



Investor presentation

November 2017

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

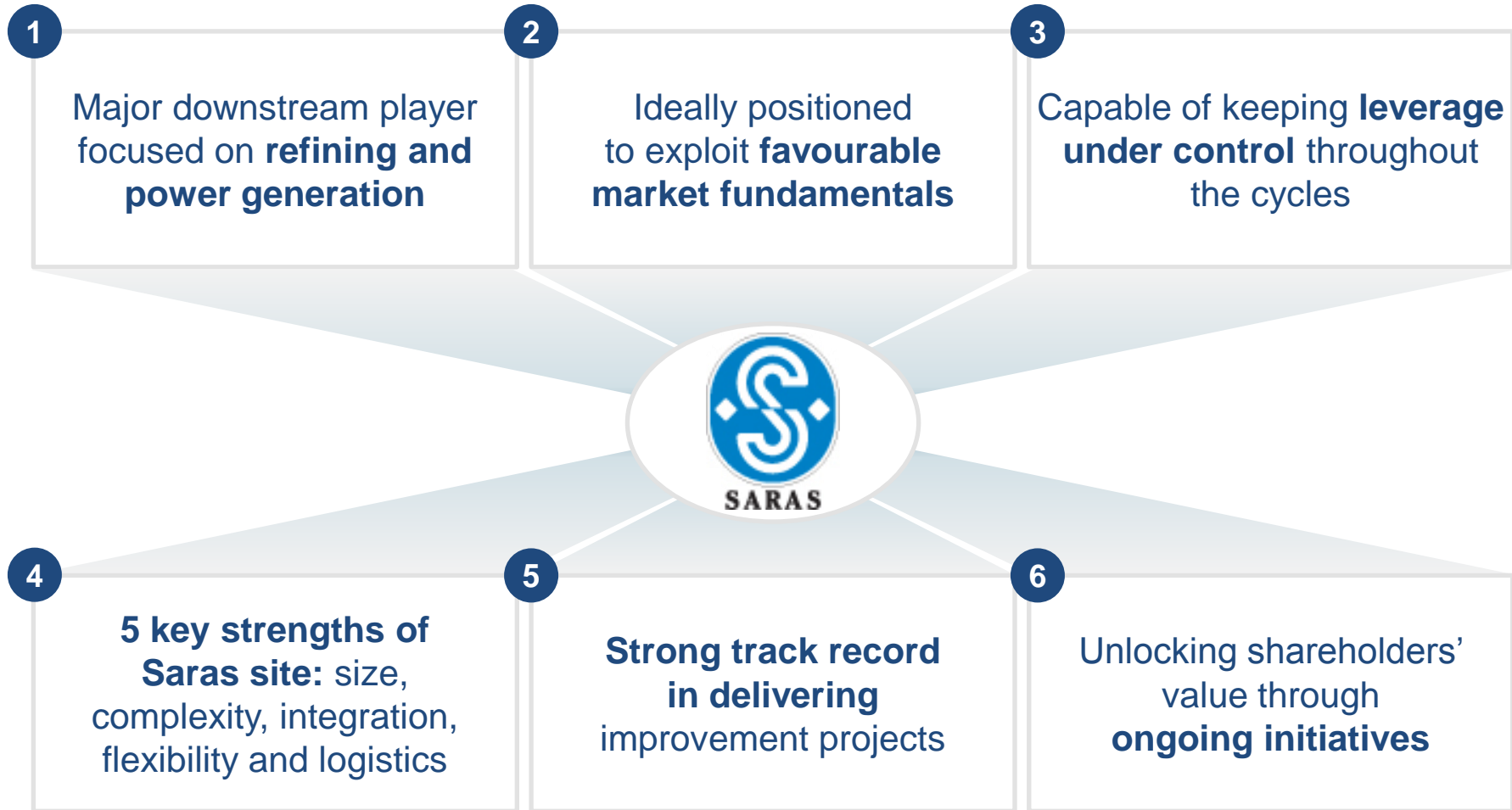
In order to give a representation of the Group's operating performance and in line with the standard practice in the oil industry, the operating results and the Net Result are displayed excluding inventories gain and losses and non-recurring items and reclassifying derivatives. Such figures, called "comparable", 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.

Saras investment thesis: **our value proposition**



Refining

Power Generation

Other activities

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, ~16% of Italy's refining capacity)
- Top-tier large & complex Med refinery, according to Nelson and Wood MacKenzie Indexes
- Yields of medium and light distillates exceed 80% of the production output (net of C&L)¹
- Fuel Oil yield approx. 6%
- Petrochemical integration

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

- 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

Transform heavy refining fractions (TAR) into electricity, sold at incentivized tariff

Marketing



- Marketing activities in Italy and Spain:
 - ~8% MS² in Italian wholesale market
 - ~ 10% MS in Spanish wholesale market , and presence also in retail (with ~100 stations)

Stabilize refining margins with downstream presence

Wind Energy

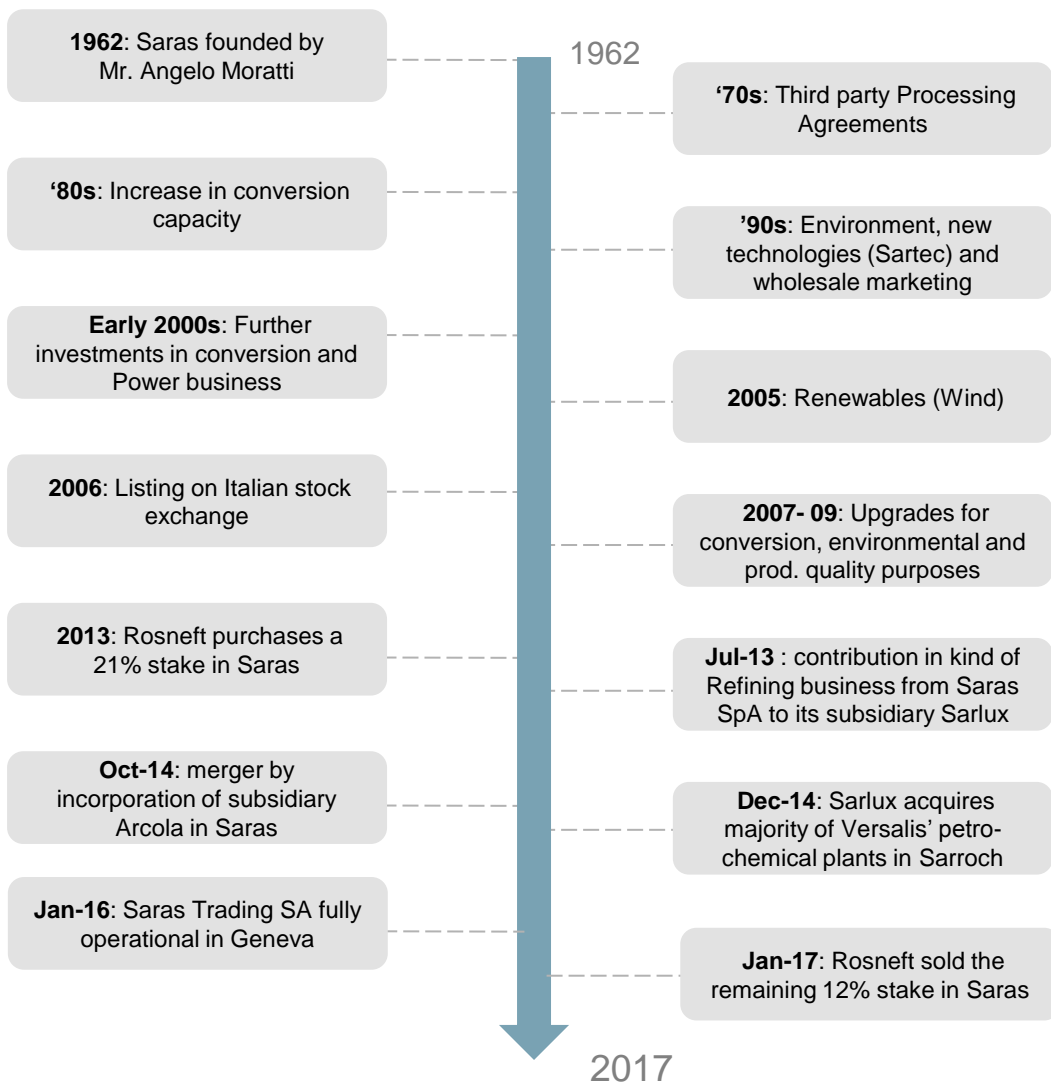


- Wind farm with capacity of 96 MW in Ulassai (Sardinia)
- Utilization factor higher than Italian average

Further stabilize Group results, with incentivized scheme for renewable energy

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

Saras history...



Saras SpA

... and shareholder structure¹

GianMarco Moratti Sapa 25,011%

Massimo Moratti Sapa 25,011%

Norges Bank 2,993%

Stock in Treasury 1,576%

Others 45,409%



1. As of November 2017



Favourable refining economics expected to continue

Starting in 2015, structural changes strengthened the EU refining, and favourable economics are expected to continue in 2017 and beyond

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

Benefits for typical EU refiners

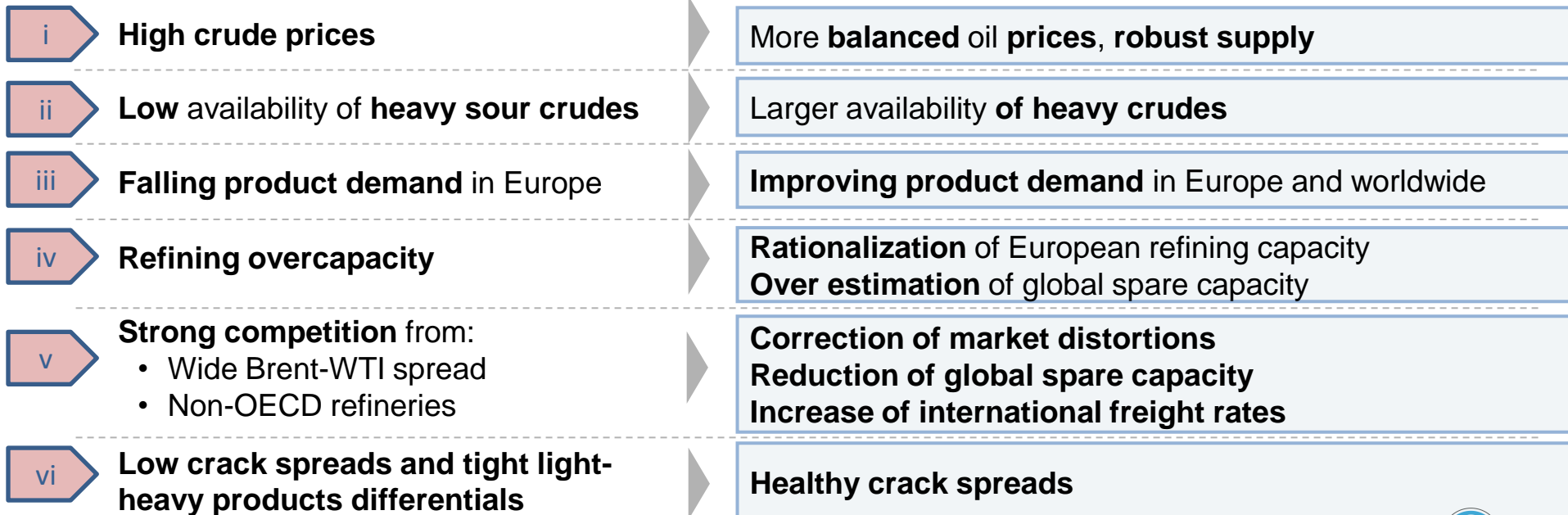
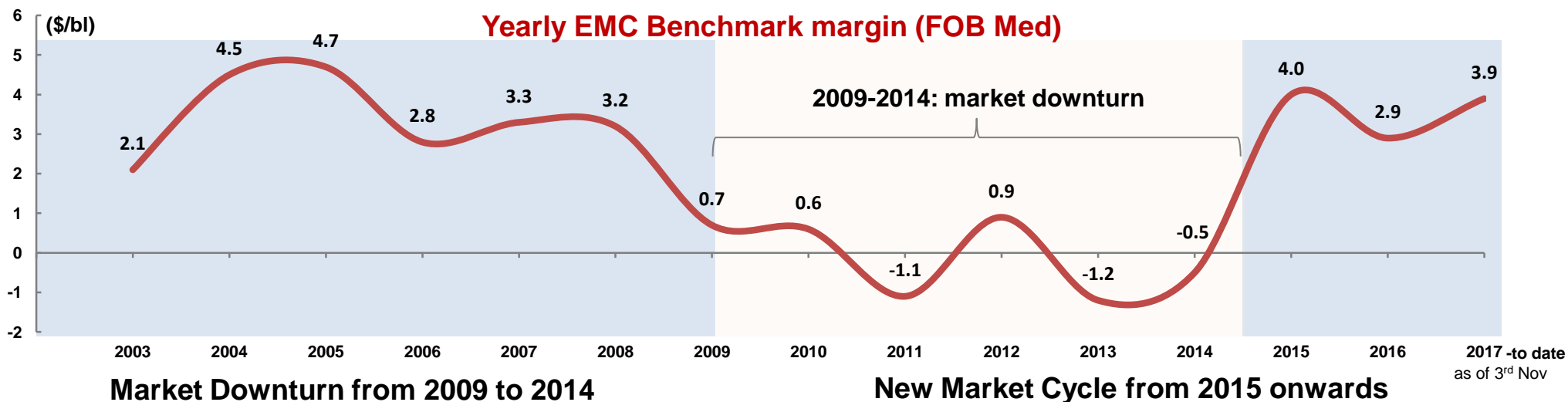
- Healthy refining margins
- EU refineries essential to regional supply chain
- Low impact of fixed costs in EUR



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

The new market cycle derives from 6 key structural changes

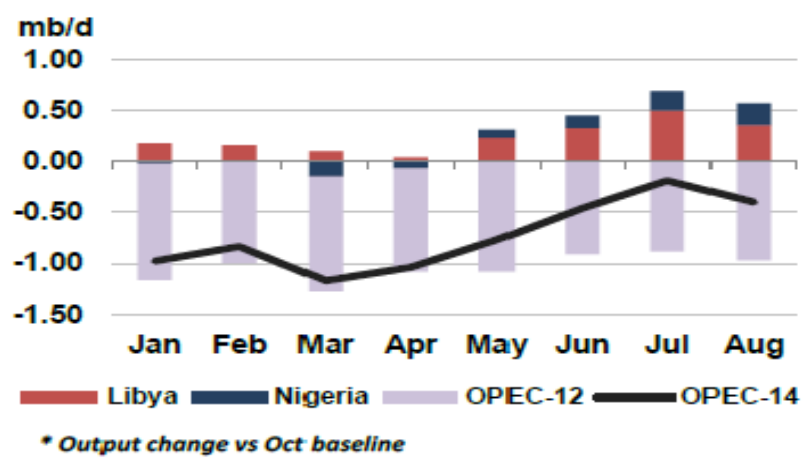


OPEC compliance to the agreed production cuts high so far...

Table 5 - 8: OPEC crude oil production based on secondary sources, tb/d

| | 2015 | 2016 | 4Q16 | 1Q17 | 2Q17 | Jun 17 | Jul 17 | Aug 17 |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Algeria | 1,107 | 1,090 | 1,091 | 1,052 | 1,055 | 1,060 | 1,061 | 1,065 |
| Angola | 1,755 | 1,725 | 1,623 | 1,632 | 1,649 | 1,666 | 1,638 | 1,646 |
| Ecuador | 543 | 546 | 542 | 530 | 528 | 529 | 537 | 537 |
| Equatorial Guinea | 185 | 164 | 162 | 147 | 140 | 140 | 148 | 148 |
| Gabon | 225 | 220 | 211 | 200 | 202 | 198 | 206 | 173 |
| Iran, I.R. | 2,836 | 3,518 | 3,741 | 3,796 | 3,793 | 3,817 | 3,830 | 3,828 |
| Iraq | 3,961 | 4,390 | 4,604 | 4,449 | 4,454 | 4,498 | 4,471 | 4,448 |
| Kuwait | 2,764 | 2,853 | 2,874 | 2,712 | 2,708 | 2,709 | 2,702 | 2,702 |
| Libya | 404 | 390 | 574 | 656 | 709 | 848 | 1,003 | 890 |
| Nigeria | 1,839 | 1,557 | 1,553 | 1,511 | 1,616 | 1,710 | 1,723 | 1,861 |
| Qatar | 663 | 656 | 642 | 625 | 613 | 615 | 614 | 616 |
| Saudi Arabia | 10,142 | 10,406 | 10,541 | 9,884 | 9,953 | 10,035 | 10,032 | 10,022 |
| UAE | 2,906 | 2,975 | 3,079 | 2,935 | 2,910 | 2,917 | 2,921 | 2,901 |
| Venezuela | 2,375 | 2,159 | 2,057 | 2,002 | 1,962 | 1,955 | 1,950 | 1,918 |
| Total OPEC | 31,704 | 32,650 | 33,295 | 32,131 | 32,295 | 32,697 | 32,834 | 32,755 |

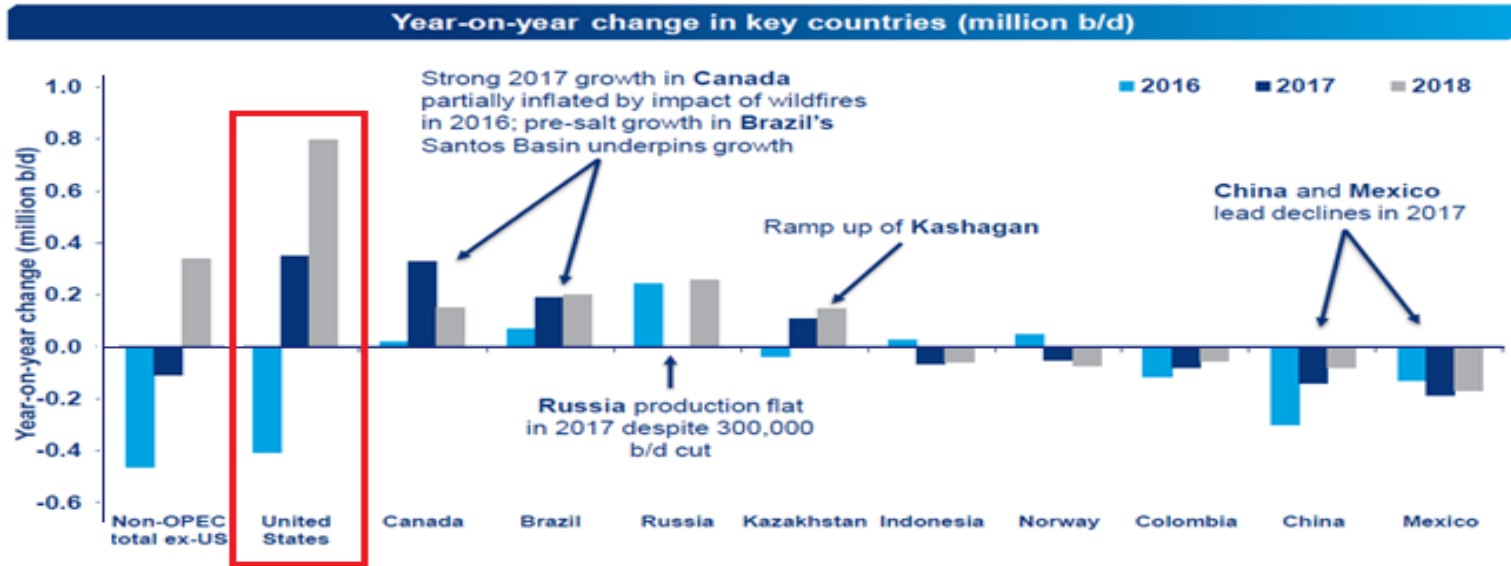
- OPEC compliance quite high...
...but from a very high baseline in Q4/16
- When looking at the difference versus FY/16 average production, the volumes reduction is only 350 tb/d
- Moreover Libya and Nigeria (which are exempt from cuts) are increasing their production



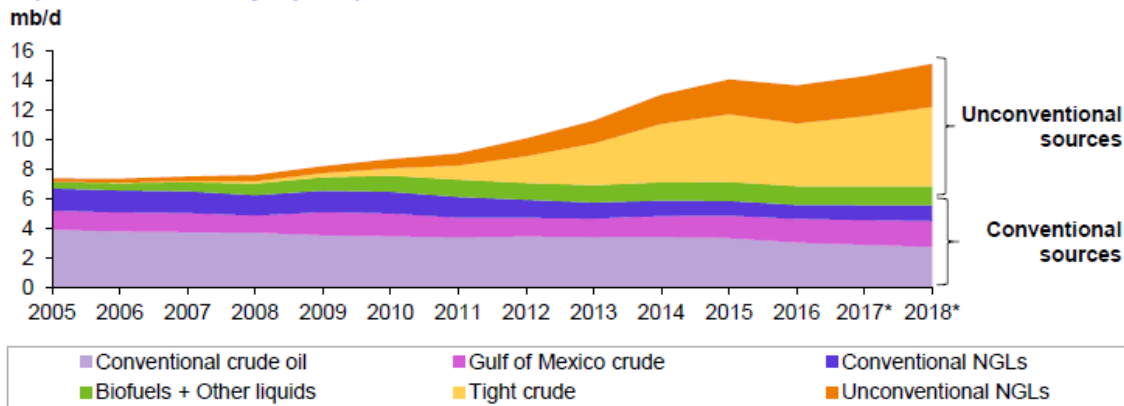
Sources:
OPEC Secretariat and
IEA



...but USA, along with other producers, keep the market well supplied



Graph 5 - 8: US monthly liquids production breakdown

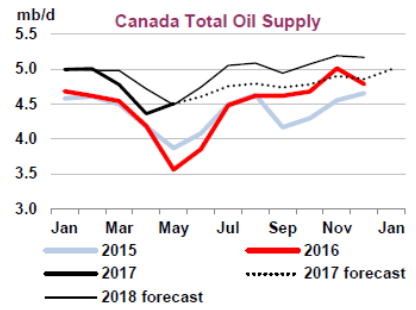


Note: * 2017 and 2018 = Forecast.

Availability of non-standard grades

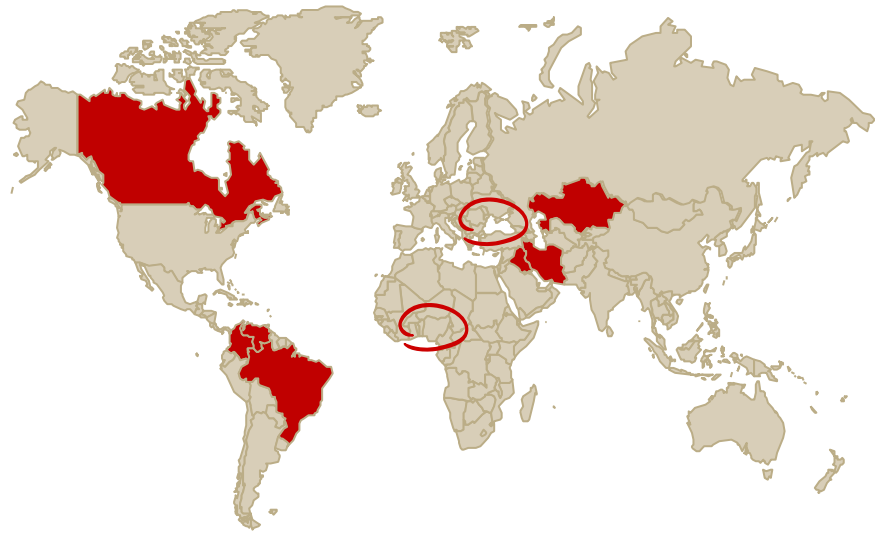
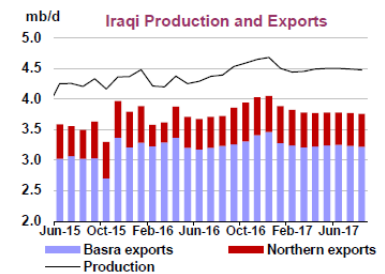
Canada

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



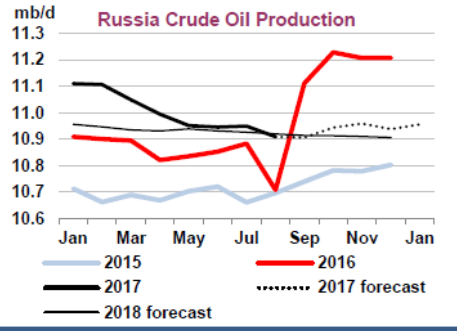
Iraq

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



Russia

- **Output at post-Soviet highs**

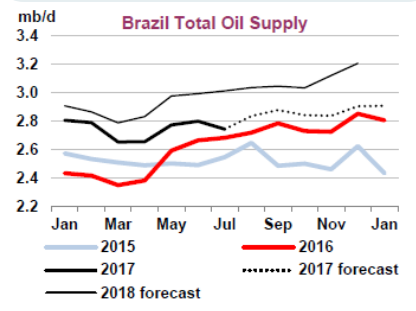


West Africa

- **Shifting focus** from North America to **Europe & Asia**

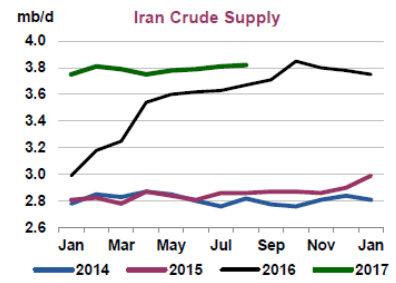
Brazil

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



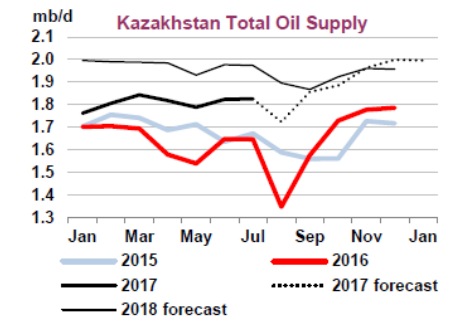
Iran

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



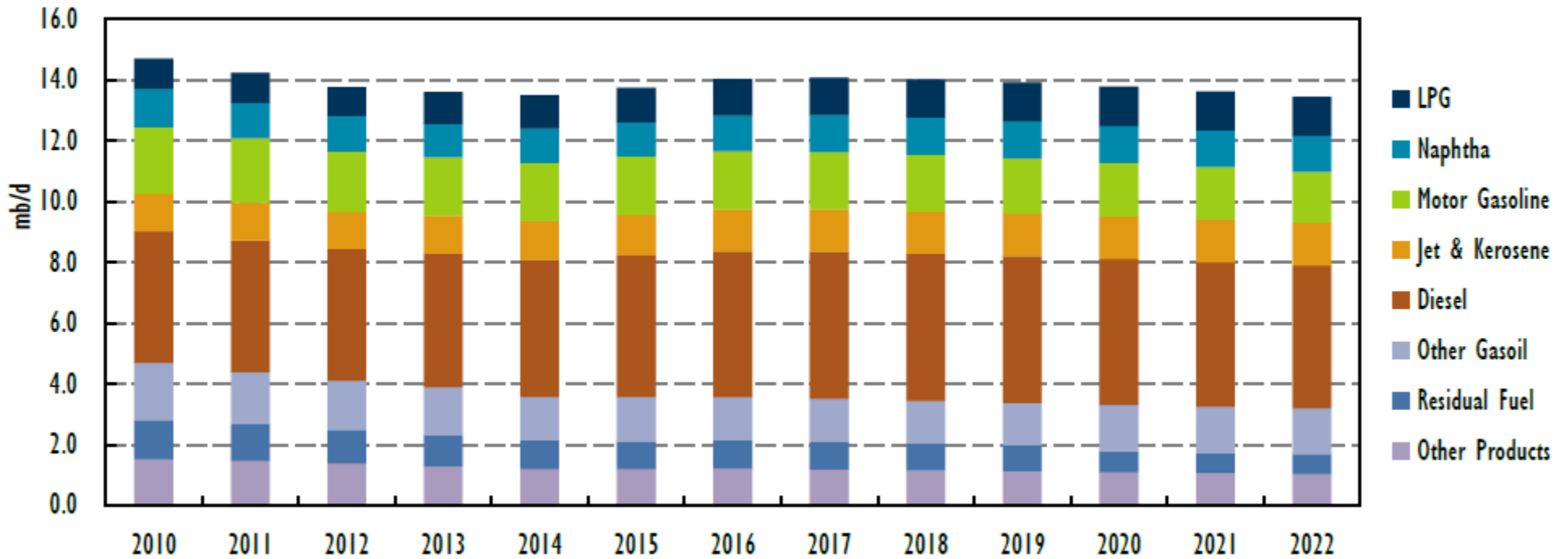
Caspian region

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



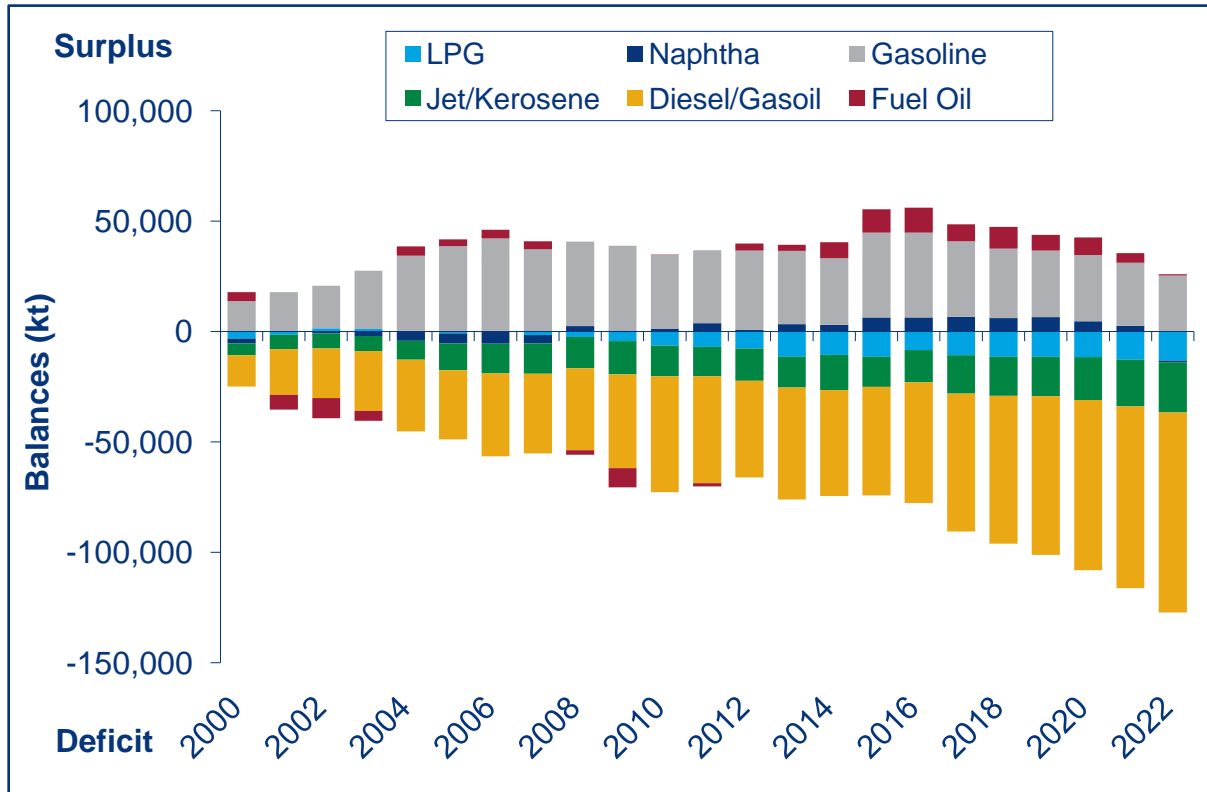
Sharp drop in Europe's total demand until 2014 followed by growth in 2015-16, and stable mid term outlook

OECD Europe oil demand, 2010-22

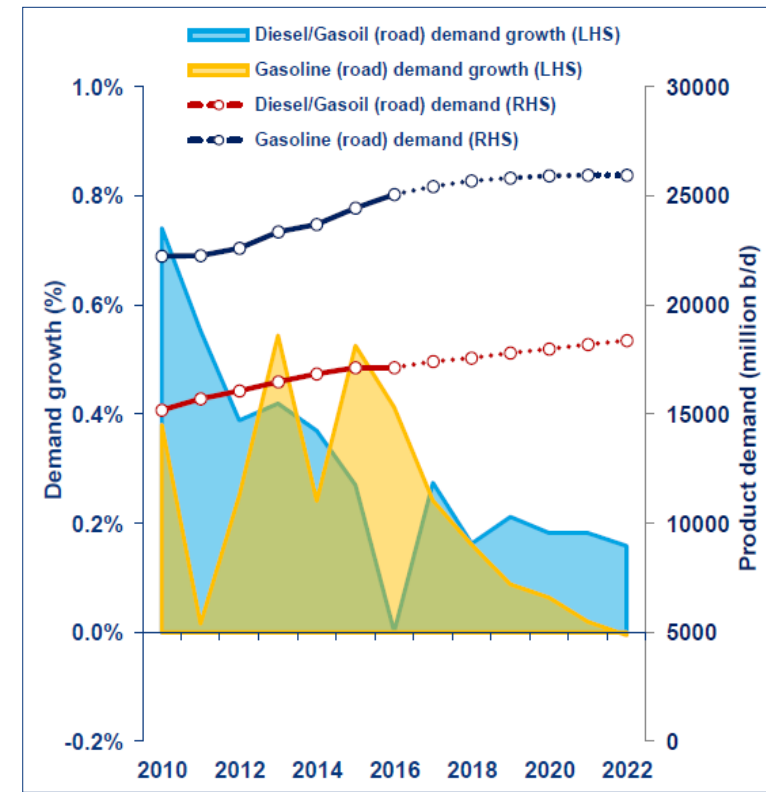


Source: IEA

EU Diesel/Gasoil shortage and Gasoline length expected to continue...



...and diesel road transportation growth expected stronger than gasoline



Source: WoodMacKenzie

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 |
| <i>Transport Diesel Demand (Passenger)</i> | 1,564 | 129 | 442 | 1,393 | 167 | 325 | 103 | 4,125 |
| <i>Transport Diesel Demand (Freight)</i> | 2,197 | 2,317 | 663 | 4,179 | 947 | 976 | 1,848 | 13,127 |
| <i>Other Gasoil Demand</i> | 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 |
| <i>Transport Diesel Demand (Passenger)</i> | 1,240 | 136 | 573 | 1,650 | 201 | 373 | 122 | 4,297 |
| <i>Transport Diesel Demand (Freight)</i> | 2,130 | 2,390 | 860 | 4,950 | 1,141 | 1,120 | 2,138 | 14,729 |
| <i>Other Gasoil Demand</i> | 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

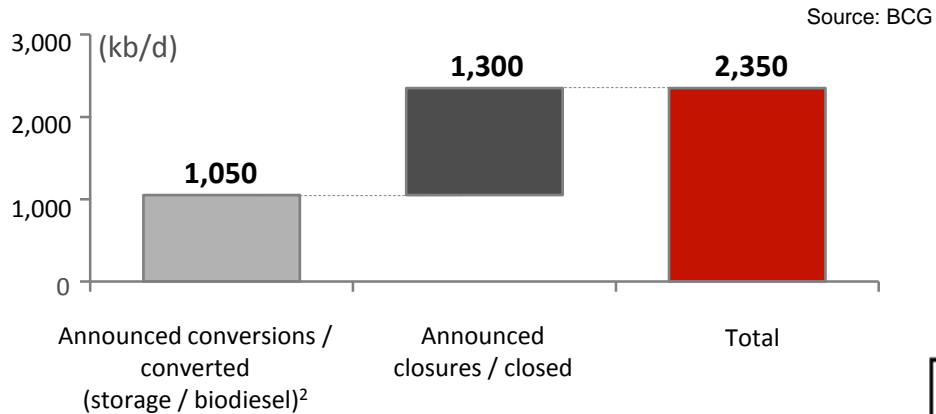
Source: JBC Energy SuDeP



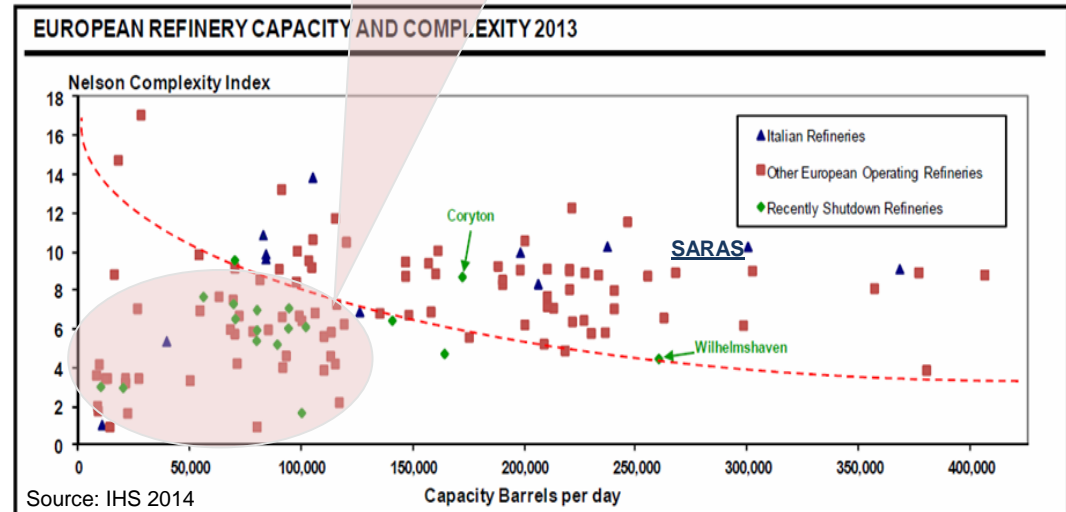
Transport Diesel passenger representing a small portion of total demand, set to stay strong on the basis of a robust diesel car fleet

Total gasoil /diesel demand underpinned by freight demand growth

Closures and conversions in OECD Europe (2009-15)



- 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

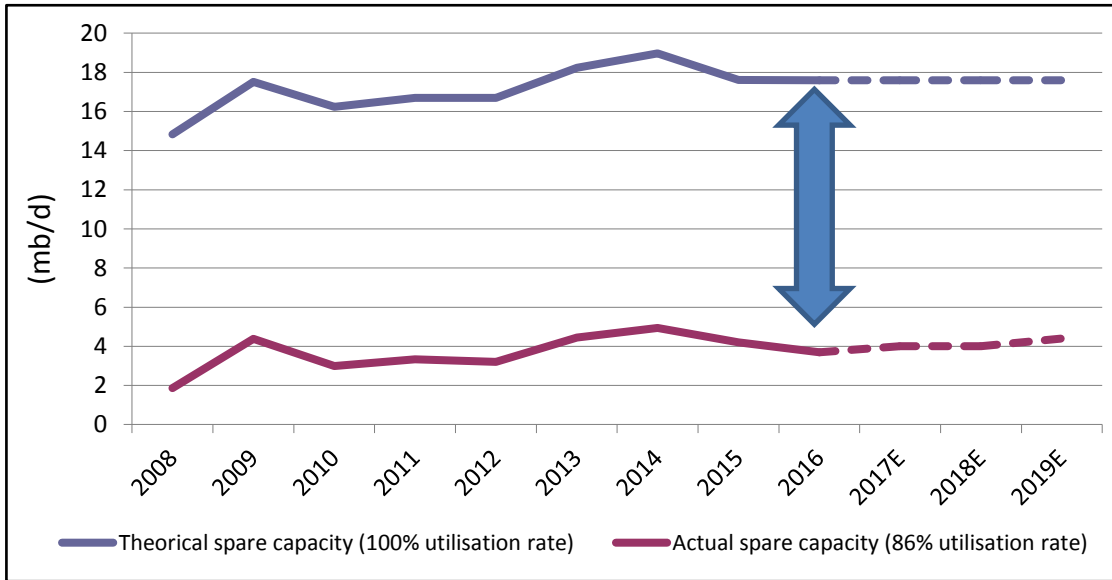


Large and complex refineries are the best positioned in the European competitive context

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

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

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



Global refining capacity and runs

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|--------------------------|------|------|------|-------|-------|
| Total capacity | 97.2 | 97.7 | 99.0 | 100.3 | 101.8 |
| Refinery runs | 79.9 | 80.7 | 81.3 | 82.0 | 82.7 |
| Estimated spare capacity | 4.2 | 3.7 | 4.0 | 4.0 | 4.4 |

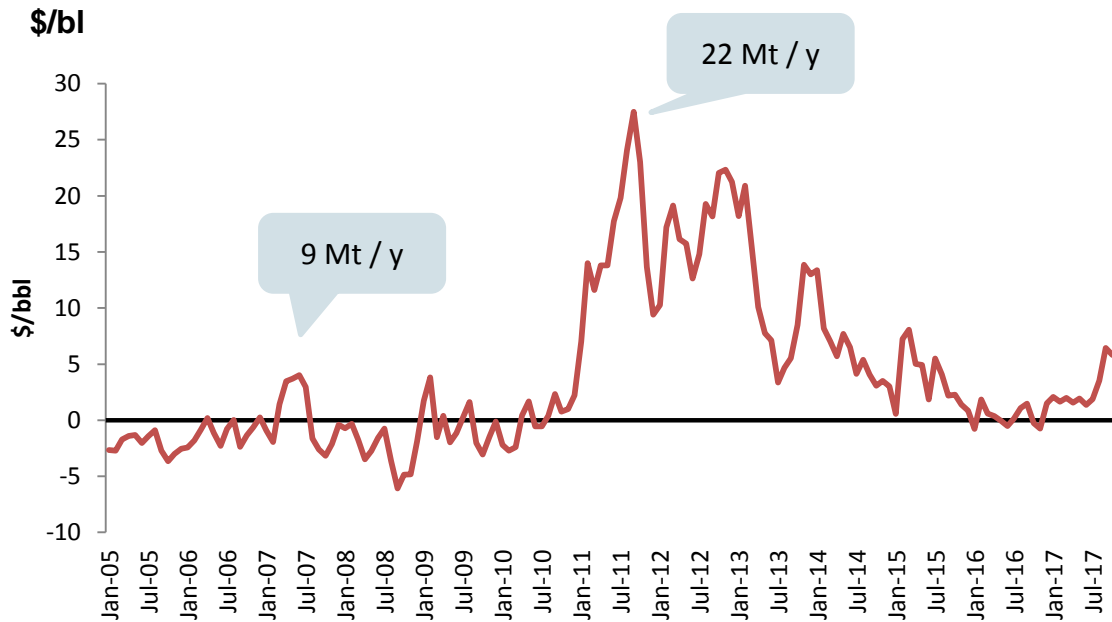
Sources:
 IEA "2016 Medium-Term Oil Market Report",
 BP Statistics and Credit Suisse Research

- 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”*
- Actual spare capacity forecasted at approx. 4 mb/d in the mid term, assuming that the global system could run with average utilisation rate of 86% (i.e. slightly higher than the Golden Age average, which was equal to 85%)



US refineries advantaged by WTI price distortions, which have faded

Brent-WTI spread



Legend:

xx

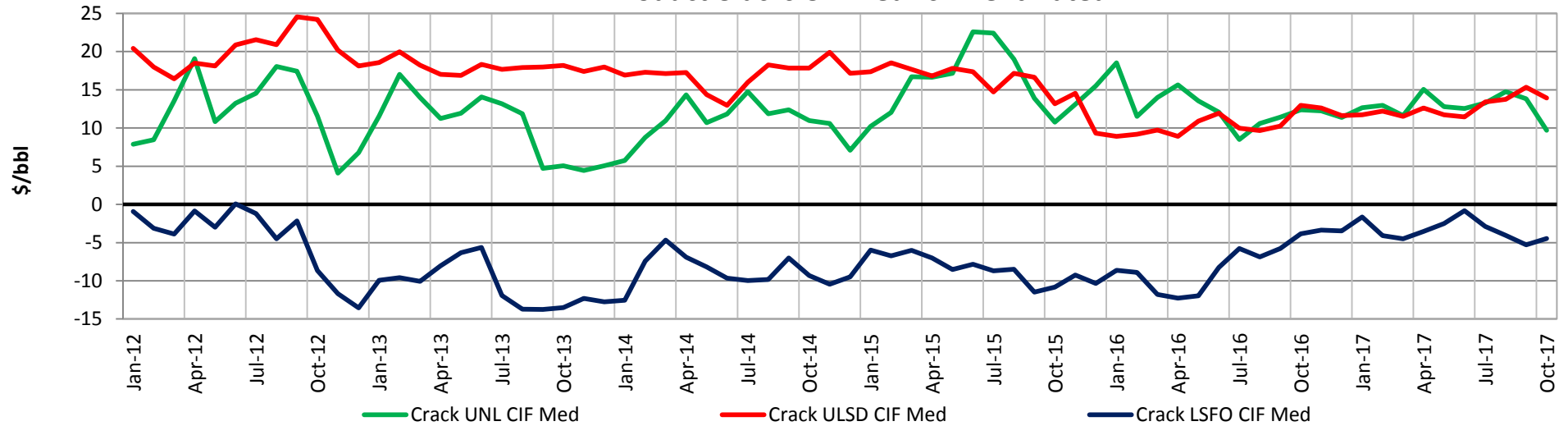
Mt of middle distillates exported from USA towards Europe, on yearly basis

Factors which contributed to correct the distortion

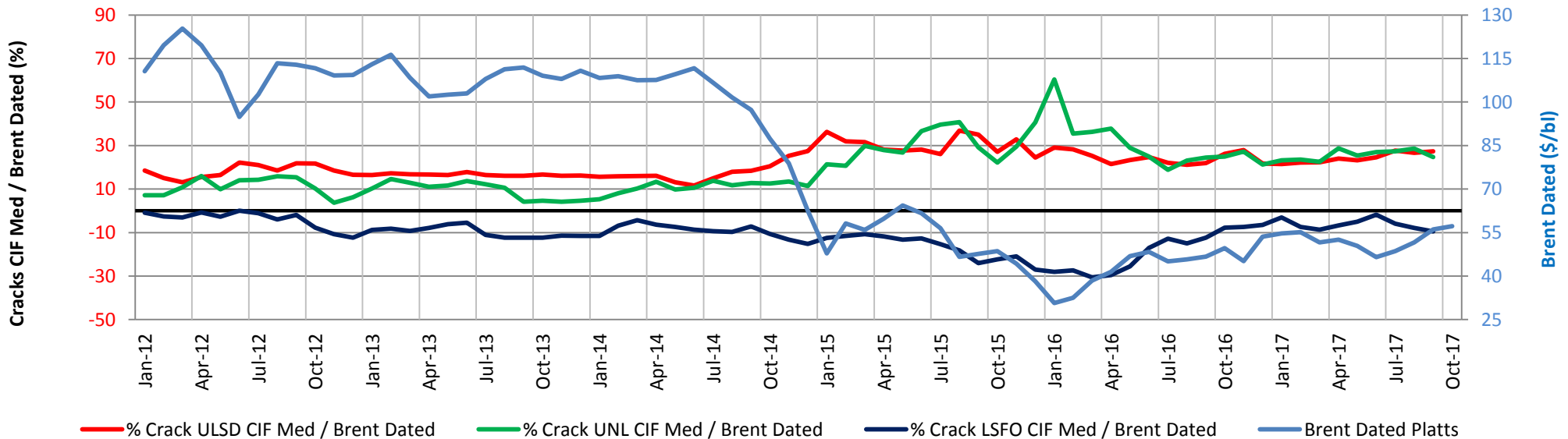
- Debottlenecking of logistics in US & Canada
- Growing US domestic demand
- Lifting of crude exports ban

Sources: Bloomberg and Platts, Nov 3rd 2017

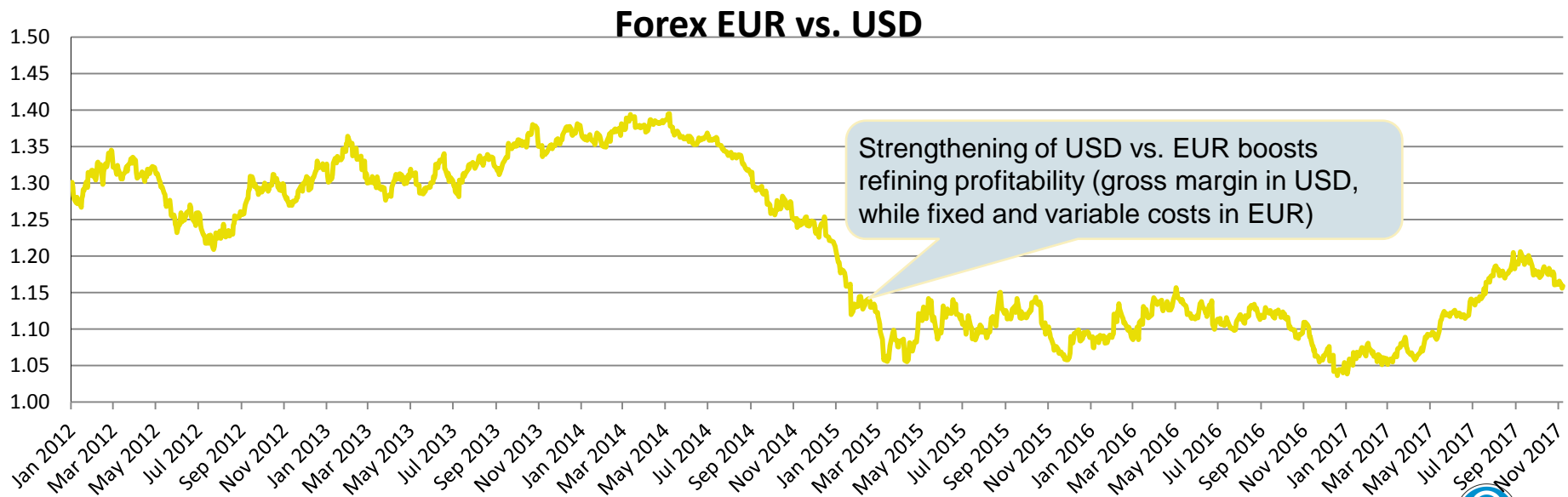
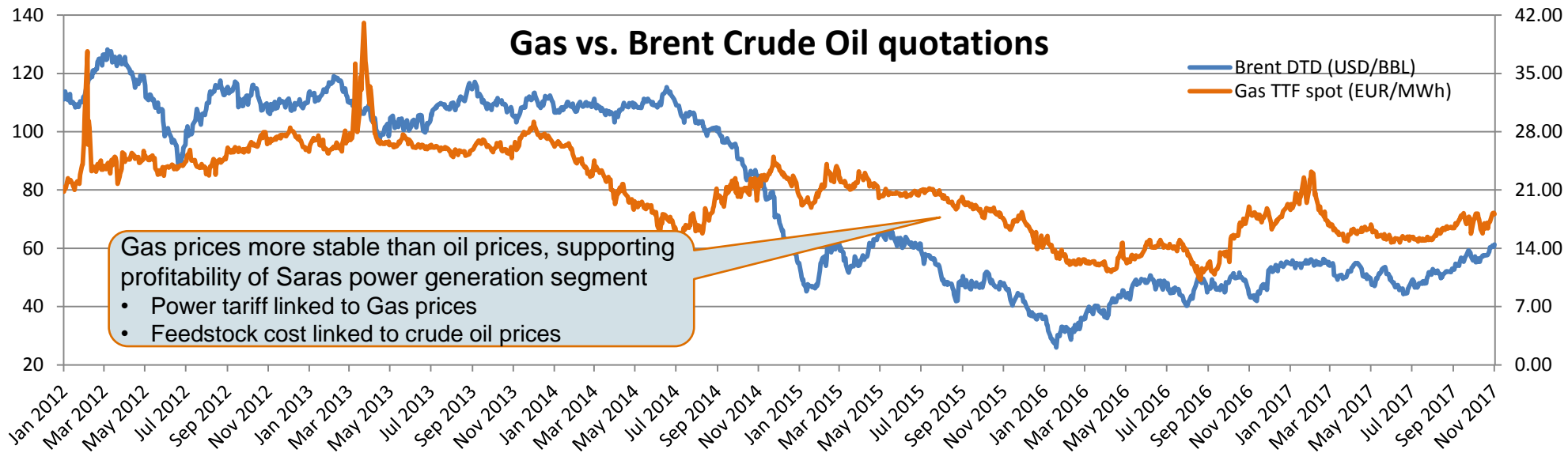
Product Cracks CIF Med vs. Brent Dated



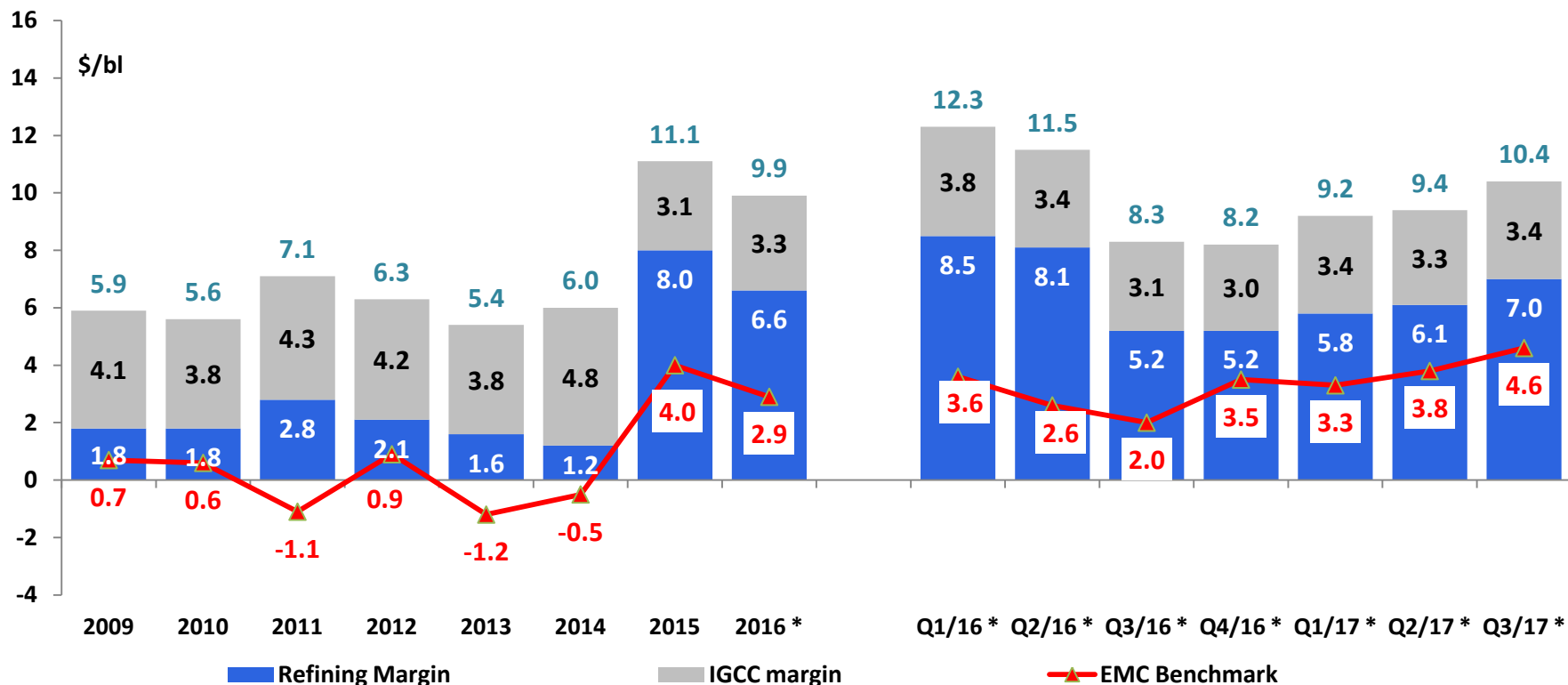
Ratios of Product Cracks CIF Med to Brent Dated



Favourable trends in USD/EUR and Gas vs. Crude oil prices



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

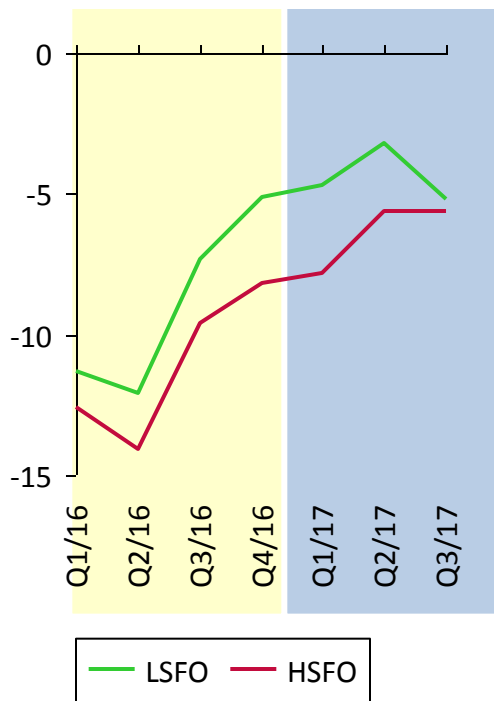
EMC benchmark: margin calculated by EMC (Energy Market Consultants) based on a crude slate made of 50% Urals and 50% Brent

Saras' margin has a significant premium over the EMC Benchmark

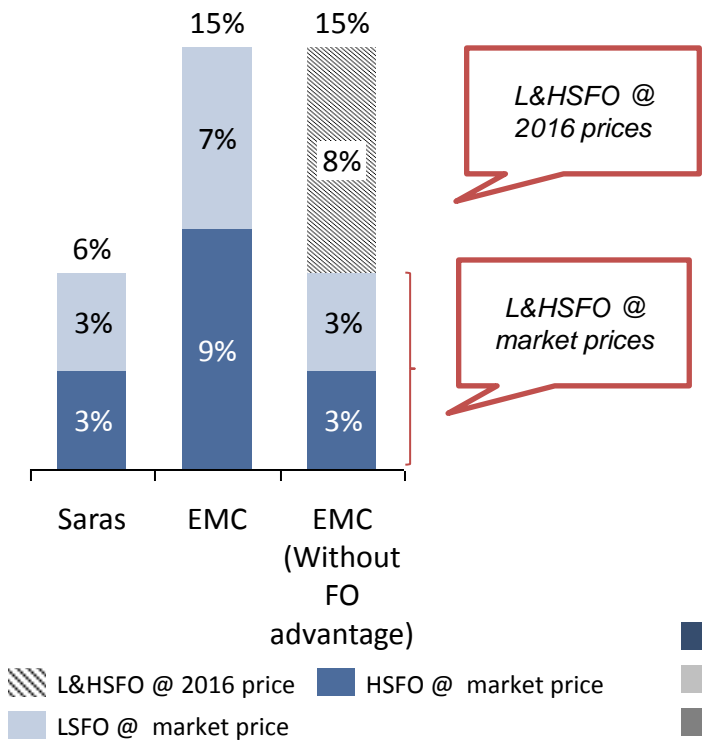
(*) Refining margins for 2016 and 2017 refer to Refining comparable EBITDA calculated with the new criteria of determination of the comparable figures

Saras 9M/17 premium at 2.9 \$/bl excluding by EMC the FO strengthening

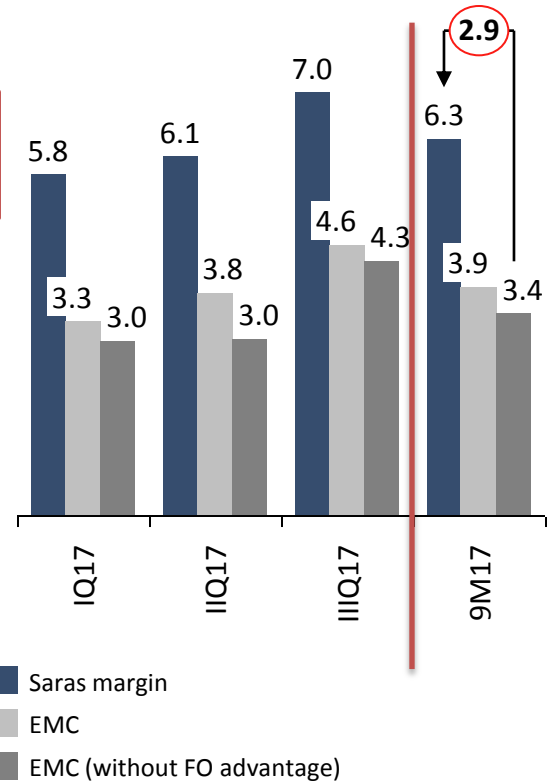
FO crack spreads - \$/bbl



Yields Saras vs EMC (focus on Fuel Oil)



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



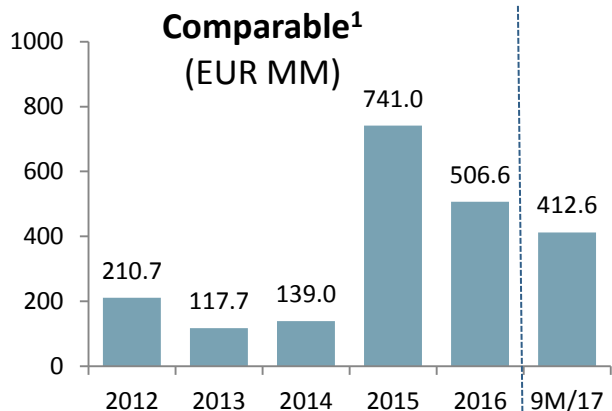
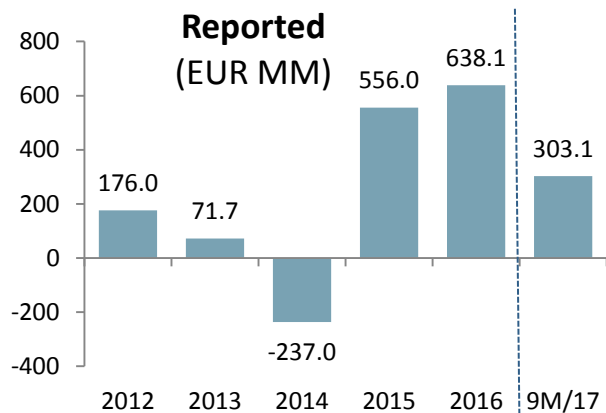
Material strengthening of FO crack spreads vs last year

EMC without FO advantage excludes the impact of FO strengthening...

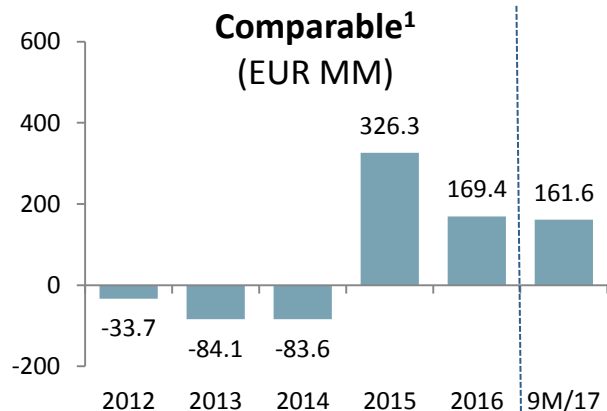
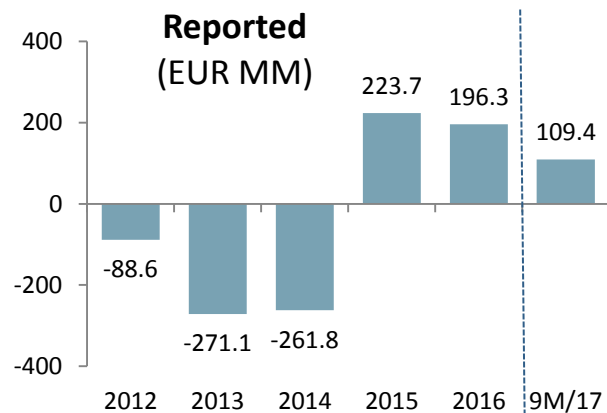
...not achievable by Saras given different yields vs EMC Benchmark

Net of the distorting effect of FO strengthening in 9M/17 the reference margin (EMC Benchmark) would have been 3.4 \$/bl (compared to 3.9 \$/bl) and the Saras margin premium 2.9 \$/bl (compared to 2.4 \$/bl).

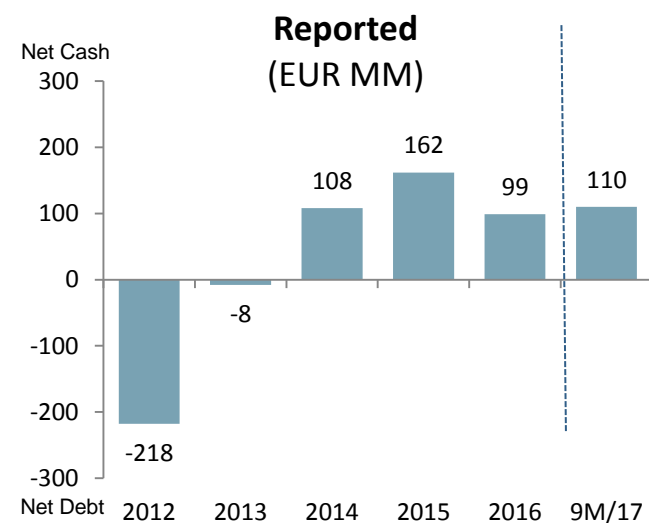
EBITDA



Net Result



Net Financial Position

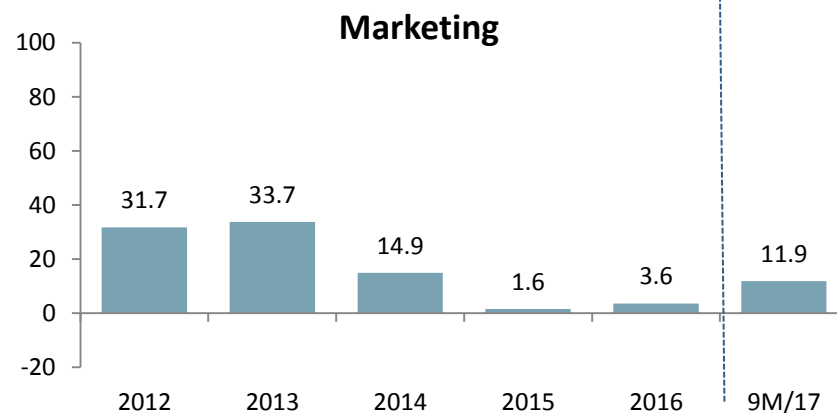
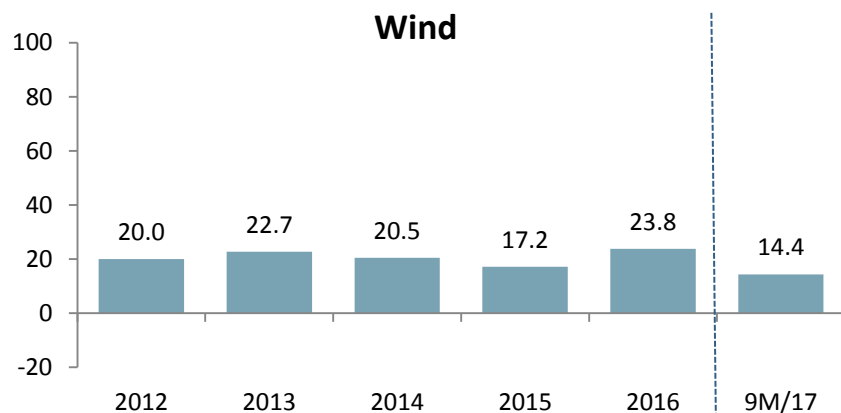
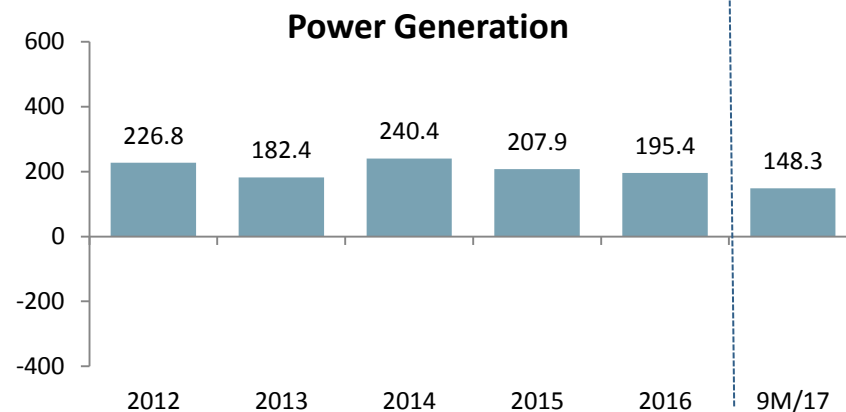
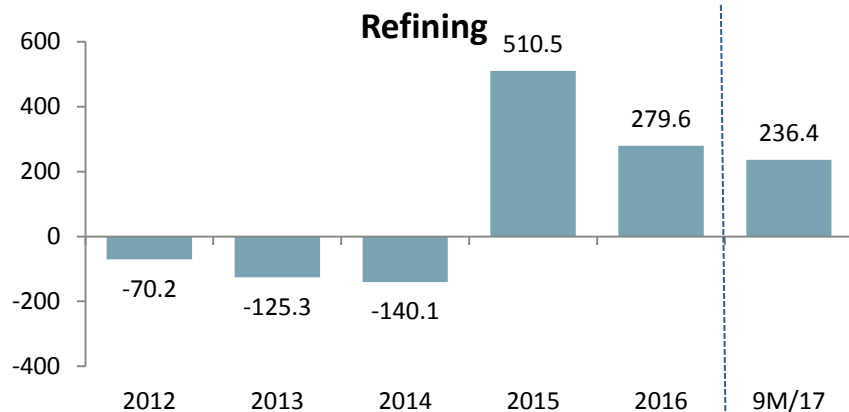


| | 2012 | 2013 | 2014 | 2015 | 2016 | 9M/17 |
|--------------------------------------|------|------|------|------|------|-------|
| Financial Gearing² | 18% | 1% | 0 | 0 | 0 | 0% |
| NFP/ EBITDA | 1.2x | 0.1x | 0x | 0x | 0x | 0x |

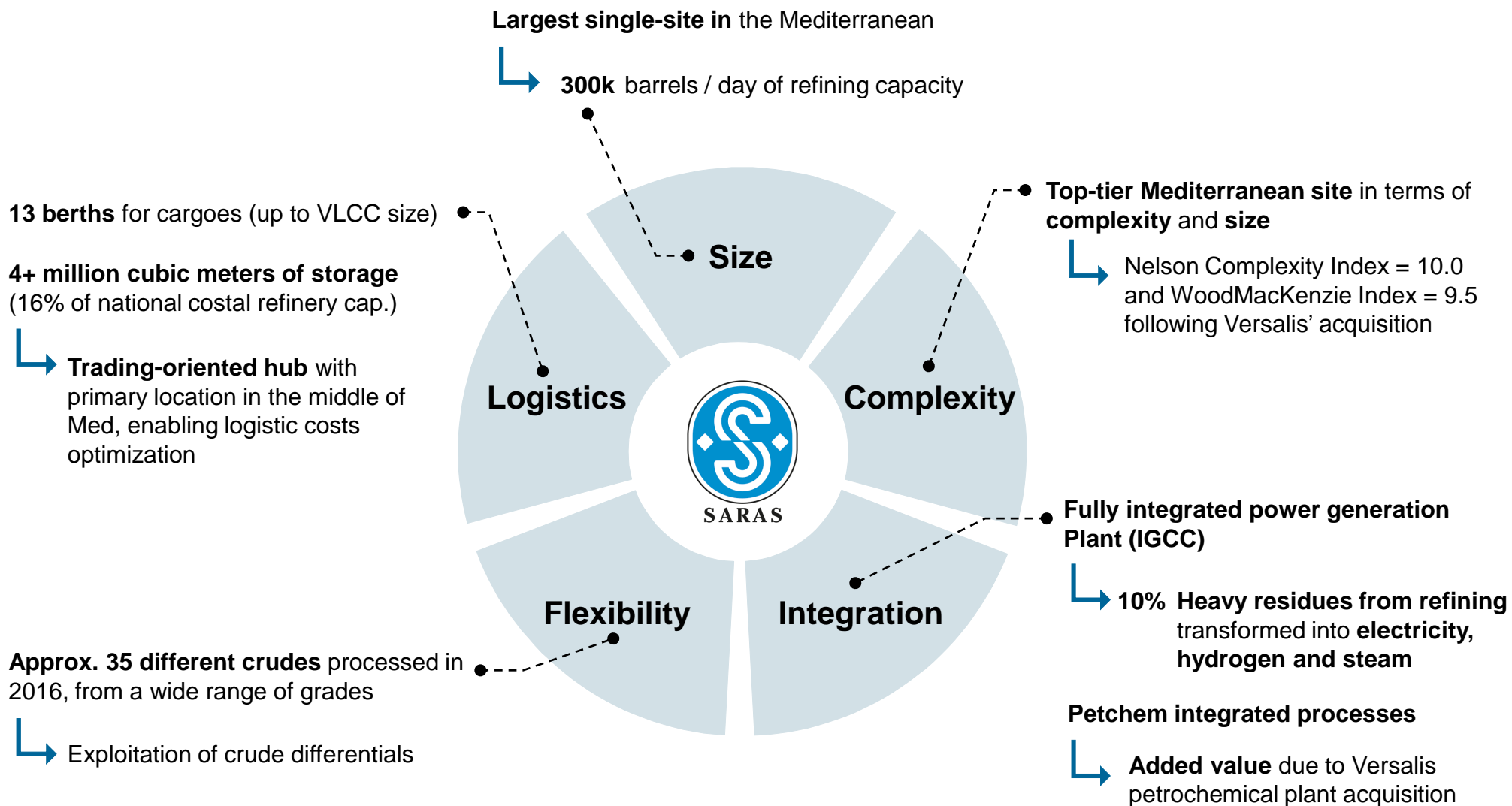
1. Until 2016 "Comparable" results evaluated oil inventories based on LIFO methodology (while IFRS accounting principles adopt FIFO methodology) and did not include non-recurring items and "fair value" of the open positions of the derivative instruments on oil and Forex. From 2017 "comparable" EBITDA 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 61*).

2. Net financial Position / Equity

Comparable EBITDA¹ (EUR MM)

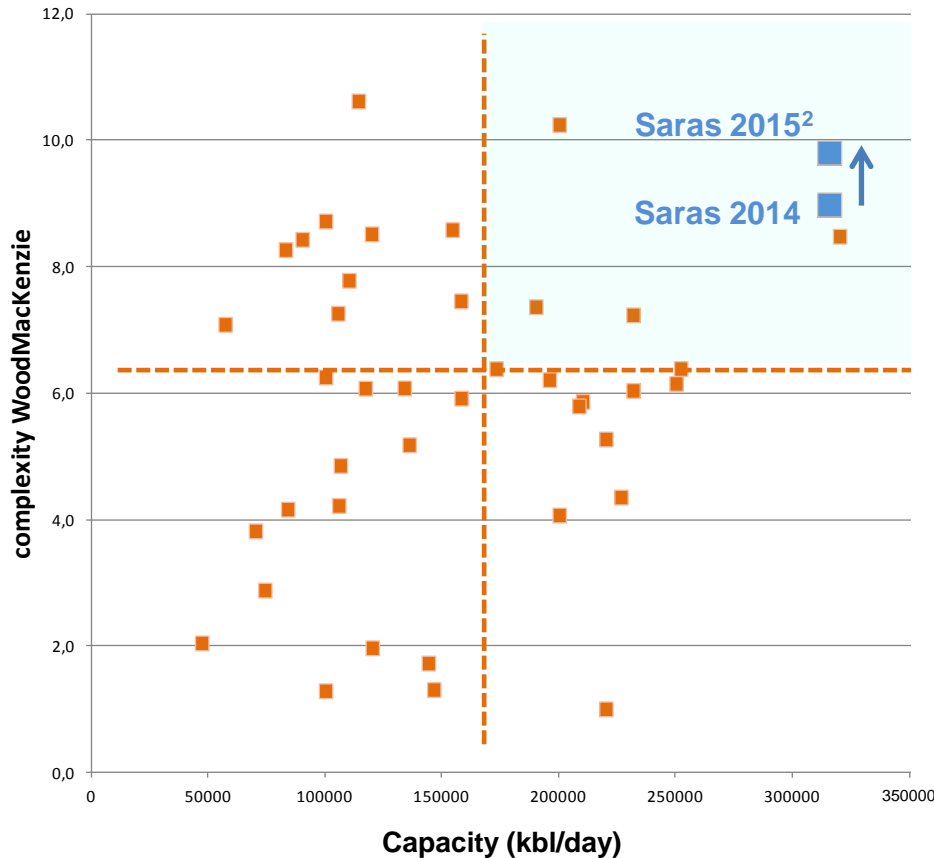


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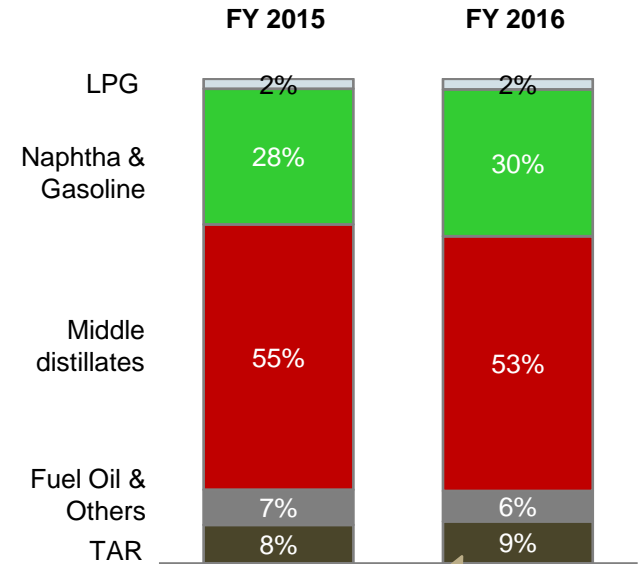


Med refineries by complexity index¹ and capacity

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



Output yields³



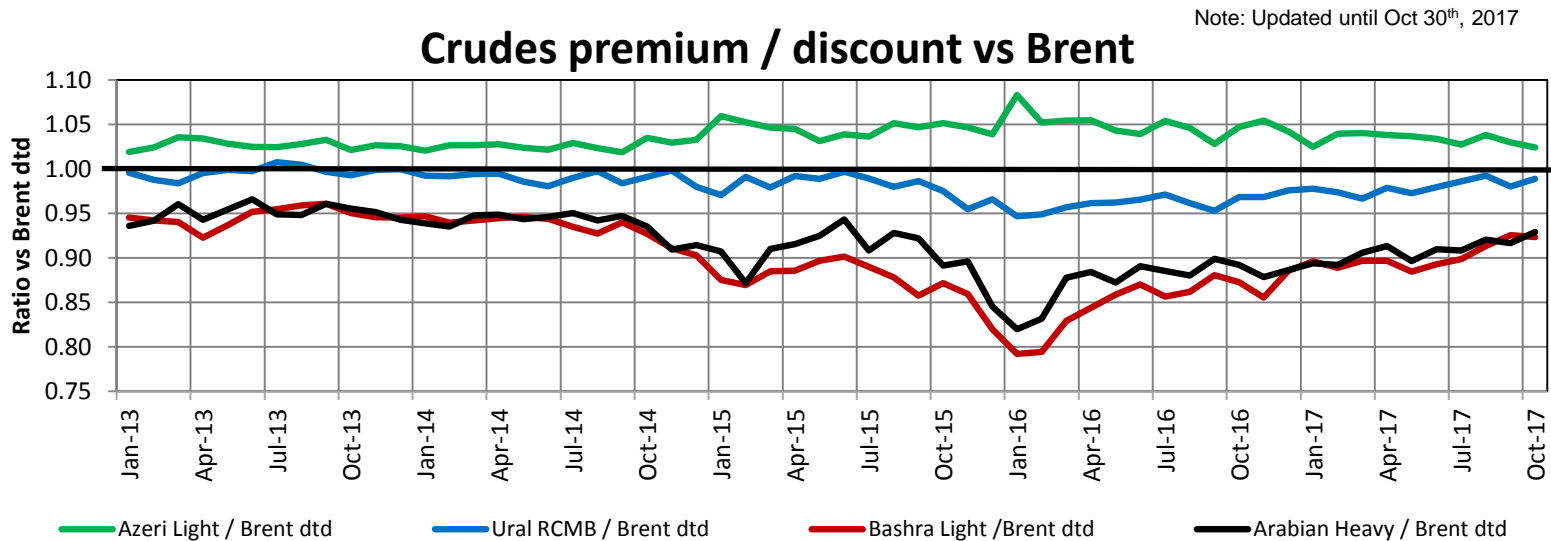
Heaviest stream of output sent to Power Generation unit (IGCC) for electricity production

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

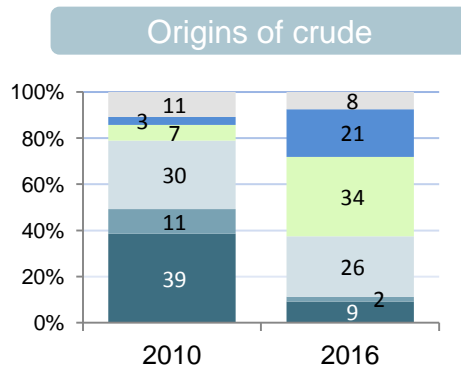
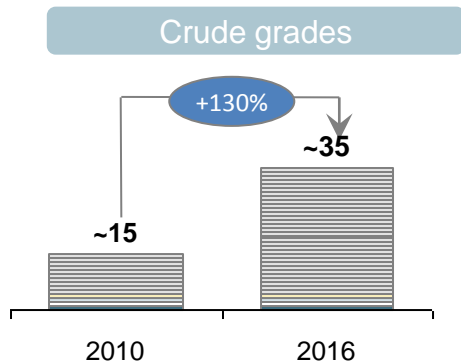
~85% of output are light & middle distillates

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"

Market volatility and variations of discounts / premiums for crudes



Change in variety of crudes processed and origin of crudes purchased

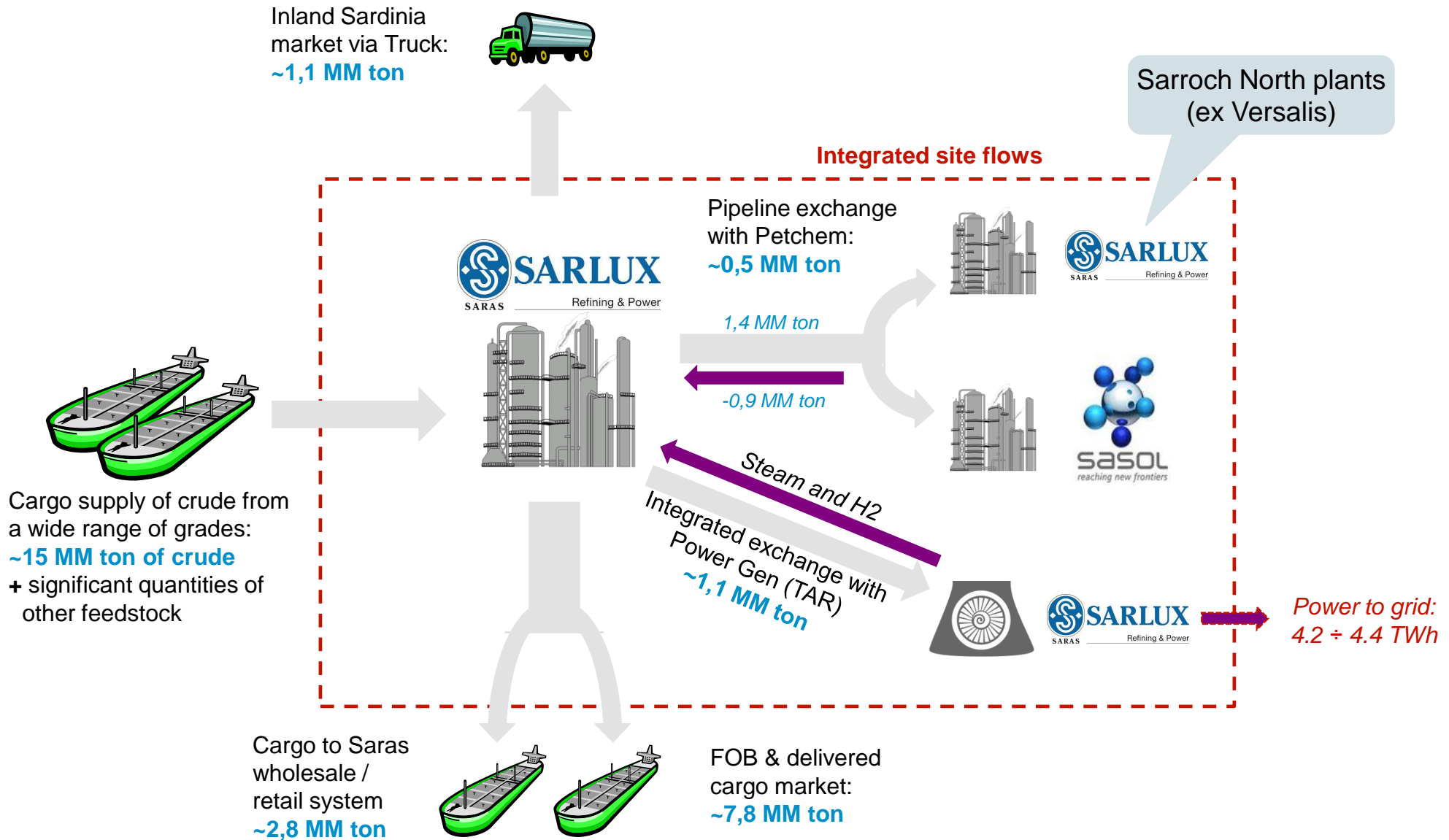


- **Saras flexible refinery is capable of processing multiple grades of crude**
 - Overcome supply disruptions
 - Exploit opportunities in differentials
- **Its central location allows for a geographically diversified supply**
 - Flexibility in crude origin
 - Supply optimization

North Africa North Sea FSU Middle East West Africa Others

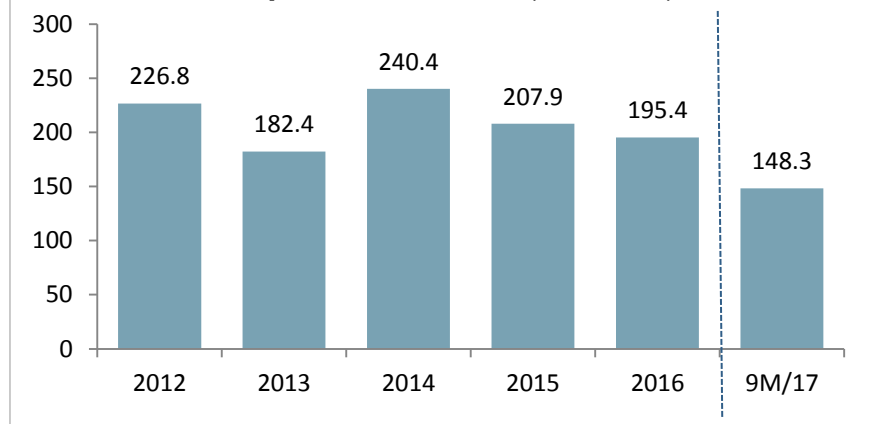
... which allow Saras to overcome supply disruptions and exploit market opportunities

Fully-integrated industrial site, with Power Generation & Petrochemical

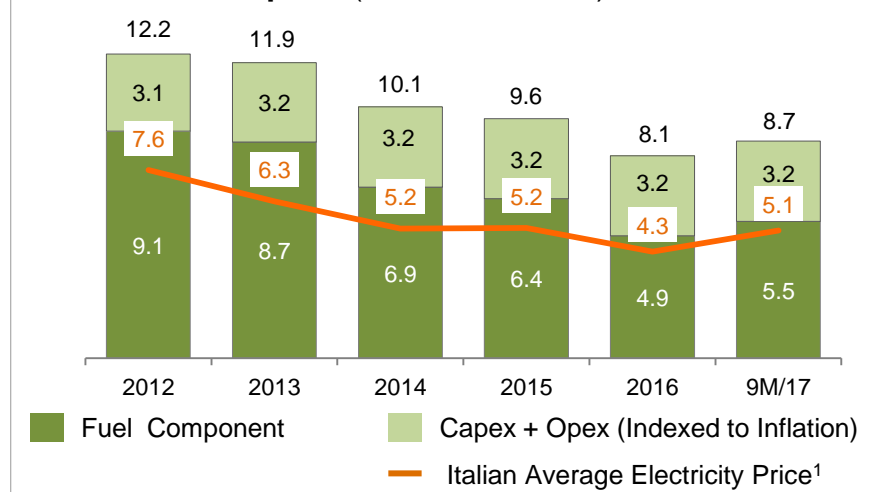


- IGCC economics are stable and based on attractive regulated contract (CIP6/92)
- The CIP6/92 contract with National Grid operator (GSE) enjoys priority of dispatching and full CO₂ cost reimbursement until April 2021
- **In the scenario post 2021, Saras' IGCC plant is ideally positioned to fully capture the opportunities arising from high sulfur, heavy crude productions**

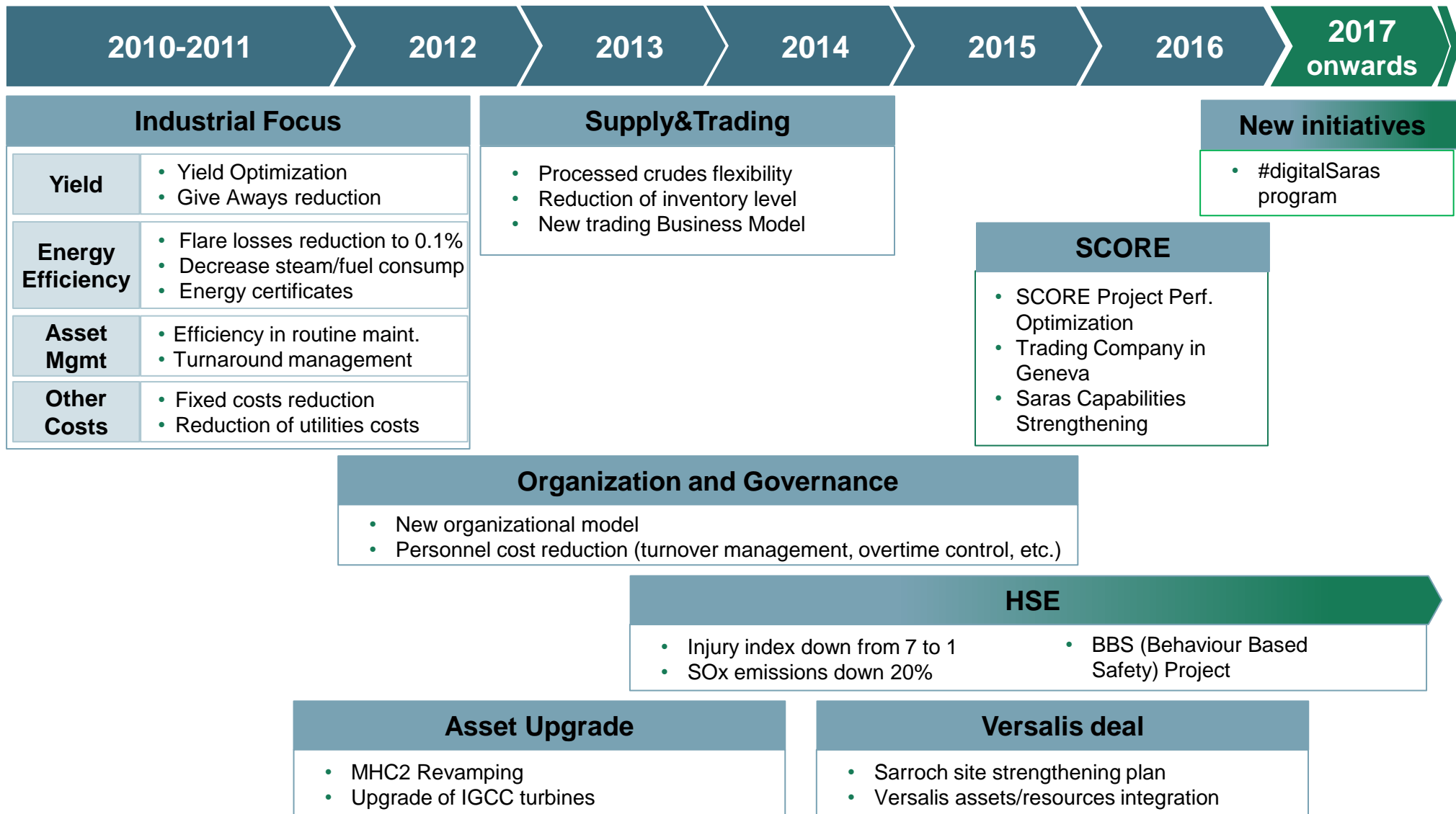
**Power Generation
Comparable EBITDA (EUR MM)**



CIP6/92 Power Tariff vs. Italian Electricity price (EUR cent / KWh)



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



Integration with petrochemical plants (ex Versalis)

- **Benefits from petrochemical:**
 - ✓ Maximisation of naphtha runs in reforming unit, to exploit strong gasoline premium
 - ✓ ~15% increase of propylene splitter throughput to maximize yield of Polymer Grade Propylene
 - ✓ Optimisations of production cycles and energy integration
 - ✓ Cost optimisations (procurement, material management, 3rd party services, etc.)
 - ✓ Further potential from the possible direct sales of upgraded of petchem feedstock

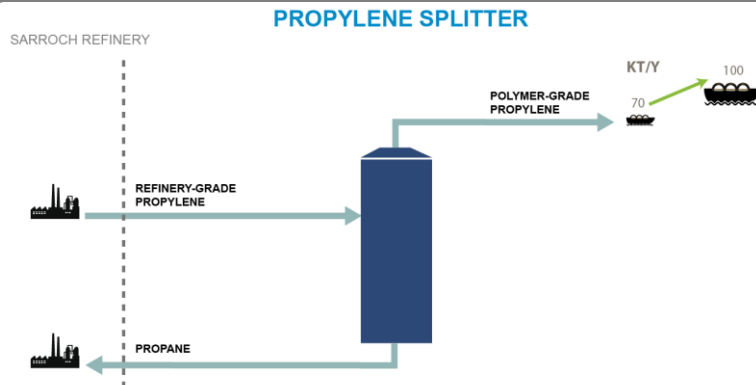
Continuous strengthening of capabilities

- **Internal capability building program**
- **External talent sourcing for Senior / Middle Management**
- **World-class consulting**

Supply Chain Integration and Trading Company in Geneva

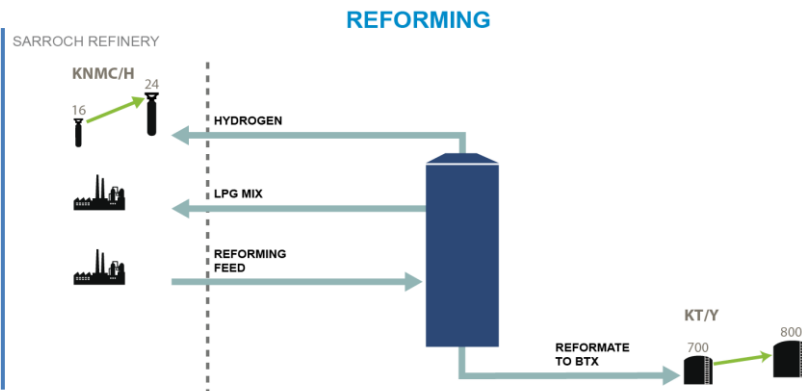
- **Higher integration and economic driven optimization of supply chain and refinery processes**
 - ✓ To boost optimization decision making and rationalisation of assets / models
- **New trading company launched in Geneva, a key European hub**
 - ✓ Proximity to the key players in oil trading / deals opportunities generators
 - ✓ Better access to specialized workforce and timely information

PROPYLENE SPLITTER



In petroleum refining, **Propylene** is a product of the fluid catalytic cracking (FCC). It can be sold directly (as “refinery-grade”) or upgraded to “polymer-grade” specifications. In particular, in the “refinery-grade” specs, the Propylene content is usually 70-75%, while “polymer-grade” specs require a Propylene purity higher than 99.5%

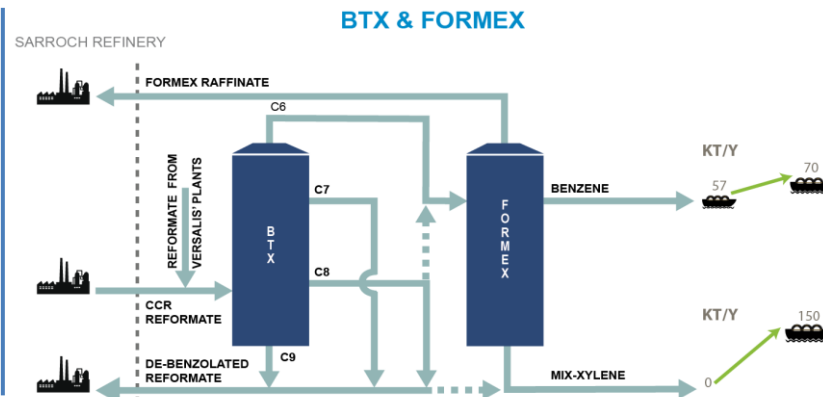
REFORMING



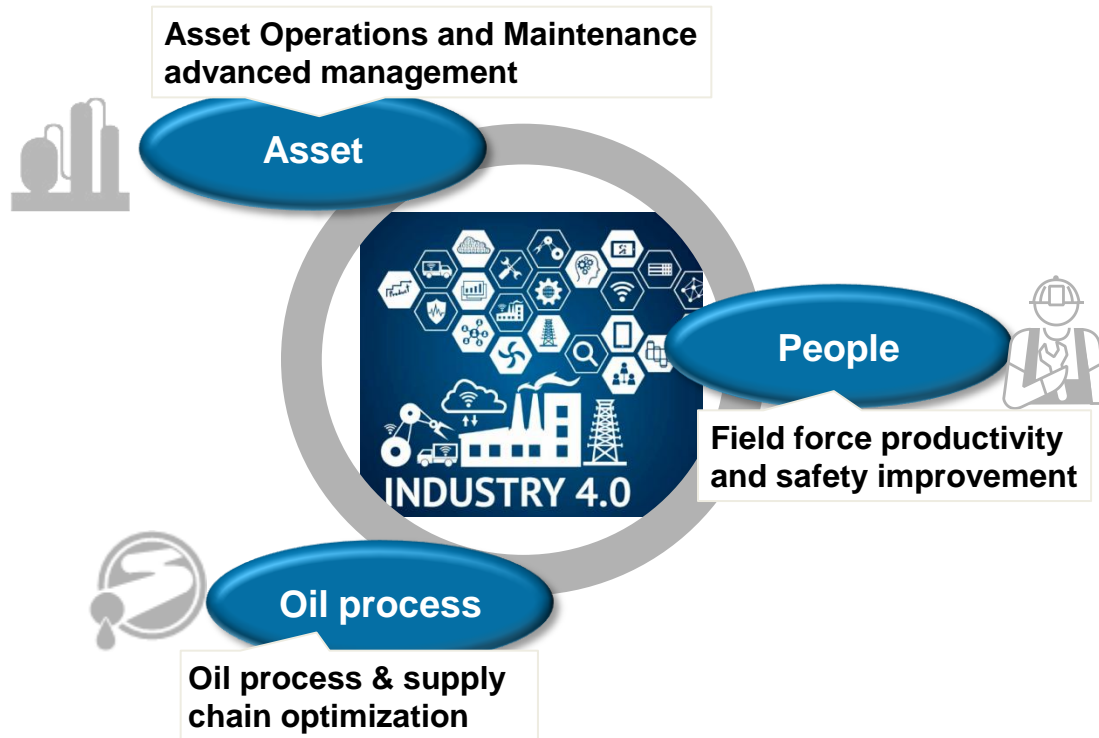
Benzene, Toluene, and Xylene (BTX)

production is based on the recovery of aromatics derived from the catalytic reforming of naphtha. More specifically, the catalytic **reforming** process utilizes as feedstock naphtha that contains non-aromatic hydrocarbons with 6 to 9+ carbon atoms, and typically produces a “Reformate” gasoline containing C6 to C8 aromatics (Benzene, Toluene, mix-Xylene) as well as heavier aromatics containing 9 or more carbon atoms

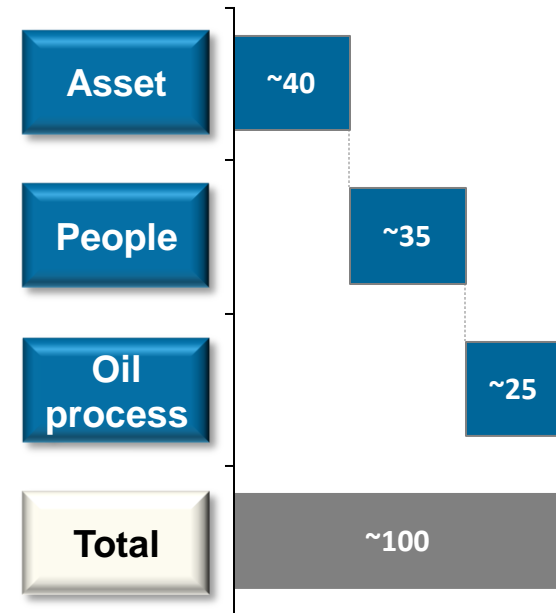
BTX & FORMEX



Domains of the Saras digital transformation program



Landscaping



8 priority pilots already launched, and currently being developed with Agile methodology, as the first step for digital transformation and cultural change



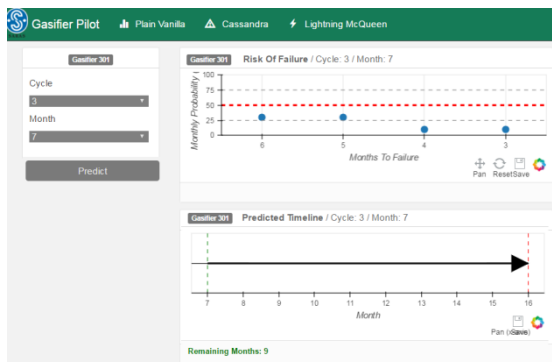
Asset

IGCC cycle optimization

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

...and the gasifier is the most critical equipment of the IGCC operational cycle

Machine learning algorithm to predict failure and simulate IGCC cycle optimization



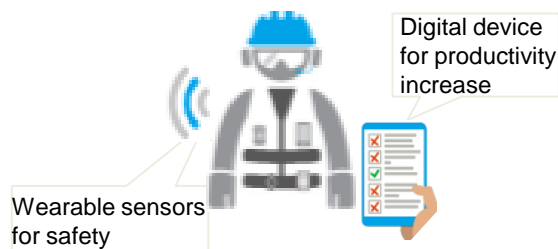
People

Digitalization of field workforce

~2000 workers every day within Saras' refinery...

...performing manual and repetitive activities on the fields

Simplified process and digital tools to increase workers productivity and safety



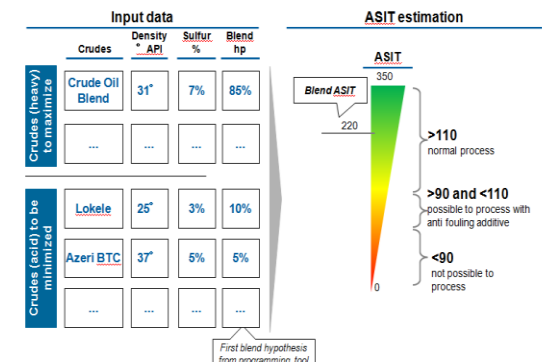
Oil process

Crude compatibility prediction

> 40 crudes processed every year by Saras' refinery...

...with crude oil blending being key process for margin maximisation

Advance analytics tool to predict blending compatibility





Business Plan 2017 – 2020 and subsequent update

Business Plan Market Scenario

| | | 2017E | 2018E | 2019E | 2020E |
|---------------------------------|-------|-------|-------|-------|-------|
| Brent Dated | \$/bl | 52.5 | 55.0 | 60.0 | 65.0 |
| Gasoline <i>crack spread</i> | \$/bl | 10.0 | 10.0 | 10.0 | 10.0 |
| ULSD <i>crack spread</i> | \$/bl | 11.0 | 11.5 | 12.8 | 15.0 |
| LS Fuel Oil <i>crack spread</i> | \$/bl | -13.0 | -13.0 | -13.0 | -15.0 |
| Exchange Rate | €/€ | 1.10 | 1.15 | 1.15 | 1.19 |

Note: Market Scenario assumed in Business Plan based on IHS Markit forecast (Nov. 2016) and Reuters Poll for Exchange Rate

Business Plan Operations & Fixed Costs

| | | 2017E | 2018E | 2019E | 2020E |
|---|-------|-------------------|-------|-------|-------|
| Refinery Crude Runs | Mtons | Approx. 14 ÷ 14.5 | | | |
| Refinery other feedstock | Mtons | Approx. 1.0 ÷ 1.5 | | | |
| IGCC Power production | TWh | Approx. 4.2 ÷ 4.5 | | | |
| Total Fixed costs (Refining + Power) | € M | Approx. 360 ÷ 370 | | | |

Outlook for crude oil markets

Global oil supply expected to remain robust over the plan period

- OPEC to be offset by ramping-up E&P activities in US (light sweet) and in North-Eastern Caspian Sea (light sweet crude and condensates from Kashagan), as well as production increases in Libya and Nigeria

Outlook for “light sweet – heavy sour” price differential

- Shrinking in 2017 due to OPEC production cuts (mainly heavy-sour), and increase of light sweet supply
- Material widening in 2019-20, driven by “IMO – Marpol VI” regulations:
 - ✓ From Jan. 2020 bunker fuel maximum allowed Sulphur percentage down from 3.5% to 0.5%
 - ✓ Heavy and medium sour crude oils expected to increase their discounts vs. Brent
 - ✓ Increase in premium of light sweet crude oils (more suitable to produce bunker fuel at 0.5% Sulphur)

Environmental regulation progressively tightening

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

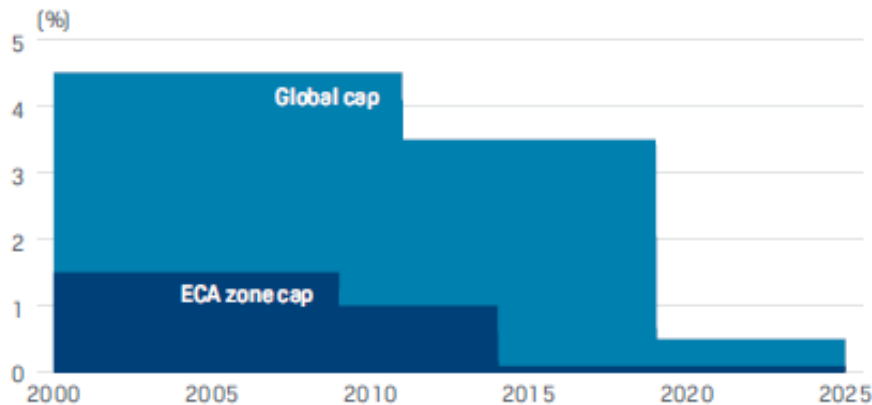
Air quality is more and more a relevant theme for the public opinion

- 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

MARPOL ANNEX VI SULFUR LIMITS




Source: IMO

IMO has set a global limit for sulphur in fuel oil used on board ships 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


Global refining key takeaways



- **PRODUCT DEMAND**
 - » Growth in global demand to slow from 2018
 - » 2020 will see a boost in distillate demand from IMO's switch in marine fuel
- **PRODUCT SUPPLY**
 - » Investments in conversion & coking capacity are outpacing new crude unit capacity
 - » Gasoline investments continue to improve product quality
 - » Distillate investment continue to increase global supply
 - » More complex refinery capacity means lower runs required to meet global demand
- **REFINING OUTLOOK**
 - » Costal, deep conversion units will see a boost to refinery margin with IMO legislation
 - » Refinery margins will see a positive step change in 2020 as they increase runs & fill upgrading capacity to meet additional distillate demand for IMO compliance

Source: Wood Mackenzie

9 Trusted commercial intelligence
www.woodmac.com



Wood Mackenzie
A Verisk Analytics Business

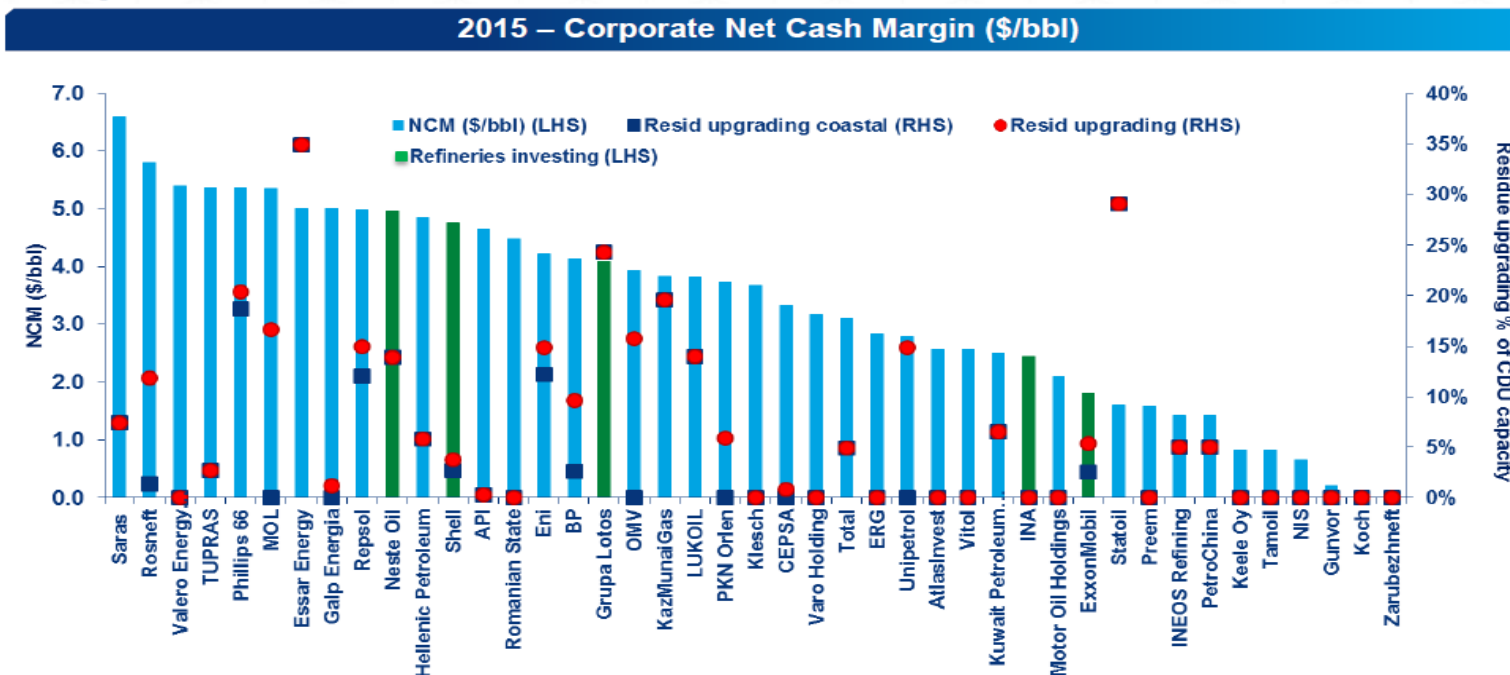
According to Wood Mackenzie, a leading independent market consultancy, IMO regulation will trigger:

- Large increase in marine gasoil demand in 2020 (sustained through 2025)
- Potential increase of middle distillates crack spread

Refining outlook is positive:

- Margins will see a positive step change in 2020
- Costal, deep conversion units most favoured

The MARPOL VI legislation will provide support for Europe's deep conversion units



Source: Wood Mackenzie – Refinery Evaluation Model



Saras is ideally placed to play this scenario:

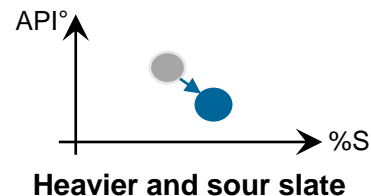
- Widening of “heavy-sour / light-sweet” differential will increase Saras premium to EMC Benchmark margin
- **Transformational investments are not necessary:** Saras IGCC plant already efficiently converts heavy part of the barrel into precious electricity, as well as steam and hydrogen which are sent back to the refinery

Visbreaking revamping



150 -200 M€ CAPEX

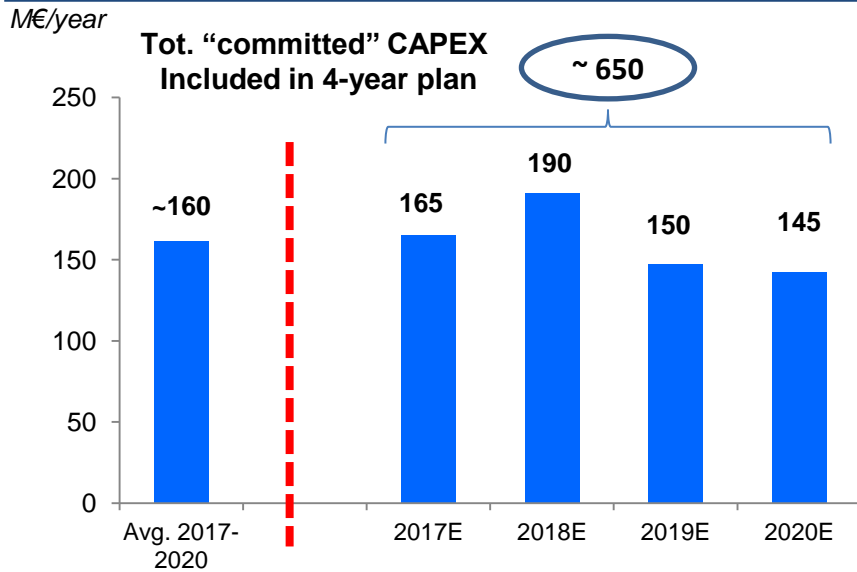
- **Final decision on investment** aimed at consolidating the site's operational configuration & Group's profitability after the CIP/6 expiry **to be taken in 2018**
- Recent developments of "IMO – Marpol VI" regulations outline a long-term scenario with progressively widening discounts for heavy sour crude oils
- Under this scenario the **revamping of the Visbreaking Unit would:**
 - **Enable production of cheaper feedstock (i.e. heavier TAR)**
 - **Increase the % of heavy sour crude oils in the refinery feed**
- Expected benefits from **revamping of the Visbreaking Unit:**
 - **1 IGCC power train dedicated to self-consumption**, leading to savings for system and dispatching charges for the refinery
 - **Higher runs of heavy sour crude oils in the refinery**, leading to cheaper cost of refinery feedstock




~1.0TWh self consumed
+ ~3.6 TWh sold

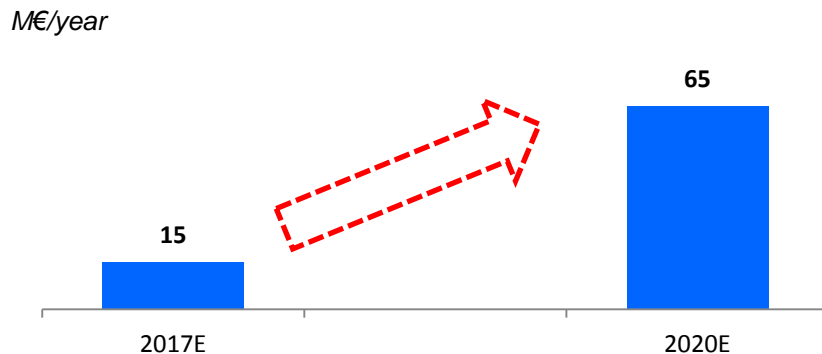
Saras Improvement Initiatives and CAPEX Plan

Business Plan Group “committed” CAPEX¹



1. Further “non-committed” CAPEX refer to a portfolio of additional refinery upgrades, to be evaluated on a yearly basis

Expected EBITDA from Improvement Initiatives



Saras SpA

Main development CAPEX included in Plan

- **Logistics upgrades:** jetty upgrade for berthing of larger vessels, and extensions of crude oil lines
- **Northern plants:** BTX revamping, Splitter improvements, and power station upgrade
- **Southern plants:** FCC oxygen enrichment, Chiller for LPG recovery on fuel gas network, other minor works
- **Energy efficiency:** New FCC blower and power recovery unit (Expander); internal power grid reconfiguration; new steam and fuel gas interconnection between Northern & Southern plants

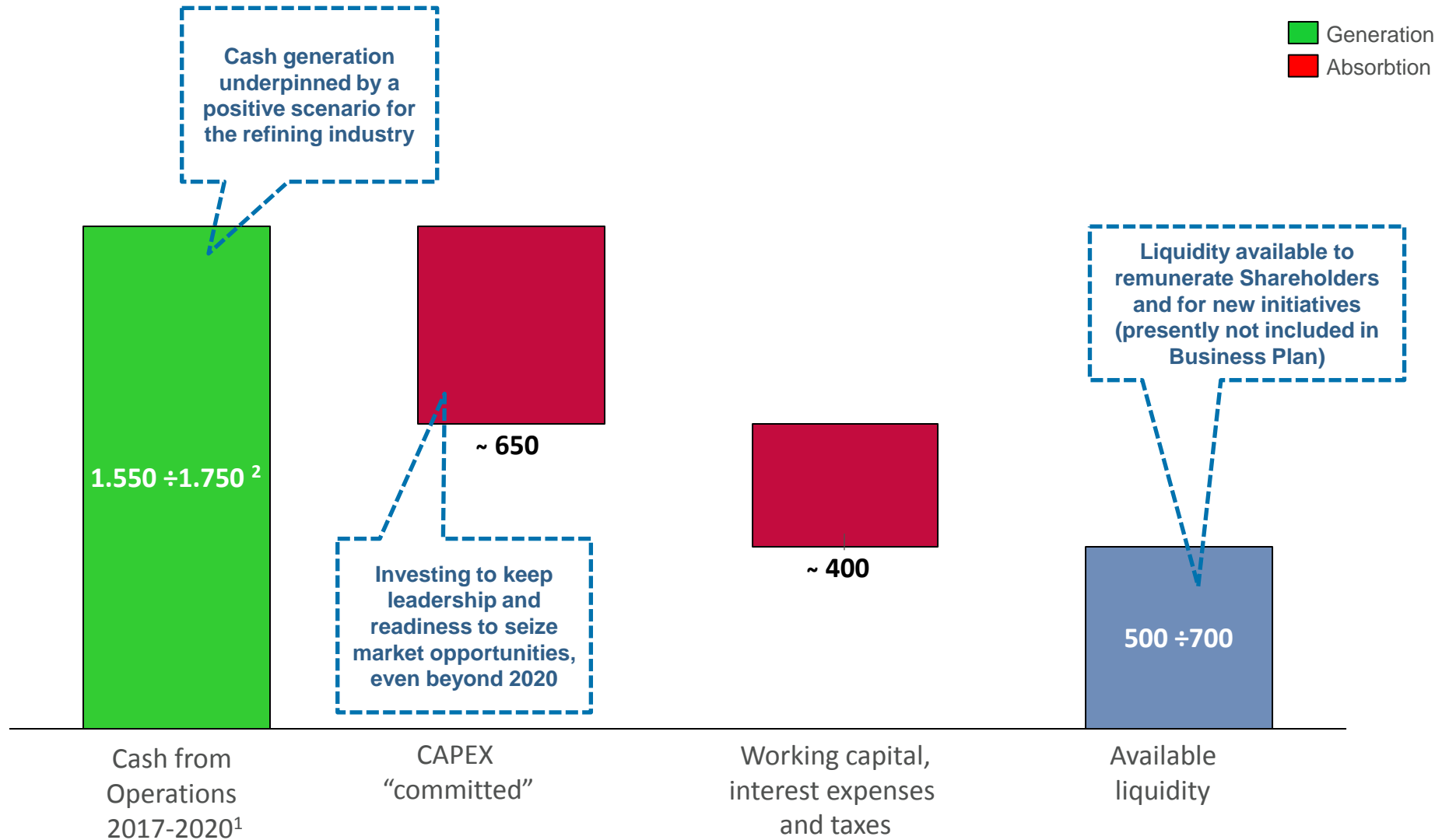
Operational Improvements included in Plan

- Steam management across the site
- Increased focus on heat exchangers’ efficiency
- Improved energy performance tracking / control

| Segment | Comments |
|------------------|--|
| Refining | <ul style="list-style-type: none">• EMC Benchmark margin at 2 ÷ 2.5 \$/bl (based on reference scenario)• Saras' premium to EMC Benchmark from approx. 3.5 \$/bl in 2017 to approx. 4 \$/bl in 2020 (including improvement initiatives and additional benefits deriving from Integrated Supply Chain Management) |
| Power Generation | <ul style="list-style-type: none">• EBITDA of approx. EUR 200M/year• Electricity produced to be sold according to CIP6/92 tariff |
| Marketing | <ul style="list-style-type: none">• EBITDA of approx. EUR 10M/year• Profitability recovery coming from cost rationalization and implementation of initiatives for optimization of sale channels & working capital |
| Wind | <ul style="list-style-type: none">• EBITDA between EUR 20 ÷ 25M in 2017• EBITDA between EUR 5 ÷ 10M in the period 2018-20, due to the expiry of incentives on ~80% of the installed capacity |

Sources and uses of cash (Cumulated 2017-2020)

M€

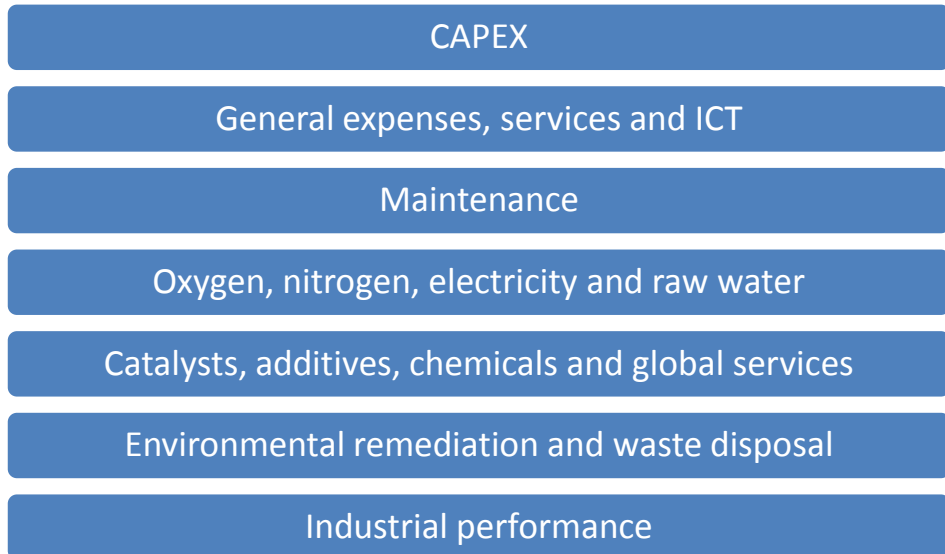


1. Cash Flow from operations = EBITDA – Linearization effect on Power Generation – others
2. Variability for Cash Flow generation derives mainly from range assumed for EMC Benchmark margin

Cost Optimisation Programme prudentially not included in the Plan

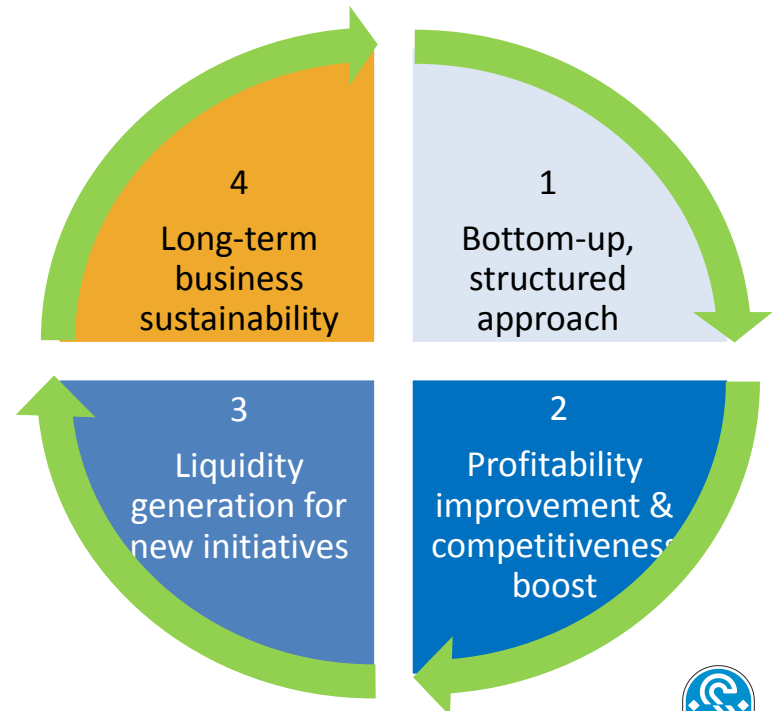
Cost Optimisation Programme

- Cost optimisation programme started in early 2017
- Effects – **prudentially not included in the Plan** – should compensate a sizeable portion of growing costs associated with environmental regulations and inflationary cost drifts
- Expected savings to be incorporated in subsequent updates of the business plan
- The main areas which will be targeted are the following:



Approach and main levers

- **Bottom up approach:** project managed and driven by the process owners
- **Focus on reduction of inefficiencies** at all levels
- **Levers to be exploited:** volumes, processes, technological innovation
- **Process reengineering**





- **Market outlook for Q4/17:**
 - **Positive scenario for medium distillates** with robust crack spreads and moderate inventory levels ahead of the winter period that typically sees an increase in gasoil consumption
 - **Seasonal weakening expected for the gasoline crack spread**
 - Normalization of the fuel oil crack spread vs. historical level will take time
 - Crude market to remain well supplied but characterized by **lower discounts on heavy sour grades and pressure on premia of light sweet grades**
- Considering that there are no significant maintenance activities on the plants, **Saras expect to deliver, in Q4/17 a refining margin premium above the EMC Benchmark improving compared to the one achieved in 9M/17 (2.4 \$/bl)**
- **NFP expected to remain positive at year end**

Maintenance schedules for 2017

- **Refinery:** maintenance front-loaded in Q1/17. Activities were carried out according to plans in 9M/17. With regards to Q3/17 maintenance will involve “ALKY”, “TAME” and reforming “CCR” units in Q4/17
- **IGCC:** the entire scheduled maintenance for the year 2017 was completed during H1/17 (it involved two of the three trains of “Gasifier – combined cycle Turbine” and one “H₂S Absorber” unit in Q1/17 and the third train of “Gasifier – combined cycle Turbine” in Q2/17).

| | | Q1/17 | Q2/17 | Q3/17 | Q4/17 expected | 2017 expected |
|--|-------------------------|-------------|-------------|-------------|--------------------------|--------------------------|
| REFINERY | | | | | | |
| Crude runs | Tons (M) Barrels (M) | 3.4 25.1 | 3.5 25.4 | 3.6 26.3 | 3.7 ÷ 3.8 27.0 ÷ 28.0 | 14.2 ÷ 14.3 104 ÷ 105 |
| Complementary feedstock | Tons (M) | 0.4 | 0.3 | 0.4 | 0.2 ÷ 0.4 | 1.3 ÷ 1.5 |
| EBITDA reduction due to scheduled maintenance | USD (M) | 32 | 6 | 7 | 1 ÷ 3 | 46 ÷ 48 |
| IGCC | | | | | | |
| Power production | MWh (M) | 0.7 | 1.0 | 1.2 | 1.1 ÷ 1.2 | 4.0 ÷ 4.1 |



Saras segments

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

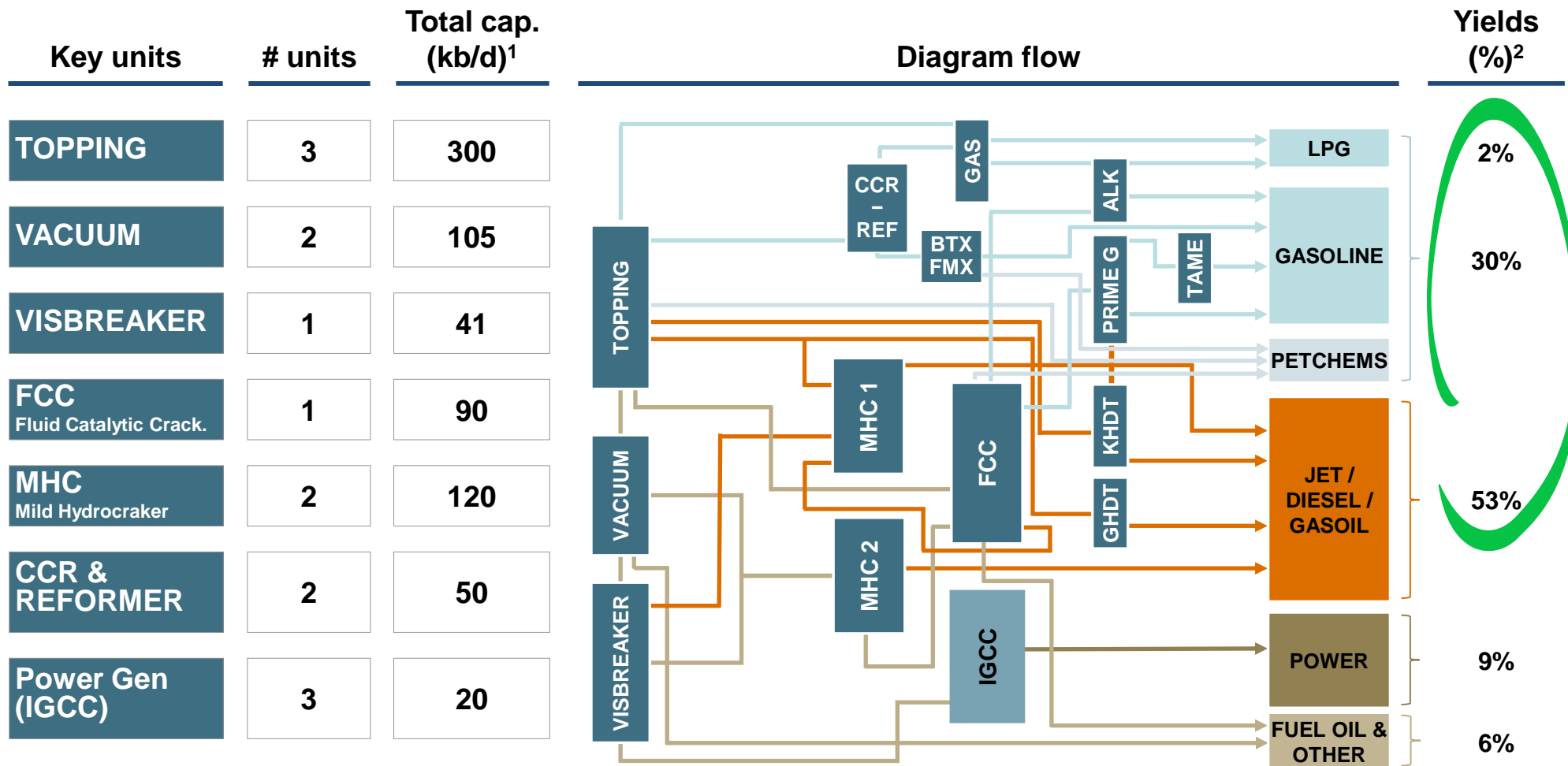
Group Financials

Key financial performance of the Refining segment

| EUR million | 2012 | 2013 | 2014 | 2015 | 2016 | 9M/17 |
|---------------------------------|----------------|----------------|----------------|--------------|--------------|-----------------|
| EBITDA | (91.2) | (153.6) | (496.3) | 337.1 | 418.3 | 131.6 |
| Comparable EBITDA | (61.2) | (127.5) | (140.1) | 510.5 | 279.6 | 236.4(*) |
| EBIT | (197.0) | (261.0) | (640.7) | 204.8 | 281.5 | 46.9 |
| Comparable EBIT | (167.0) | (234.9) | (261.8) | 396.6 | 162.8 | 151.8(*) |
| CAPEX | 97.0 | 87.1 | 124.9 | 75.0 | 133.6 | 123.1 |
| REFINERY RUNS | | | | | | |
| Crude Oil (ktons) | 13,309 | 12,980 | 12,430 | 14,550 | 12,962 | 10,524 |
| Crude Oil (Mbl) | 97.2 | 94.8 | 90.7 | 106.2 | 94.6 | 76.8 |
| Crude Oil (kbl/d) | 265 | 260 | 249 | 291 | 259 | 281 |
| Complementary feedstock (ktons) | 431 | 390 | 548 | 1,026 | 1,598 | 1,028 |
| EMC benchmark | 0.9 | (1.2) | (0.5) | 4.0 | 2.9 | 3.9 |
| Saras Refining Margin | 2.1 | 1.6 | 1.2 | 8.0 | 6.6 | 6.3 |

(*) Comparable results calculation changed with reference to inventories and derivatives compared to the past from H1/17. For more details please refer to slide 61.

Complex and well balanced refinery configuration



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

1. Calculated using calendar days
 2. Yields are calculated net of "C&L" – values refer to FY 2016

~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 |



Marine Terminal

Deep sea berths for VLCC

Berths for Products

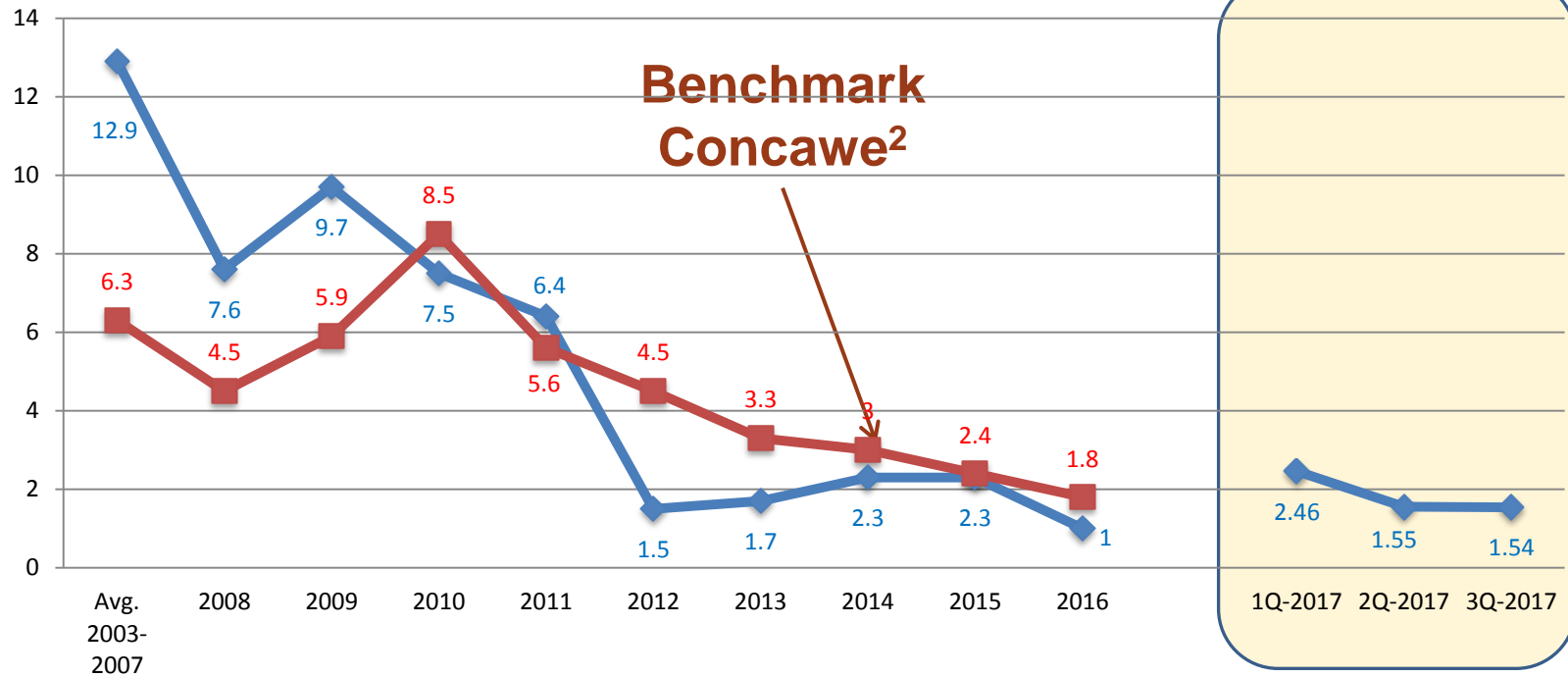
| # | Dwt | m Draft |
|-----------|---------------|---------|
| 2 | up to 300,000 | 20.7 |
| 9 | up to 65,000 | 12 |
| 1 | up to 40,000 | 9.5 |
| 1 | up to 6,000 | 7 |
| 13 | | |

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

Flexibility for simultaneous loadings of multiple products



Total Frequency Index¹ 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

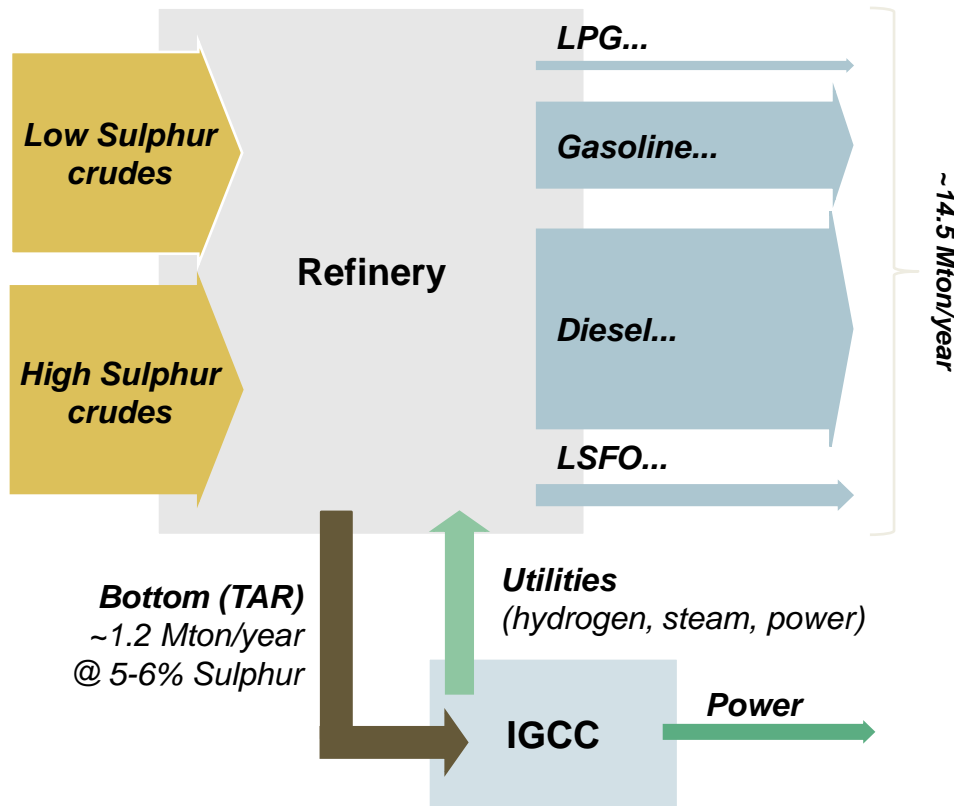
Group Financials

Key financial performance of the Power Generation segment

| EUR million | 2012 | 2013 | 2014 | 2015 | 2016 | 9M/17 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| Comparable EBITDA | 226.8 | 182.4 | 240.4 | 207.9 | 195.4 | 148.3 |
| Comparable EBIT | 147.0 | 109.5 | 174.7 | 111.1 | 96.3 | 77.1 |
| EBITDA IT GAAP | 178.3 | 184.8 | 147.9 | 168.2 | 133.9 | 65.2 |
| EBIT IT GAAP | 133.2 | 131.2 | 85.9 | 105.0 | 68.6 | 19.4 |
| CAPEX | 8.7 | 16.9 | 6.8 | 9.1 | 9.6 | 13.8 |
| ELECTRICITY PRODUCTION <small>MWh/1000</small> | 4,194 | 4,217 | 4,353 | 4,450 | 4,588 | 2,959 |
| POWER TARIFF <small>€cent/kWh</small> | 12.2 | 11.9 | 10.1 | 9.6 | 8.1 | 8.7 |
| POWER IGCC MARGIN <small>\$/bl</small> | 4.2 | 3.8 | 4.8 | 3.1 | 3.3 | 3.4 |

Saras IGCC plant is fundamental to convert “bottom of the barrel”

Sarlux site configuration



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

IGCC role

IGCC processes High Sulphur (HS) crudes "bottom-of-barrel" and has 3 main outputs:

- Power
- Hydrogen
- Steam...

...making the IGCC very important even after expiry of the CIP6 scheme

- Instrumental to economically process HS crudes and to fully exploit the site assets
- Hydrogen and steam production are necessary for refinery operations
- ~1TWh of power production will be self-consumed to further reduce exposure to power market

The IGCC operational flexibility will be exploited with an integrated perspective

Note: Arrow width proportional to material flow size, plant surfaces proportional to Nelson Complexity Index. Semifinished products not shown



Saras segments

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

Group Financials

Key financial performance of the Marketing segment


| EUR million | 2012 | 2013 | 2014 | 2015 | 2016 | 9M/17 |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| EBITDA | 18.0 | 16.0 | (4.9) | (5.1) | 9.9 | 12.1 |
| Comparable EBITDA | 31.7 | 33.7 | 14.9 | 1.6 | 3.6 | 11.9 |
| EBIT | (29.8) | 7.6 | (14.7) | (16.3) | 4.2 | 8.0 |
| Comparable EBIT | 19.8 | 25.3 | 6.4 | (4.7) | (2.1) | 7.8 |
| CAPEX | 8.2 | 3.7 | 3.0 | 1.2 | 1.4 | 0.6 |
| SALES (THOUSAND TONS) | | | | | | |
| ITALY | 2,210 | 2,342 | 2,449 | 2,573 | 2,298 | 2,720 |
| SPAIN | 1,584 | 1,310 | 1,234 | 1,388 | 1,787 | 1,635 |
| TOTAL | 3,794 | 3,652 | 3,683 | 3,961 | 4,084 | 1,085 |

Overview of the Italian and Spanish Marketing businesses




Spain: Saras Energia

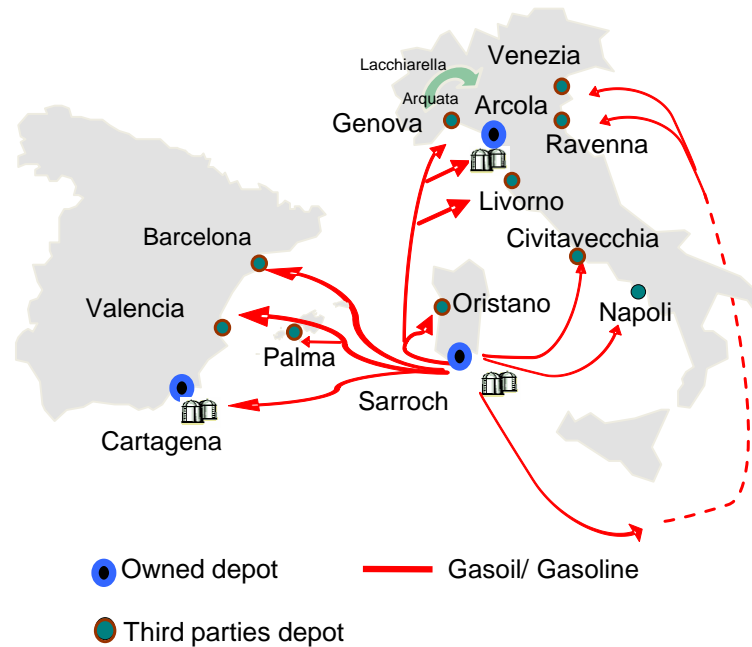
Spain wholesale

- 114kmc distillates storage in Cartagena 
- ~10% share of wholesale market

Spain retail

- 101 service stations 
 - 86 fully owned
 - 15 long term leased
- ~155kmc sold in 2016
- Mainly located in the Med tributary, with CLH Depots regional support



Main logistics flows



Italy: Saras SpA



Arcola La Spezia (owned)

- 200kmc storage for diesel and gasoline 
- ~8% share of wholesale market
- 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 | 9M/17 |
|---------------|-------|-------|-------|-------|-------|-------|
| SPAIN | 1,584 | 1,310 | 1,234 | 1,388 | 1,787 | 1,085 |

| Sales (ktons) | 2012 | 2013 | 2014 | 2015 | 2016 | 9M/17 |
|---------------|-------|-------|-------|-------|-------|-------|
| ITALY | 2,210 | 2,342 | 2,449 | 2,573 | 2,298 | 1,635 |

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 | 9M/17 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| Comparable EBITDA | 20.0 | 22.7 | 20.5 | 17.2 | 23.8 | 14.4 |
| Comparable EBIT | 9.7 | 18.3 | 15.9 | 12.7 | 19.2 | 11.0 |
| ELECTRICITY PRODUCTION | | | | | | |
| <small>MWh</small> | 171,050 | 197,042 | 171,657 | 155,101 | 195,360 | 111,307 |
| POWER TARIFF | | | | | | |
| <small>€cent/kWh</small> | 7.1 | 5.7 | 4.8 | 4.8 | 4.0 | 4.7 |
| FEED-IN PREMIUM TARIFF¹ | | | | | | |
| <small>€cent/kWh</small> | 8.0 | 8.9 | 9.7 | 10.0 | 10.0 | 10.7 |

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

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 (same value as Green Certificates)
- Seven more years of feed-in premium tariff (2025) on the last units installed (about 20% of the installed capacity)



Saras segments

- Refining
- Power Generation
- Marketing
- Wind Energy

Group Financials

Group Financials – Income Statements

| KEY INCOME STATEMENT (EUR ml) | 2012 | 2013 | 2014 | 2015 | 2016 |
|-----------------------------------|----------------|----------------|----------------|--------------|---------------|
| EBITDA | 176.0 | 71.7 | (237.0) | 556.0 | 638.1 |
| Comparable EBITDA | 210.7 | 117.7 | 139.0 | 741.0 | 506.6 |
| D&A(*) | (244.2) | (425.9) | (47.4) | (245.4) | (246.7) |
| EBIT | (68.1) | (354.2) | (284.4) | 310.6 | 391.4 |
| Comparable EBIT | 2.6 | (75.7) | (61.9) | 518.9 | 279.8 |
| Interest expense | (28.8) | (27.8) | (40.2) | (34.9) | (30.0) |
| Other | (23.1) | (1.6) | 62.8 | 68.1 | (53.0) |
| Financial Income/(Expense) | (51.9) | (29.4) | 22.6 | 33.2 | (83.0) |
| Profit before taxes | (120.0) | (383.6) | (261.8) | 343.7 | 308.4 |
| Taxes | 31.4 | 112.5 | 0.0 | (120.1) | (112.0) |
| Net Result | (88.6) | (271.1) | (261.8) | 223.7 | 196.3 |
| Adjustments | 54.9 | 186.9 | 178.2 | 102.7 | (26.9) |
| Adjusted Net Result | (33.7) | (84.1) | (83.6) | 326.3 | 169.4 |

(*) 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 |
|--|---------------|----------------|----------------|--------------|--------------|
| Net Result | (88.6) | (271.1) | (261.8) | 223.7 | 196.3 |
| (LIFO – FIFO) inventories net of taxes | 27.0 | 43.4 | 293.8 | 75.8 | (95.3) |
| non recurring items net of taxes | 25.3 | 148.3 | (85.7) | 29.7 | 45.5 |
| Fair value of derivatives' open positions net of taxes | 2.6 | (4.7) | (29.9) | (2.8) | 22.9 |
| Adjusted Net Result | (33.7) | (84.1) | (83.6) | 326.3 | 169.4 |

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

INVENTORIES

Previous comparable

Operating results and Net Result calculated evaluating oil inventories with **LIFO methodology** (based on historical price bands)

New comparable

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 |

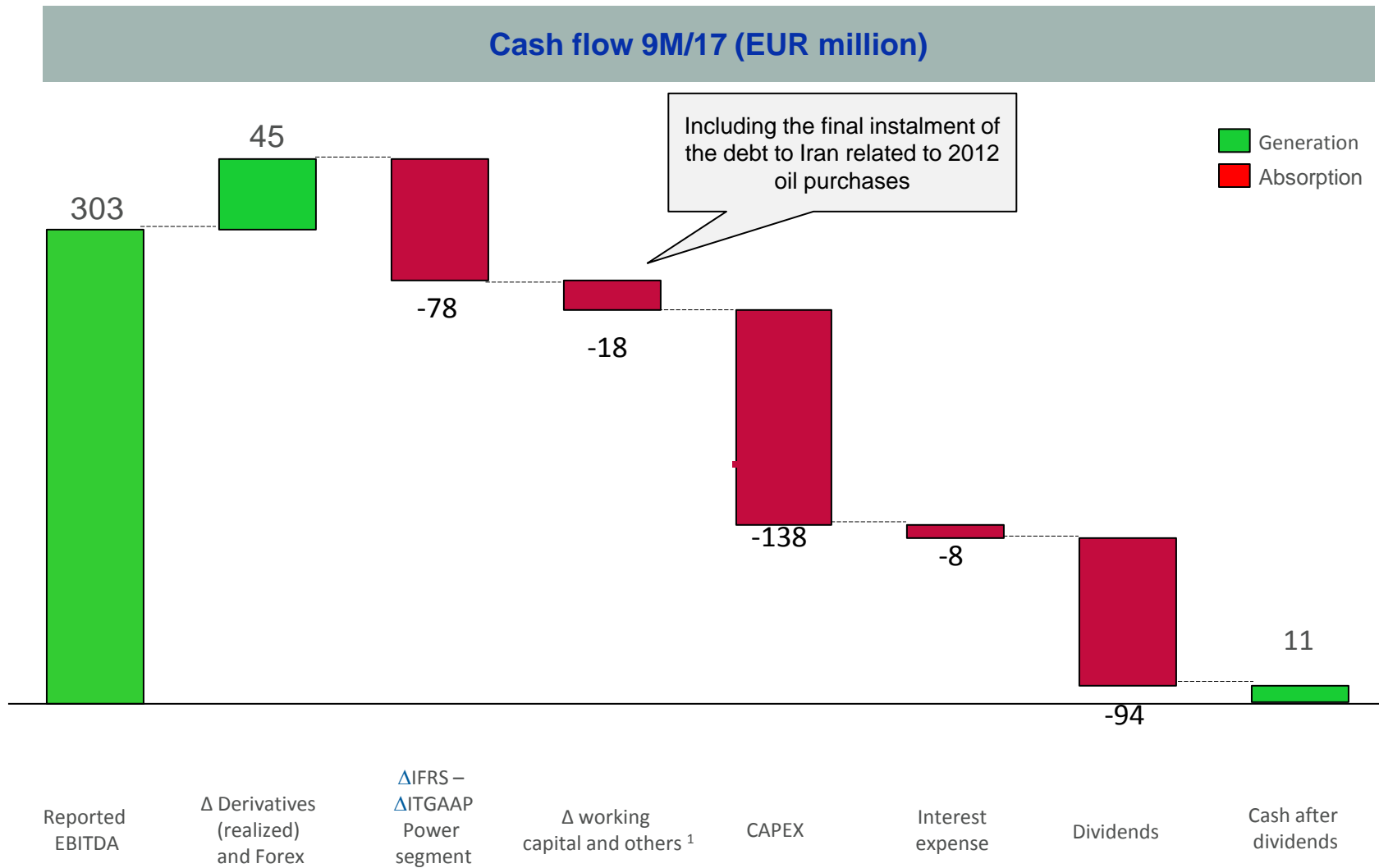
Group Financials – Income Statements 2016 – 2017

| KEY INCOME STATEMENT (EUR million) | Q1/16 reclassified | Q2/16 reclassified | Q3/16 reclassified | 9M/16 reclassified | Q4/16 reclassified | 2016 reclassified | Q1/17 reclassified | Q2/17 | Q3/17 | 9M/17 |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|------------------------------|-------------------------------|---------------|---------------|--------------|
| EBITDA | 67.8 | 267.3 | 95.7 | 430.7 | 207.4 | 638.1 | 160.4 | (19.1) | 161.8 | 303.1 |
| Comparable EBITDA (*) | 141.9 | 151.3 | 118.0 | 411.2 | 94.8 | 506.0 | 124.0 | 128.5 | 160.1 | 412.6 |
| D&A | (56.3) | (56.8) | (57.1) | (170.1) | (76.7) | (246.7) | (52.9) | (54.1) | (56.8) | (163.8) |
| EBIT | 11.5 | 210.5 | 38.6 | 260.6 | 130.7 | 391.4 | 107.5 | (73.2) | 105.0 | 139.3 |
| Comparable EBIT (*) | 85.6 | 94.5 | 61.0 | 241.2 | 38.2 | 279.3 | 71.1 | 73.9 | 103.8 | 248.9 |
| Interest expense | (6.2) | (7.1) | (10.3) | (23.6) | (6.4) | (30.0) | (3.7) | (1.4) | (3.2) | (8.3) |
| Other | (1.8) | (17.7) | (0.1) | (19.6) | (33.4) | (53.0) | 26.8 | 28.2 | (26.0) | 29.0 |
| Financial Income/Expense | (8.0) | (24.8) | (10.4) | (43.2) | (39.8) | (83.0) | 23.1 | 26.8 | (29.3) | 20.7 |
| Profit before taxes | 3.5 | 185.7 | 28.2 | 217.4 | 91.0 | 308.4 | 130.6 | (46.4) | 75.5 | 160.0 |
| Taxes | (3.7) | (56.0) | (5.8) | (65.5) | (46.6) | (112.0) | (38.5) | 8.7 | (20.8) | (50.6) |
| Net Result | (0.2) | 129.7 | 22.4 | 151.9 | 44.4 | 196.3 | 92.1 | (37.6) | 54.9 | 109.4 |
| Adjustments | 42.7 | (67.7) | 10.3 | (14.8) | (25.7) | (40.4) | (39.6) | 95.0 | (3.2) | 52.2 |
| Comparable Net Result (*) | 42.4 | 62.1 | 32.7 | 137.1 | 18.7 | 155.9 | 52.5 | 57.4 | 51.7 | 161.6 |
| Net Result Adjustment (EUR million) | Q1/16 reclassified | Q2/16 reclassified | Q3/16 reclassified | 9M/16 reclassified | Q4/16 reclassified | 2016 reclassified | Q1/17 reclassified | Q2/17 | Q3/17 | 9M/17 |
| Net Result | (0.2) | 129.7 | 22.4 | 151.9 | 44.4 | 196.3 | 92.1 | (37.6) | 54.9 | 109.4 |
| Gain / (Losses) on inventories net of taxes | 42.6 | (69.4) | 9.1 | (17.7) | (68.3) | (85.9) | (41.3) | 72.6 | 0.9 | 32.2 |
| Non-recurring items net of taxes | 0.0 | 1.7 | 1.2 | 2.9 | 42.6 | 45.5 | 0.0 | 19.8 | 0.0 | 19.8 |
| Derivatives related to future deals | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.8 | 2.5 | (4.1) | 0.2 |
| Comparable Net Result(*) | 42.4 | 62.1 | 32.7 | 137.1 | 18.7 | 155.9 | 52.5 | 57.4 | 51.7 | 161.6 |

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

Group Financials – Balance Sheet

| EUR million | 31-Dec-12 | 31-Dec-13 | 31-Dec-14 | 31-Dec-15 | 31-Dec-16 | 30-Sep-17 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| Current assets | 2,209 | 2,287 | 2,241 | 1,929 | 1,689 | 1,709 |
| CCE and financial assets held for trading | 342 | 545 | 669 | 883 | 449 | 408 |
| Other current assets | 1,867 | 1,743 | 1,571 | 1,046 | 1,241 | 1,301 |
| Non-current assets | 1,731 | 1,526 | 1,621 | 1,389 | 1,205 | 1,163 |
| TOTAL ASSETS | 3,940 | 3,814 | 3,862 | 3,318 | 2,894 | 2,873 |
| Current Liabilities | 1,817 | 2,015 | 2,506 | 1,445 | 1,423 | 1,477 |
| Short-Term financial liabilities | 167 | 181 | 550 | 203 | 203 | 233 |
| Other current liabilities | 1,650 | 1,834 | 1,956 | 1,242 | 1,220 | 1,245 |
| Non-Current Liabilities | 926 | 877 | 696 | 988 | 548 | 455 |
| Long-Term financial liabilities | 425 | 386 | 277 | 586 | 183 | 169 |
| Other non-current liabilities | 501 | 491 | 419 | 402 | 365 | 287 |
| Shareholders Equity | 1,197 | 921 | 660 | 885 | 923 | 940 |
| TOTAL LIABILITIES & EQUITY | 3,940 | 3,814 | 3,862 | 3,318 | 2,894 | 2,873 |



1. Includes CO₂, wind tariff incentives, Energy Efficiency certificates and Taxes paid in the period

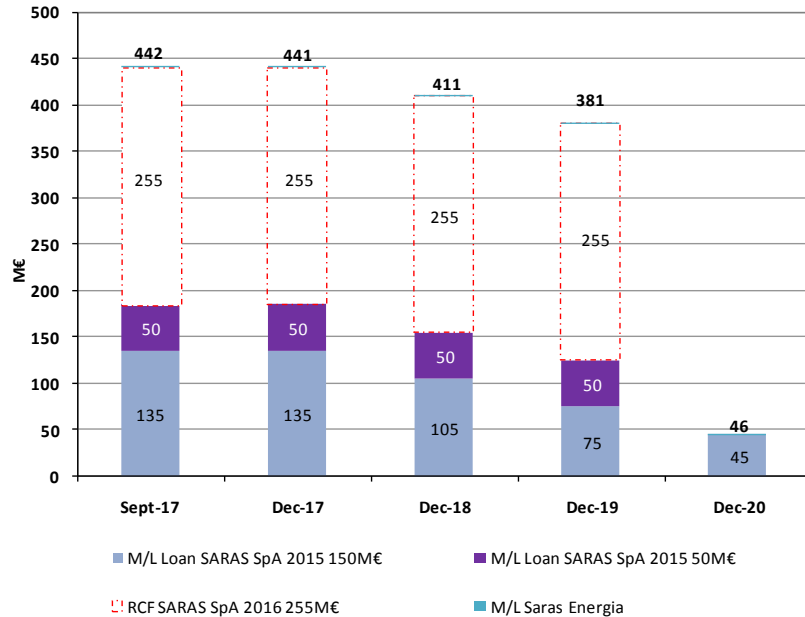


Group CAPEX by segment

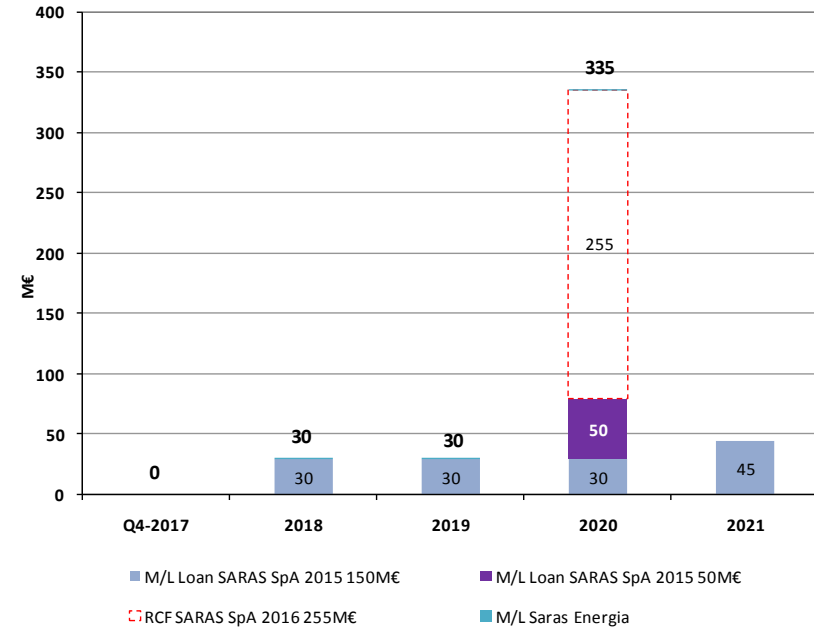
| CAPEX BY SEGMENT (EUR million) | 2012 | 2013 | 2014 | 2015 | 2016 | 9M/17 |
|--|--------------|--------------|--------------|-------------|--------------|--------------|
| REFINING | 97.0 | 87.1 | 124.9 | 75.0 | 133.6 | 123.1 |
| POWER GENERATION | 8.7 | 16.9 | 6.8 | 9.1 | 9.6 | 13.8 |
| MARKETING | 8.2 | 3.7 | 3.0 | 1.2 | 1.4 | 0.6 |
| WIND | 3.8 | 0.2 | 0.6 | 0.3 | 0.4 | 0.1 |
| OTHER ACTIVITIES | 1.6 | 1.7 | 0.9 | 0.6 | 0.6 | 0.7 |
| TOTAL CAPEX | 119.3 | 109.6 | 136.3 | 86.2 | 145.6 | 138.2 |

LONG-TERM DEBT MATURITY PROFILE (as of 30th Sept 2017)

SARAS Group: Long Term Debt Outstanding



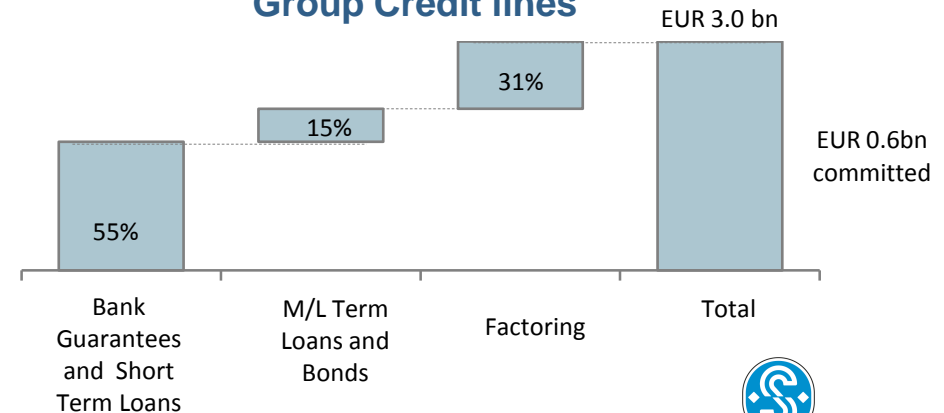
SARAS Group: Long Term Debt Maturity Profile



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, interest expenses in 9M/17 declined by approx. 65% vs 9M/16.

Group Credit lines



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.