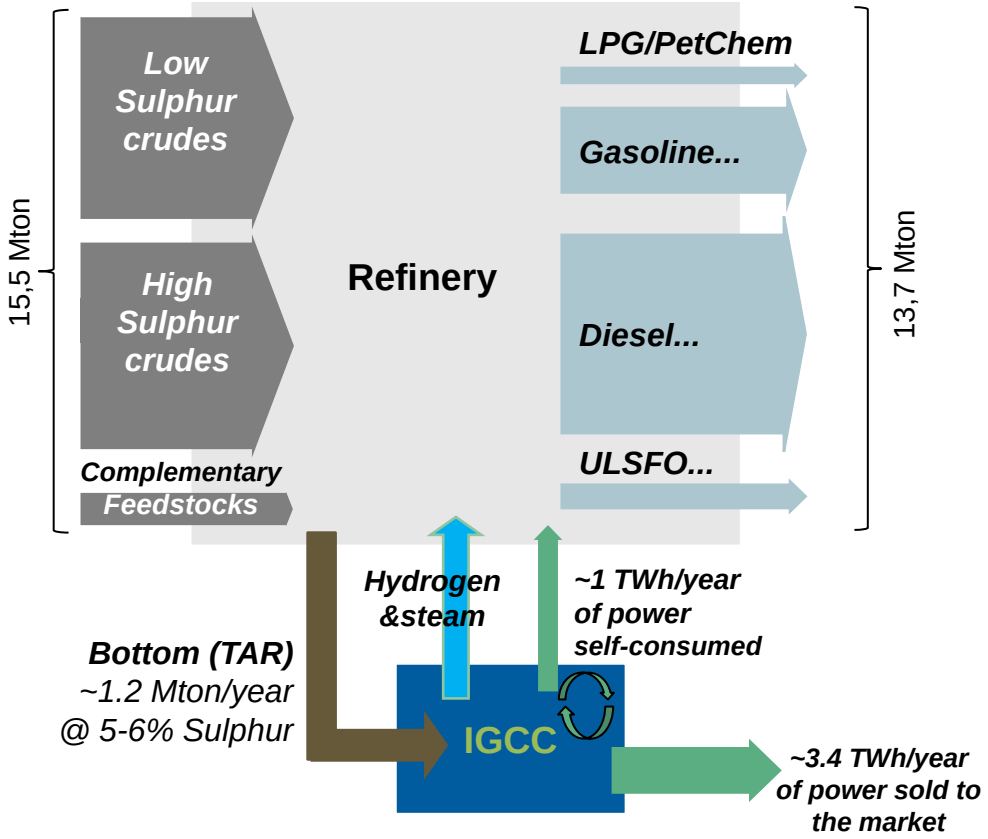
Segments profitability outlook

Segment	Comments
Refining	• **EMC Benchmark margin from 2.5 $/bl in 2018 to 4.8 $/bl in 2020** (based on reference scenario) • **Saras' premium** to EMC Benchmark **from 2.5÷3.0 $/bl in 2018 to approx 5 $/bl in 2020** (based on reference scenario, including contribution of capex and cost savings, net of maintenance)
Power Generation	In the period 2018 – 2020: • **EBITDA of approx. EUR 190 million/year** • Electricity produced to be sold according to CIP6/92 tariff
Marketing	• **EBITDA of approx. EUR 10 ÷12 M/year** • Profitability recovery coming from cost rationalization and optimization of sale channels achieved in 2017 sustainable also in next years
Wind	• **EBITDA between EUR 5÷10M** taking into account the expiry of incentives on ~80% of the installed capacity from 2018

In 2021 PowerGen results (including fixed costs) will be incorporated in the Refining segment:
- **EMC at 3.5 $/bl**
- **Saras integrated premium of approx. 7.0 $/bl** (based on reference scenario, including contribution of capex and cost savings, net of maintenance)

IGCC: a future after 2021

Sarlux site configuration post 2021



Three independent trains for gasification and power production, with a total design capacity of 575 MW

Total Input = 15,5 Mton
Total Output = 13,7 Mton + 3,4 TWh (1)

Note: Arrow width proportional to material flow size, plant surfaces proportional to Nelson Complexity Index.

2021 will be a year of discontinuity for the IGCC:

- By end of Q2 CIP6/92 incentive expire
- By that date the 10Y turnaround will be executed
- Then the plant **will start to operate at market conditions**

From 2022 IGCC will be exploited with an integrated perspective and we expect it to run at full capacity:

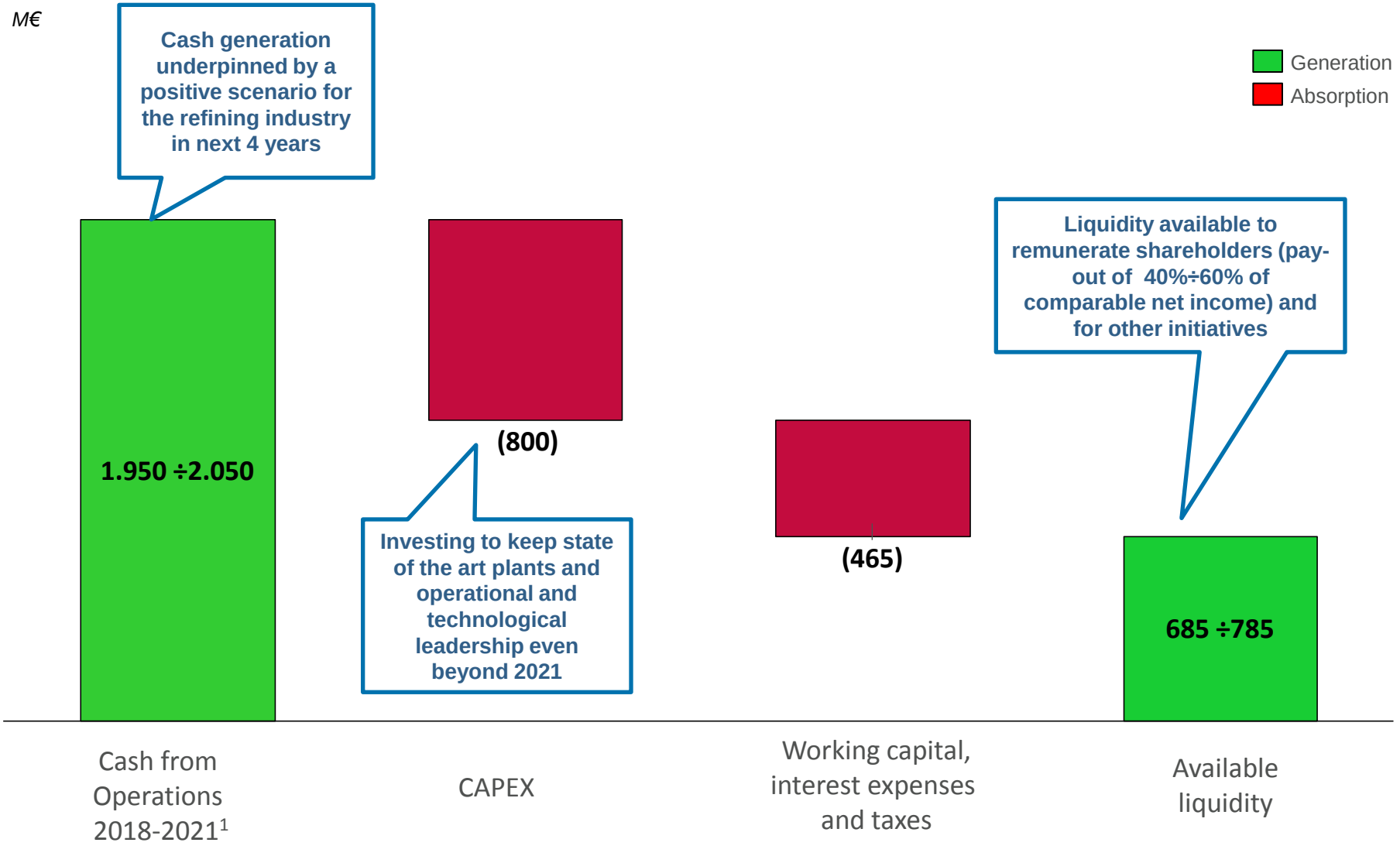
- ~1TWh of power production will be self-consumed allowing to save system and dispatching charges (approx. EUR 20 ÷ 25M)
- ~3.4 TWh will be sold to the market at PUN (2)
- The plant will continue to provide hydrogen and steam necessary for refinery operations
- Competitive marginal cost of production versus the expected PUN (50 EUR/MWh)

Main benefits will be:

- No need of multi billion investments to convert bottom of the barrel into refined products (ie cocker or others)
- Possibility to continue to economically process HS crudes with a low fuel oil yield fully exploiting IMO opportunities
- IGCC intrinsic value will be boost in conditions of high differential between GO & HSFO (i.e. IMO) that reduces TAR value compared to electricity prices, contributing positively to the refining margin

(1) Total production 4,4 TWh of which 1 TWh self-consumed
(2) Average purchase price for electricity in the Italian market

Sources and uses of cash (Cumulated 2018-2021)



1. Cash Flow from operations = EBITDA – Linearization effect on Power Generation – others

Saras segments

- **Refining**
- Power Generation
- Marketing
- Wind Energy

Group Financials

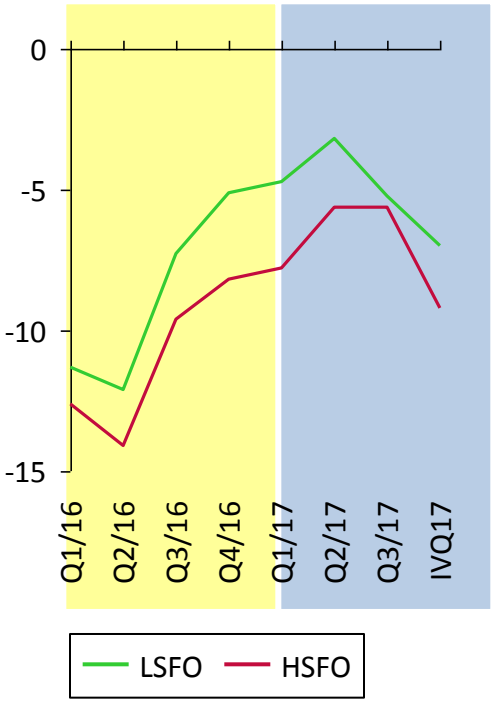
Key financial performance of the Refining segment

EUR million	2012	2013	2014	2015	2016	2017
EBITDA	(91.2)	(153.6)	(496.3)	337.1	418.3	276.9
***Comparable* EBITDA**	**(61.2)**	**(127.5)**	**(140.1)**	**510.5**	**279.1**	**282.2(*)**
EBIT	(197.0)	(261.0)	(640.7)	204.8	281.5	160.3
***Comparable* EBIT**	**(167.0)**	**(234.9)**	**(261.8)**	**396.6**	**162.3**	**165.6(*)**
CAPEX	**97.0**	**87.1**	**124.9**	**75.0**	**133.6**	**186.1**
REFINERY RUNS						
Crude Oil (ktons)	13,309	12,980	12,430	14,550	12,962	14,060
Crude Oil (Mbl)	97.2	94.8	90.7	106.2	94.6	102.6
Crude Oil (kbl/d)	265	260	249	291	259	281
Complementary feedstock (ktons)	431	390	548	1,026	1,598	1,291
EMC benchmark	**0.9**	**(1.2)**	**(0.5)**	**4.0**	**2.9**	**3.5**
Saras Refining Margin	**2.1**	**1.6**	**1.2**	**8.0**	**6.6**	**6.0**

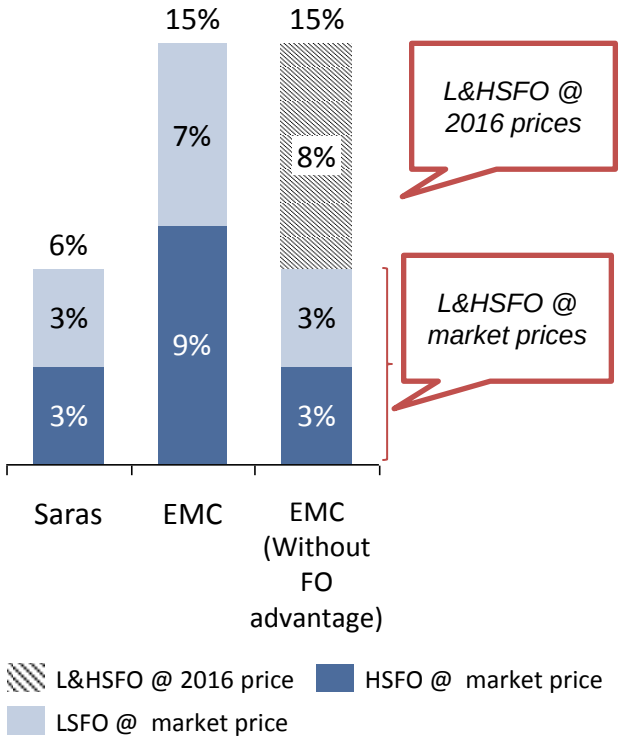
(*) Comparable results are based on the new methodology from 2016. For more details please refer to slide 58.

Saras premium at 2.8 $/bl when excluding by EMC the FO strengthening

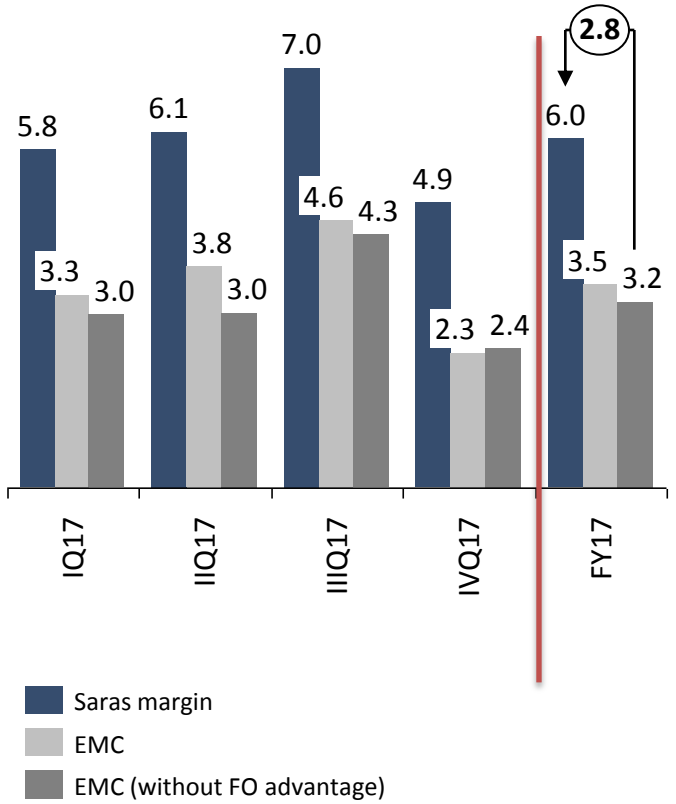
FO crack spreads - $/bbl



Yields Saras vs EMC (focus on Fuel Oil)



Saras refining margin premium ($/bl) vs EMC without FO advantage



Material strengthening of FO crack spreads vs last year

EMC without FO advantage excludes the impact of FO strenghtening…

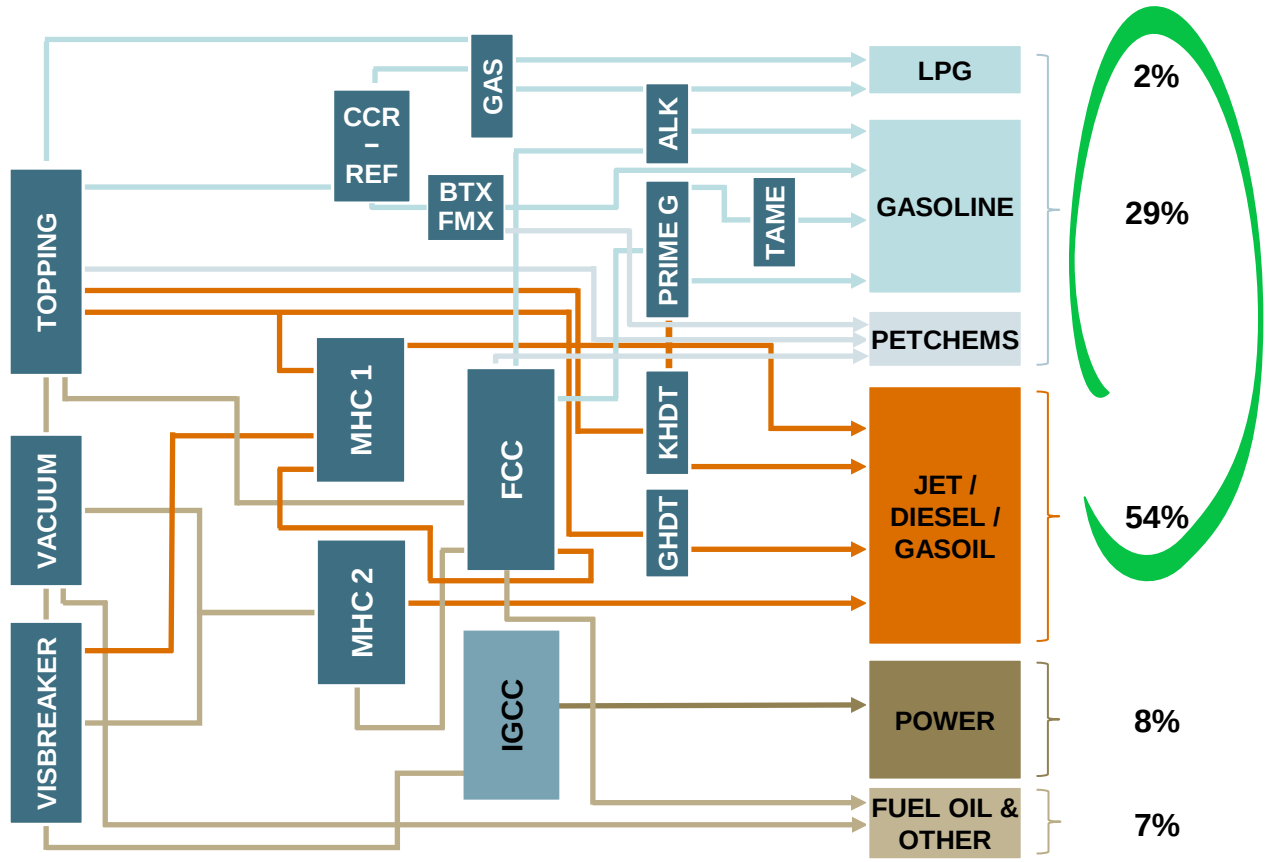
…not achiavable by Saras given different yields vs EMC Benchmark

Net of the distorting effect of FO strengthening in FY/17 the reference margin (EMC Benchmark) would have been 3.2 $/bl (compared to 3.5 $/bl) and the Saras margin premium 2.8 $/bl (compared to 2.5 $/bl).

Complex and well balanced refinery configuration

Key units	# units	Total cap. (kb/d)[1]
TOPPING	3	300
VACUUM	2	105
VISBREAKER	1	41
FCC Fluid Catalytic Crack.	1	90
MHC Mild Hydrocraker	2	120
CCR & REFORMER	2	50
Power Gen (IGCC)	3	20

Diagram flow



Yields (%)[2]

High conversion to high-value products:
Petrochems, Gasoline, Diesel and Power

1. Calculated using calendar days
2. Yields are calculated net of "C&L" – values refer to FY 2017

~4M cm of tank farm capacity and 13 berths

Tank Farm

	#	k cm	k bl
Crude	13	1,290	8,127
Gasoline	60	1,000	6,300
Kerosene	11	114	718
Gasoil	35	694	4,372
Fuel Oil & feedstock	33	885	5,575
LPGs	47	72	454
Total	**199**	**4,055**	**25, 546**

Opportunity of expansion in the storage capacity (gasoil/crude)

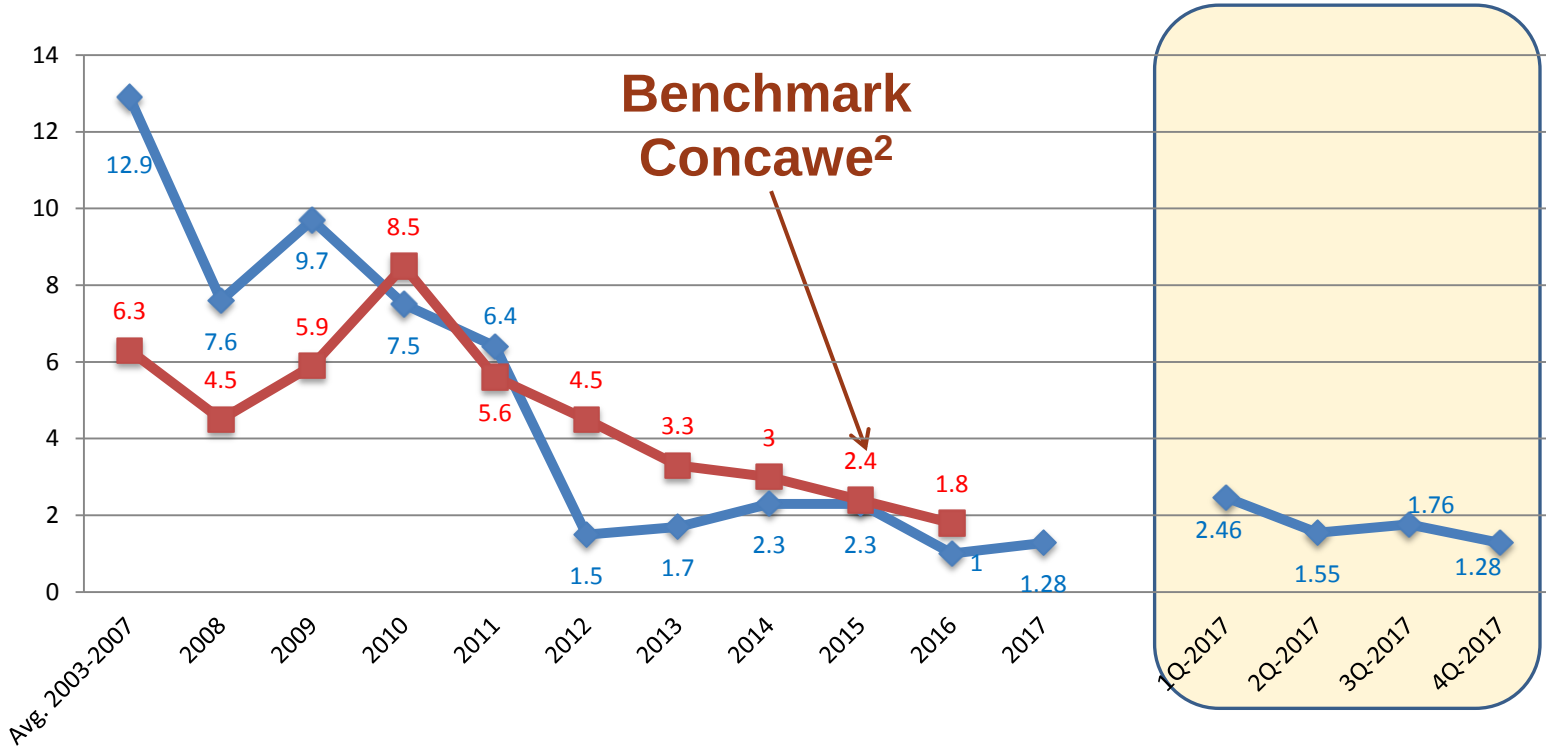
Marine Terminal

	#	Dwt	m Draft
Deep sea berths for VLCC	2	up to 300,000	20.7
Berths for Products	9	up to 65,000	12
	1	up to 40,000	9.5
	1	up to 6,000	7
Total	**13**		

Flexibility for simultaneous loadings of multiple products

Health, Safety and Environment

Total Frequency Index[1] Sarlux and Contractors



1. Total Frequency Index: ratio between injuries and medical treatments versus total worked hours in the period
2. CONCAWE (CONservation of Clean Air and Water in Europe) is a European Organisation for Environment, Health and Safety within the oil industry

Saras segments

- Refining
- **Power Generation**
- Marketing
- Wind Energy

Group Financials

Key financial performance of the Power Generation segment

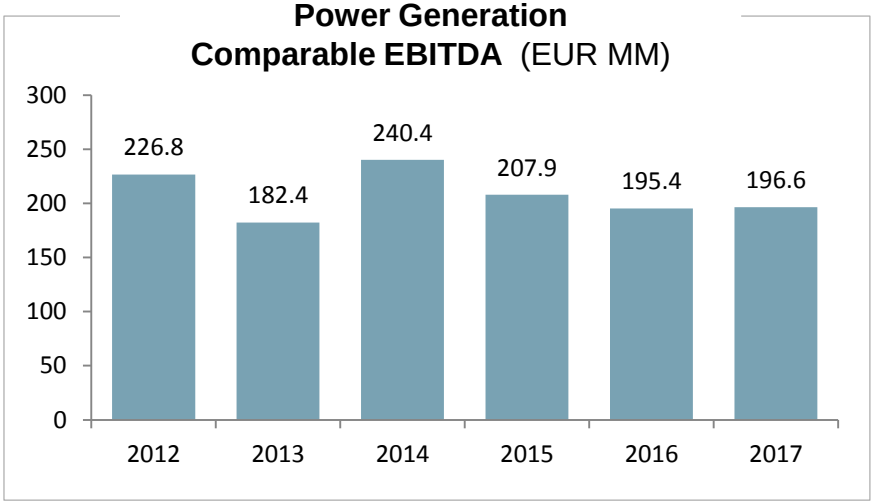
EUR million	2012	2013	2014	2015	2016	2017
***Comparable* EBITDA**	**226.8**	**182.4**	**240.4**	**207.9**	**195.4**	**196.6**
***Comparable* EBIT**	**147.0**	**109.5**	**174.7**	**111.1**	**96.3**	**145.5**
EBITDA IT GAAP	178.3	184.8	147.9	168.2	133.9	97.7
EBIT IT GAAP	133.2	131.2	85.9	105.0	68.6	80.4
CAPEX	**8.7**	**16.9**	**6.8**	**9.1**	**9.6**	**16.6**
ELECTRICITY PRODUCTION MWh/1000	**4,194**	**4,217**	**4,353**	**4,450**	**4,588**	**4,085**
POWER TARIFF €cent/kWh	**12.2**	**11.9**	**10.1**	**9.6**	**8.1**	**8.7**
POWER IGCC MARGIN $/bl	**4.2**	**3.8**	**4.8**	**3.1**	**3.3**	**3.3**

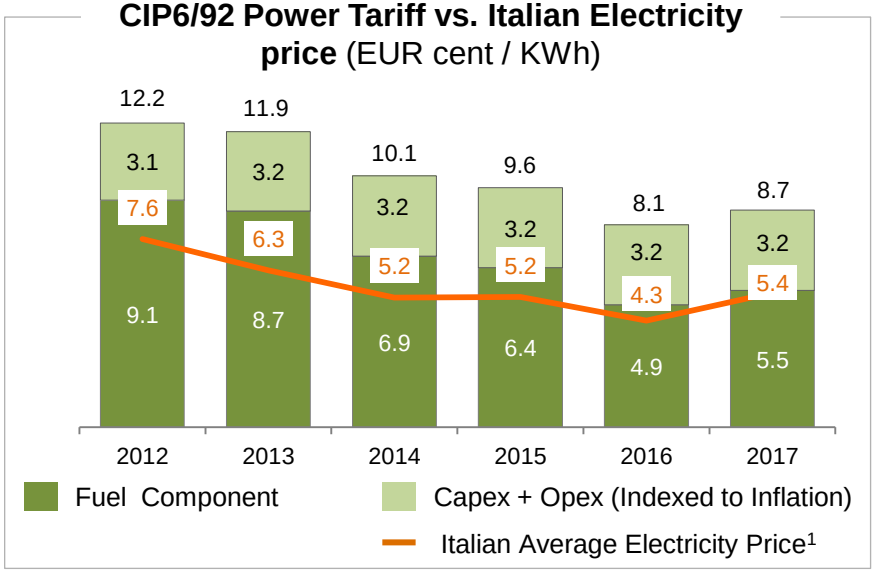
Power Generation: strong and stable contribution to Group EBITDA

- IGCC economics are stable and based on attractive regulated contract (CIP6/92)

- The CIP6/92 contract with National Grid operator (GSE) enjoys priority of dispatching and full CO_2 cost reimbursement until April 2021

- From 2022 the IGCC will be exploited with an integrated perspective, dedicating ~1TWh to self-consumption and ~3.4 TWh to the market while continuing to provide hydrogen and steam necessary for refinery operation. This will allow to continue to economically process HS crudes with a low fuel oil yield fully exploiting IMO opportunities





1. The Italian average electricity price (PUN) can be found on the GME website: **www.mercatoelettrico.org**

Saras segments

- Refining
- Power Generation
- **Marketing**
- Wind Energy

Group Financials

Key financial performance of the Marketing segment

EUR million	2012	2013	2014	2015	2016	2017
EBITDA	18.0	16.0	(4.9)	(5.1)	9.9	13.9
***Comparable* EBITDA**	**31.7**	**33.7**	**14.9**	**1.6**	**3.6**	**15.2**
EBIT	(29.8)	7.6	(14.7)	(16.3)	4.2	8.4
***Comparable* EBIT**	**19.8**	**25.3**	**6.4**	**(4.7)**	**(2.1)**	**9.7**
CAPEX	**8.2**	**3.7**	**3.0**	**1.2**	**1.4**	**0.9**
SALES (THOUSAND TONS)						
ITALY	2,210	2,342	2,449	2,573	2,298	2,169
SPAIN	1,584	1,310	1,234	1,388	1,787	1,484
TOTAL	**3,794**	**3,652**	**3,683**	**3,961**	**4,084**	**3,653**

Overview of the Italian and Spanish Marketing businesses

Spain: Saras Energia

Spain wholesale
- 114kmc distillates storage in Cartagena

Spain retail
- 95 service stations
  - 84 fully owned
  - 11 long term leased
- Mainly located in the Med tributary, with Decal, CLH and Esergui Depots regional support

Main logistics flows

Italy: Saras SpA

Arcola La Spezia (owned)
- 200kmc storage for diesel and gasoline
- Sea Terminal for up to 50kt DWT
- Logistics available for bunkering

Transfer depots network (3rd party)
- Logistics efficiently covers all richest northern and central regions (Genova, La Spezia, Livorno, Civitavecchia, Venezia, Napoli and Ravenna)
- Strong position in Livorno, Venice and Civitavecchia

Reaching further downstream
- i.e. resellers, unbranded service stations, supermarket chains, etc…

Sales (ktons)	2012	2013	2014	2015	2016	2017
SPAIN	1,584	1,310	1,234	1,388	1,787	1,484

Sales (ktons)	2012	2013	2014	2015	2016	2017
ITALY	2,210	2,342	2,449	2,573	2,298	2,169

An Integrated MED Market Player Offering Integrated Services

Saras segments

- Refining
- Power Generation
- Marketing
- **Wind Energy**

Group Financials

Key financial performance of the Wind segment

EUR million		2012	2013	2014	2015	2016	2017
***Comparable* EBITDA**		**20.0**	**22.7**	**20.5**	**17.2**	**23.8**	**23.1**
***Comparable* EBIT**		**9.7**	**18.3**	**15.9**	**12.7**	**19.2**	**18.5**
ELECTRICITY PRODUCTION	MWh	**171,050**	**197,042**	**171,657**	**155,101**	**195,360**	**168,473**
POWER TARIFF	€cent/kWh	**7.1**	**5.7**	**4.8**	**4.8**	**4.0**	**5.0**
FEED-IN PREMIUM TARIFF[1]	€cent/kWh	**8.0**	**8.9**	**9.7**	**10.0**	**10.0**	**10.7**

1. Feed-in Premium Tariff since 1st Jan 2016 – previously Green Certificates

Wind segment

ULASSAI WIND FARM

Sardeolica

- 96 MW (48 Vestas aero-generators), with production ranging from 170 up to 200 GWh per year
- Operations started at the end of 2005
- Green Certificates granted until 31st Dec 2015, and later feed-in premium tariff until 2018 (incentives expiring on approx 80% of the installed capacity)
- Seven more years of feed-in premium tariff (2025) on the last units installed (about 20% of the installed capacity)
- Potential enlargement of the Ulassai wind farm (additional 30 MW)

Saras segments

- Refining
- Power Generation
- Marketing
- Wind Energy

Group Financials

New methodology to calculate comparable figures (applied from H1/17)

	Previous comparable	New comparable
INVENTORIES	Operating results and Net Result calculated evaluating oil inventories with **LIFO methodology** (based on historical price bands)	Operating results and Net Result calculated evaluating oil inventories with **FIFO methodology,** adjusted for unrealised inventories gain and losses due to changes in the scenario
DERIVATIVES	Classification of derivatives between **closed and open positions**: • Derivatives on oil and forex closed at the end of the period included in the operating result •"Fair value" of the open position of derivatives excluded by the Net Result	Derivatives classified **on their strategy and link with a physical deal of the period**: •Realised and unrealised oil and exchange rate derivatives with hedging nature which involve the exchange of physical quantities reclassified in the operating results •Derivatives related to physical deals not referring to the period under review excluded by operating results and Net Result

	Q1/16	Q1/16 reclassified	Q2/16	Q2/16 reclassified	Q3/16	Q3/16 reclassified	Q4/16	Q4/16 reclassified	2016	2016 reclassified
***Comparable* EBITDA**	124.2	141.9	134.2	151.3	100.5	118.0	147.8	94.9	506.6	506.0
***Comparable* Net Result**	40.2	42.4	50.0	62.1	26.4	32.7	52.8	18.7	169.4	155.9

Group Financials – Income Statements 2016 – 2017

KEY INCOME STATEMENT (EUR million)	Q1/16 reclassified	Q2/16 reclassified	Q3/16 reclassified	Q4/16 reclassified	2016 reclassified	Q1/17 reclassified	Q2/17	Q3/17	Q4/17	2017
EBITDA	**67.8**	**267.3**	**95.7**	**207.4**	**638.1**	**160.4**	**(19.1)**	**161.8**	**201.2**	**504.3**
***Comparable* EBITDA (*)**	**141.9**	**151.3**	**118.0**	**94.8**	**506.0**	**124.0**	**128.5**	**160.1**	**109.8**	**522.5**
D&A	(56.3)	(56.8)	(57.1)	(76.7)	(246.7)	(52.9)	(54.1)	(56.8)	(14.7)	(178.4)
EBIT	**11.5**	**210.5**	**38.6**	**130.7**	**391.4**	**107.5**	**(73.2)**	**105.0**	**186.4**	**325.8**
***Comparable* EBIT (*)**	**85.6**	**94.5**	**61.0**	**38.2**	**279.3**	**71.1**	**73.9**	**103.8**	**95.0**	**344.0**
Interest expense	(6.2)	(7.1)	(10.3)	(6.4)	(30.0)	(3.7)	(1.4)	(3.2)	(3.9)	(12.2)
Other	(1.8)	(17.7)	(0.1)	(33.4)	(53.0)	26.8	28.2	(26.0)	(11.3)	17.7
Financial Income/Expense	**(8.0)**	**(24.8)**	**(10.4)**	**(39.8)**	**(83.0)**	**23.1**	**26.8**	**(29.3)**	**(15.1)**	**5.6**
Profit before taxes	**3.5**	**185.7**	**28.2**	**91.0**	**308.4**	**130.6**	**(46.4)**	**75.5**	**171.3**	**331.4**
Taxes	(3.7)	(56.0)	(5.8)	(46.6)	(112.0)	(38.5)	8.7	(20.8)	(39.9)	(90.5)
Net Result	**(0.2)**	**129.7**	**22.4**	**44.4**	**196.3**	**92.1**	**(37.6)**	**54.9**	**131.4**	**240.8**
Adjustments	42.7	(67.7)	10.3	(25.7)	(40.4)	(39.6)	95.0	(3.2)	(75.7)	(23.5)
***Comparable* Net Result (*)**	**42.4**	**62.1**	**32.7**	**18.7**	**155.9**	**52.5**	**57.4**	**51.7**	**55.8**	**217.4**

(*) 2016 figures reclassified on the base of the new criteria of determination of the comparable figures

Group Financials – EBITDA and Income Statement Adjustments 2016 - 17

EBITDA Adjustment (EUR million)	Q1/16	Q2/16	Q3/16	Q4/16	2016	Q1/17	Q2/17	Q3/17	Q4/17	2017
EBITDA	**67.8**	**267.3**	**95.7**	**207.5**	**638.1**	**160.4**	**(19.1)**	**161.8**	**201.2**	**504.3**
Gain / (Losses) on inventories	62.2	(100.8)	13.2	(99.3)	(124.7)	(57.3)	101.1	0.9	(98.7)	(54.0)
Non-recurring items	0.0	2.5	1.7	22.0	26.2	(4.0)	16.4	7.8	3.7	23.8
Realized and unrealized hedging derivatives and net Forex	11.9	(17.7)	7.3	(35.3)	(33.7)	25.0	30.1	(10.5)	3.7	48.3
***Comparable* EBITDA (*)**	**141.9**	**151.3**	**118.0**	**94.8**	**506.0**	**124.0**	**128.5**	**160.1**	**109.8**	**522.5**

Net Result Adjustment (EUR million)	Q1/16	Q2/16	Q3/16	Q4/16	2016	Q1/17	Q2/17	Q3/17	Q4/17	2017
Net Result	**(0.2)**	**129.7**	**22.4**	**44.4**	**196.3**	**92.1**	**(37.6)**	**54.9**	**131.4**	**240.8**
Gain / (Losses) on inventories net of taxes	42.6	(69.4)	9.1	(68.3)	(85.9)	(41.3)	72.6	0.9	(71.2)	(39.0)
Non-recurring items net of taxes	0.0	1.7	1.2	42.6	45.5	0.0	19.8	0.0	(5.1)	14.7
Derivatives related to future deals	0.0	0.0	0.0	0.0	0.0	1.8	2.5	(4.1)	0.5	0.7
***Comparable* Net Result(*)**	**42.4**	**62.1**	**32.7**	**18.7**	**155.9**	**52.5**	**57.4**	**51.7**	**55.8**	**217.4**

(*) Reclassified on the base of the new criteria of determination of the comparable figures

Group Financials – Income Statements

KEY INCOME STATEMENT (EUR ml)	2012	2013	2014	2015	2016	2017
EBITDA	**176.0**	**71.7**	**(237.0)**	**556.0**	**638.1**	**504.3**
***Comparable* EBITDA**	**210.7**	**117.7**	**139.0**	**741.0**	**506.0**	**522.5**
D&A	(*) (244.2)	(425.9)	(47.4)	(245.4)	(246.7)	(178.4)
EBIT	**(68.1)**	**(354.2)**	**(284.4)**	**310.6**	**391.4**	**325.8**
***Comparable* EBIT**	**2.6**	**(75.7)**	**(61.9)**	**518.9**	**279.3**	**344.0**
Interest expense	(28.8)	(27.8)	(40.2)	(34.9)	(30.0)	(12.2)
Other	(23.1)	(1.6)	62.8	68.1	(53.0)	17.7
Financial Income/(Expense)	**(51.9)**	**(29.4)**	**22.6**	**33.2**	**(83.0)**	**5.6**
Profit before taxes	**(120.0)**	**(383.6)**	**(261.8)**	**343.7**	**308.4**	**331.4**
Taxes	31.4	112.5	0.0	(120.1)	(112.0)	(90.5)
Net Result	**(88.6)**	**(271.1)**	**(261.8)**	**223.7**	**196.3**	**240.8**
Adjustments	54.9	186.9	178.2	102.7	(40.4)	(23.5)
***Adjusted* Net Result**	**(33.7)**	**(84.1)**	**(83.6)**	**326.3**	**155.9**	**217.4**

(*) In Q2/13 the revision of CIP6/92 tariff structure according to Decree Law 69/13 caused a write-off (EUR -232M pre-tax) of the contract between Sarlux and the National Grid Operator (GSE); In Q4/14 the afore-mentioned write-off was reversed (EUR +180M pre-tax), due to the implementation of new scenarios for gas and crude oil prices

DETAILS OF ADJUSTMENT (*) (EUR ml)	2012	2013	2014	2015	2016	2017
Net Result	**(88.6)**	**(271.1)**	**(261.8)**	**223.7**	**196.3**	**240.8**
Inventories adjustment net of taxes	27.0	43.4	293.8	75.8	(85.9)	(39.0)
Non recurring items net of taxes	25.3	148.3	(85.7)	29.7	45.5	14.7
Derivatives net of taxes	2.6	(4.7)	(29.9)	(2.8)	0.0	0.7
***Comparable* Net Result**	**(33.7)**	**(84.1)**	**(83.6)**	**326.3**	**155.9**	**217.4**

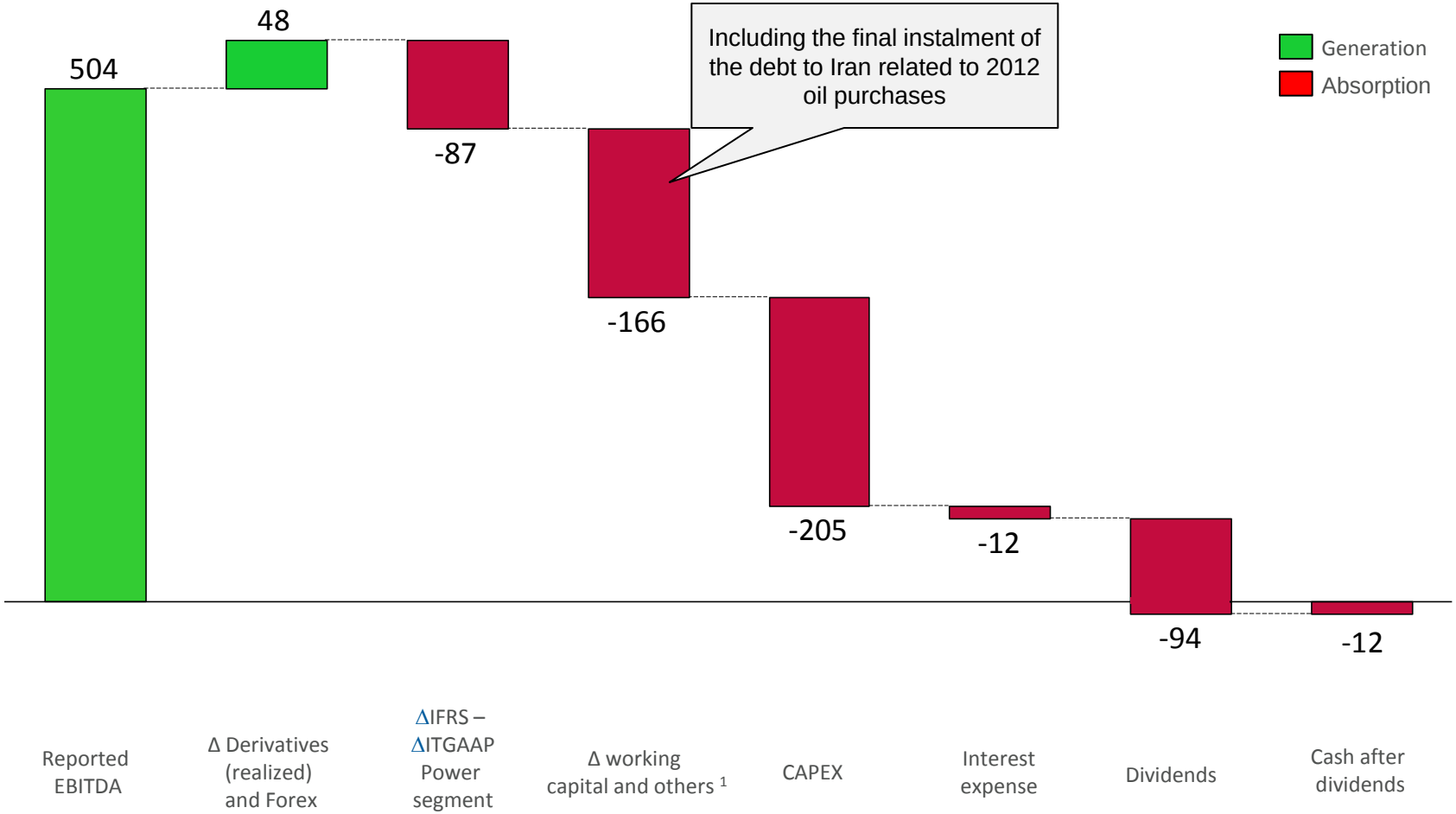
(*) For details on the calculation of adjustments please refer to slide 58. From 2016 figures based on the new methodology

Group Financials – Balance Sheet

EUR million	31-Dec-12	31-Dec-13	31-Dec-14	31-Dec-15	31-Dec-16	31-Dec-17
Current assets	**2,209**	**2,287**	**2,241**	**1,929**	**1,689**	**1,960**
CCE and financial assets held for trading	342	545	669	883	449	470
Other current assets	1,867	1,743	1,571	1,046	1,241	1,490
Non-current assets	**1,731**	**1,526**	**1,621**	**1,389**	**1,205**	**1,197**
TOTAL ASSETS	**3,940**	**3,814**	**3,862**	**3,318**	**2,894**	**3,157**
Current Liabilities	**1,817**	**2,015**	**2,506**	**1,445**	**1,423**	**1,530**
Short-Term financial liabilities	167	181	550	203	203	183
Other current liabilities	1,650	1,834	1,956	1,242	1,220	1,347
Non-Current Liabilities	**926**	**877**	**696**	**988**	**548**	**554**
Long-Term financial liabilities	425	386	277	586	183	257
Other non-current liabilities	501	491	419	402	365	297
Shareholders Equity	**1,197**	**921**	**660**	**885**	**923**	**1,072**
TOTAL LIABILITIES & EQUITY	**3,940**	**3,814**	**3,862**	**3,318**	**2,894**	**3,157**

Group Financials – Cash Flow 2017

Cash flow FY/17 (EUR million)



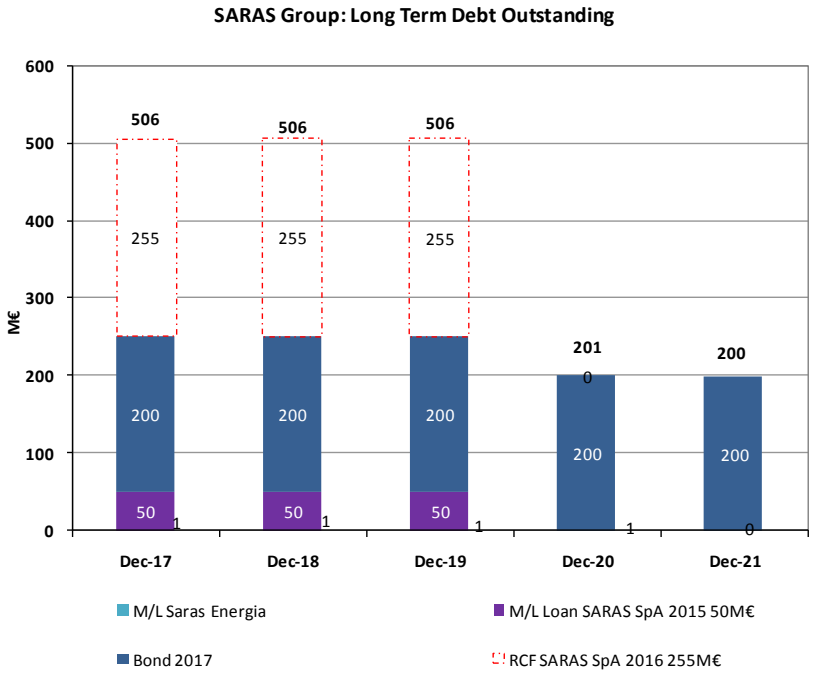
1. Includes CO_2 , wind tariff incentives, Energy Efficiency certificates and Taxes paid in the period

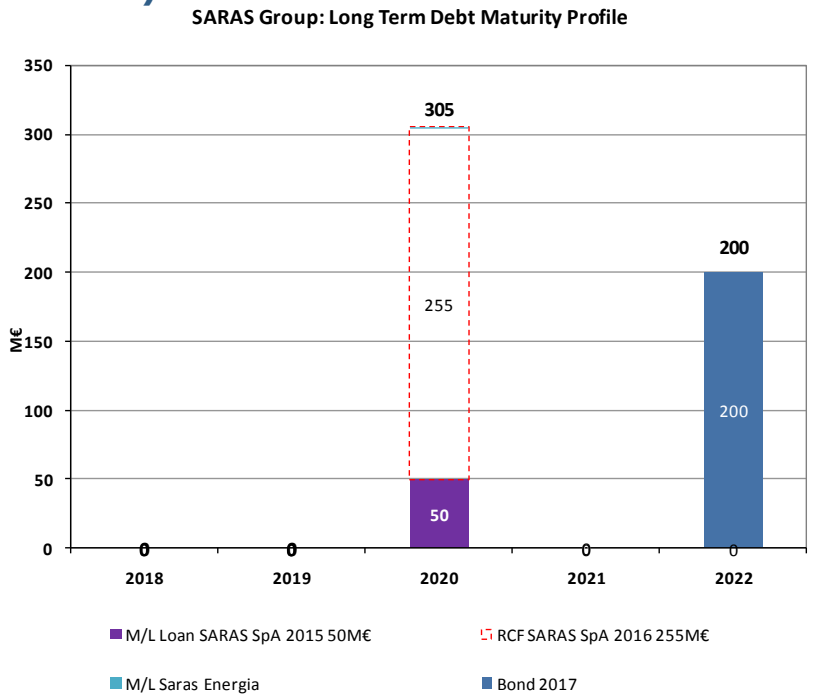
Group CAPEX by segment

CAPEX BY SEGMENT (EUR million)	2012	2013	2014	2015	2016	2017
REFINING	97.0	87.1	124.9	75.0	133.6	186.1
POWER GENERATION	8.7	16.9	6.8	9.1	9.6	16.6
MARKETING	8.2	3.7	3.0	1.2	1.4	0.9
WIND	3.8	0.2	0.6	0.3	0.4	0.5
OTHER ACTIVITIES	1.6	1.7	0.9	0.6	0.6	0.9
TOTAL CAPEX	119.3	109.6	136.3	86.2	145.6	205.0

Group Debt Profile and Credit Lines

LONG-TERM DEBT MATURITY PROFILE (as of 31st Dec 2017)

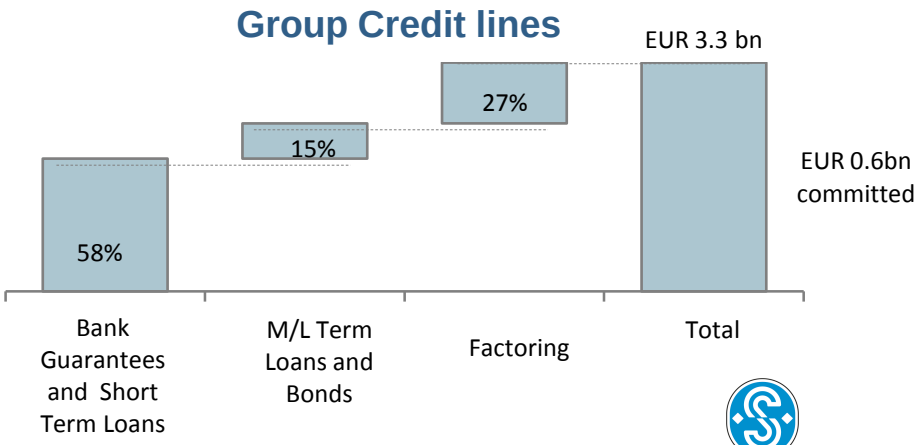




NOTE: all debt is unsecured

In 2016, various refinancing operations were successfully completed, including restructuring of all outstanding loans and early repayment of a Bond issued in 2014. As a result, **in FY17 interest expenses declined by approx. 60% vs FY16.**

In **Dec. 2017 successful private placement of EUR 200M bonds with maturity December 2022**. Average duration of the Group debt extended while keeping the cost broadly unchanged.



Risk of changes in prices and cash flows

To mitigate the risks arising from oil prices variations (which impact on the refining margins and on the oil stock value), the company enters into derivative contracts in commodities, which involve the forward buying and selling of crude oil and products.

Exchange rate risk

To reduce both its exchange rate risk in future transactions and the risk inherent in assets and liabilities denominated in a different currency to the functional currency of each entity, the company sets up derivative instruments which consist of the forward buying and selling of foreign currencies (US dollars). Transactions expressed in currencies other than US dollars are not significant and could only have a very low impact on the results for the year.

Interest rate risk

The risks relating to changes in cash flows caused by changes in interest rates arise from loans. The loan agreements outstanding have been entered into at variable market rates. The company's policy is to use derivative instruments to reduce the risk of changes in interest cash flows.

Credit risk

The market in which the company operates mainly consists of multinational companies operating in the oil industry. Transactions entered into are generally settled in very quickly and are often guaranteed by prime leading banks. Furthermore, loans are systematically and promptly monitored on a daily basis by the Finance department. This risk is minimal and does not constitute a significant variable in the business in which the company operates.

Risks of interruption of production

The complexity and modularity of its systems limit the negative effects of unscheduled shutdowns. The safety plans in place (which are continuously improved) reduce any risks of accident to a minimum: in addition Saras has a major programme of insurance cover in place to offset such risks.