SARAS

Investors update

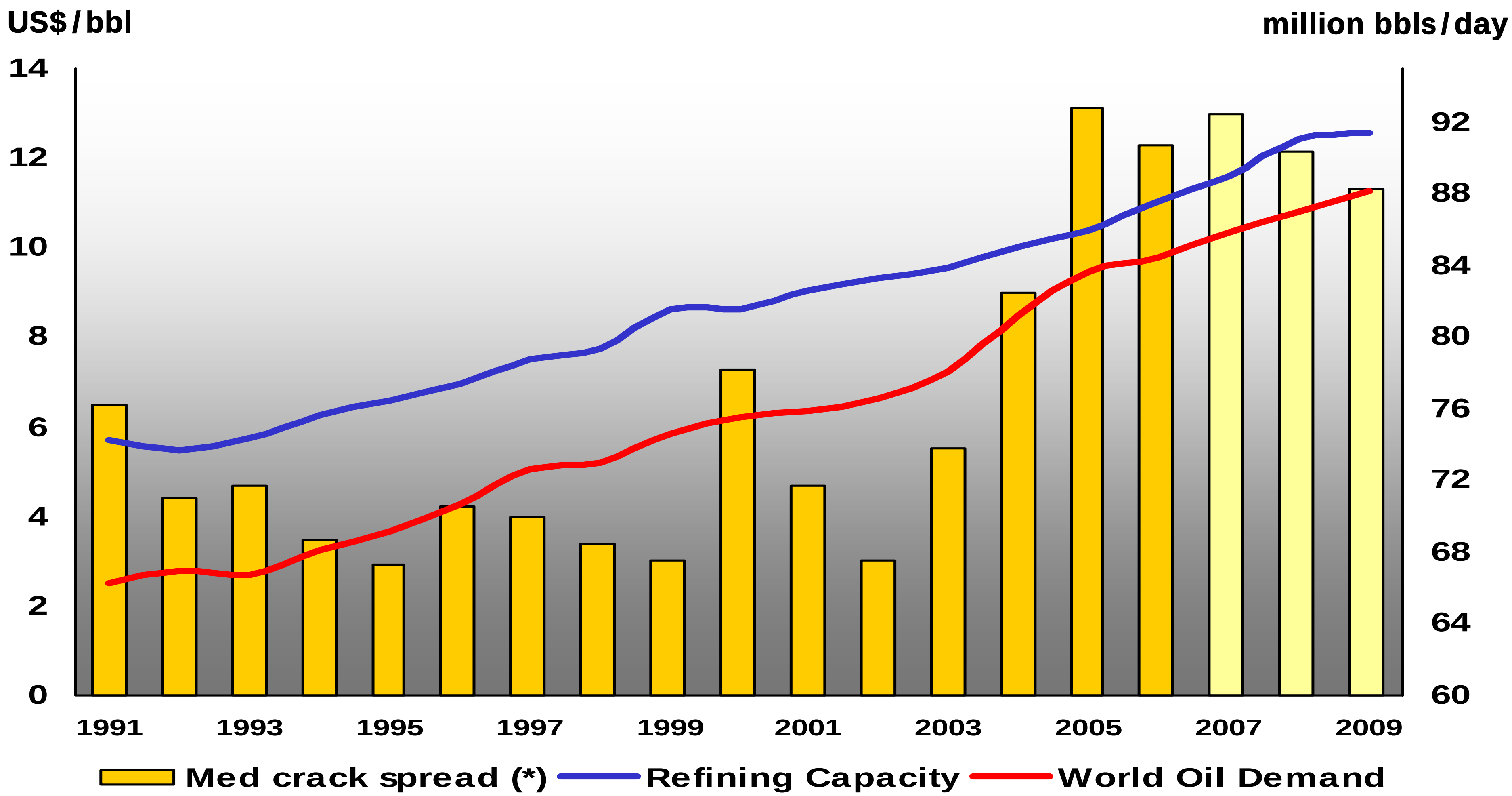
FEB 2007

Disclaimer

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

- Refining context
- Saras' reference market and competitive position
- Financial highlights
- Strategy
- Appendix

World Refining context



(*) 2 / 3 ULSD crack spread vs Brent + 1 / 3 Unleaded Gasoline crack spread vs Brent

Source: Saras elaboration on BP statistical review and EMC data for forecast

World Refining context: tight supply/demand balance to continue

- Steady growth of demand, focused on light and middle distillates
- Need for sophisticated (and expensive) secondary units to be built alongside new distillation capacity in order to meet the severe product quality specifications
- New build costs up significantly
  - ✓ Shortage of skilled manpower
  - ✓ Construction capacity limited
- Bulk of new capacity for the next years in high growth markets (developing countries)
- Supply growth from "opportunistic" players challenged by increasing costs and threats of shifting economics
- Announcements of projects being delayed (Valero, Conoco, Sunoco, Kuwait, ExxonMobil)

20:56 03Nov06 -Valero priced out of new refinery buys -exec By Erwin Seba HOUSTON, Nov 3 (Reuters) - Leading U.S. refiner Valero Energy Corp. Valero can reap returns of 20 percent when it upgrades its existing refineries, but paying $20,000 per barrel for a refinery will only yield profits in the range of 8 percent, Edwards said during a speech at a refining conference in Houston. ....

ENERGY COMPASS 23Feb07:
ExxonMobil and state Qatar Petroleum (QP) have shelved their Palm natural gas-to-liquids(GTL) project in the Mideast Gulf state, after more than a decade of planning and engineering and development work.
Qatari Energy Minister Abdullah al-Attiyah said high costs forced cancellation of the 154,000 b/d complex. Project inflation had pushed the price tag from an initial $7 billion in 2004 to more than $15 billion, according to industry sources.

21:03 02Nov06 -UPDATE 1-Conoco could defer Wilhelmshaven expansion-CEO

By Janet McGurty NEW YORK, Nov 2 (Reuters) - ConocoPhillips Corp. said it is re-evaluating the deep conversion expansion project at its 260,000 barrel per day refinery in Wilhelmshaven, Germany, due to shifting economics. "It could make sense to defer some projects," Chief Executive Jim Mulva told attendees of the Merrill Lynch Energy Conference in New York. ....

02Nov06 -UPDATE 1-Sunoco reviews refinery growth plans as costs soar

By Robert Campbell NEW YORK, Nov 2 (Reuters) - Oil refiner Sunoco Inc. <SUN.N> is reviewing its expansion plans after the cost of a $300 million expansion project at its Philadelphia, Pennsylvania, refinery jumped by a third in less than a year, the company said in a filing with securities regulators on Thursday....

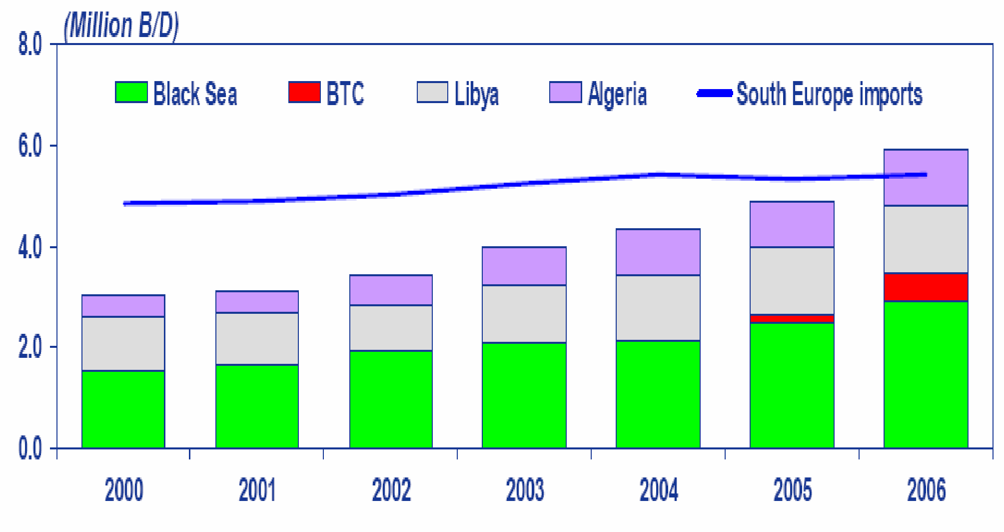
ENERGY COMPASS Dec06:
Kuwait's Al-Zour refinery could be scrapped
Rising costs could doom Kuwait's proposed Al-Zour refinery, which may be scrapped after bids submitted in December were much higher than Kuwait National Petroleum Co. (KNPC) envisaged..... ...But when the nine bids for the four packages were submitted on Dec. 17, Project Director Ahmad al-Jeemaz said they were "way above" expectations.

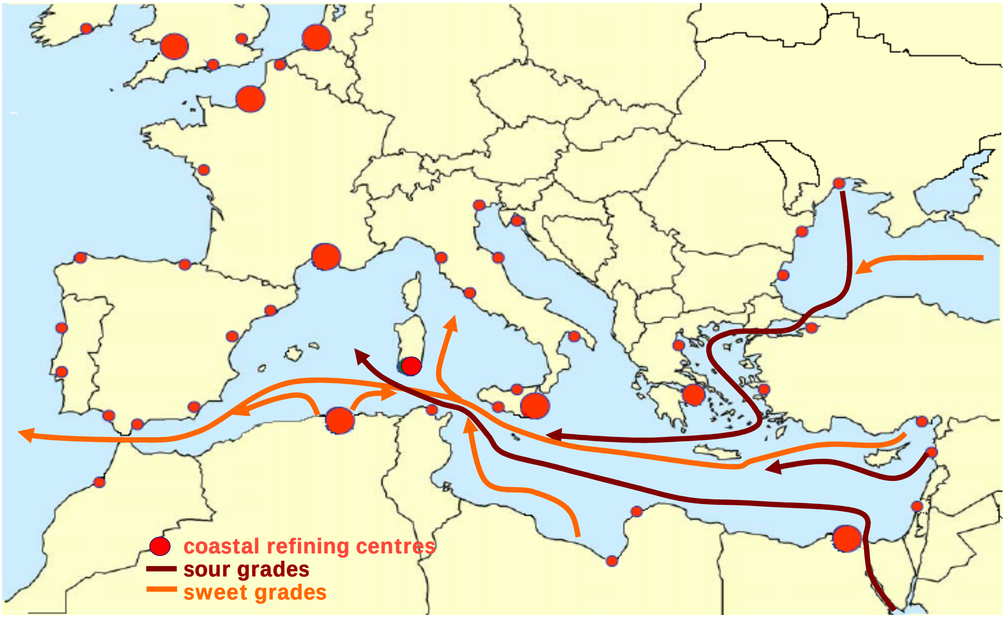
Major trends in Med crude and products markets

- Supply of indigenous crude in the Med is constantly increasing
- The Med is becoming a net crude exporter
- The Med crude slate is forecast to become sweeter and lighter, an exception to world average
- The Med is expected to become a “crude-buyers” market

The right place to be for complex and flexible refiners

Mediterranean Europe: crude demand and supply





Source: Purvin&Gertz

Major trends in Med crude and products markets

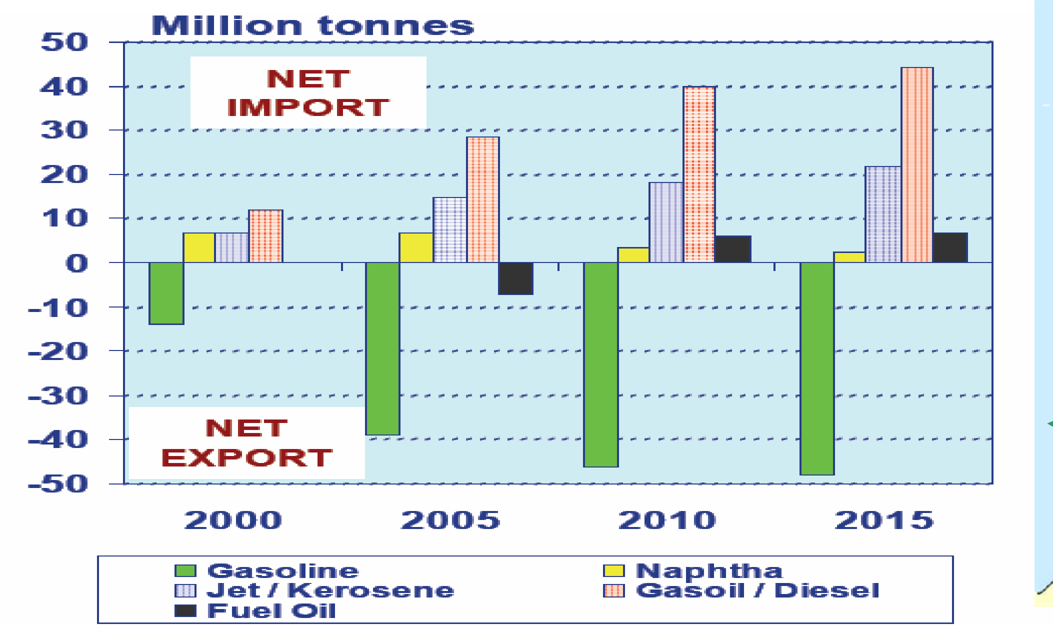
- Shortfall in diesel and kerosene becoming more difficult to satisfy

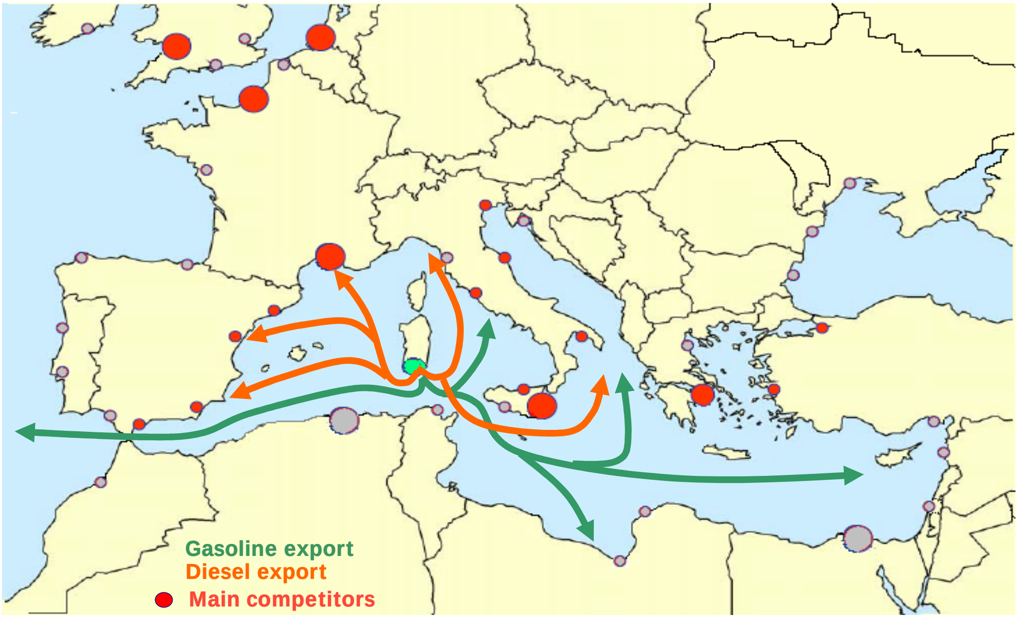
Saras is just in front of the main diesel importing regions such as North of Italy, South of France and Spain

- Structural surplus of gasoline likely to grow

Saras is only marginally exposed to the US market being a key supplier of gasoline to Italy, North Africa and the East Med

Mediterranean Europe: diesel and gasoline balance

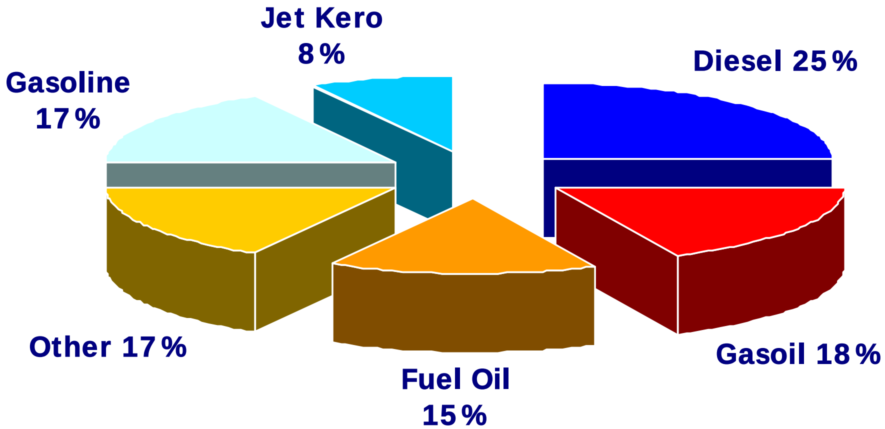


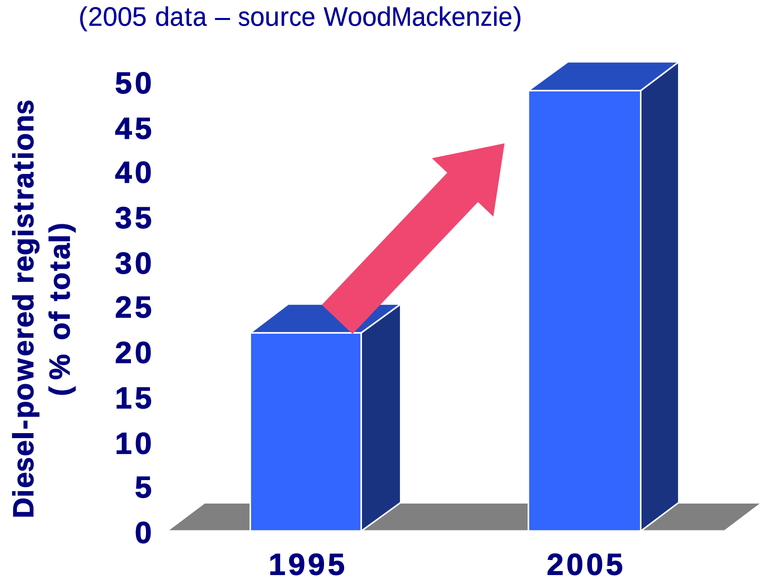


Source: Purvin&Gertz

The drivers of Diesel growth in Europe

- In western Europe Diesel represents 25% of total oil products demand and 50% of transport fuels
- 70% of Diesel demand comes from the commercial transport sector





- New registrations show a continuous growth of diesel-powered cars

- Future diesel growth will also be influenced by the switch of non-road diesel (now used for instance in the agricultural sector) to 10 ppm sulphur specification (i.e. road diesel) that probably will be required by EU legislation sometime after 2010.
- Discussion also going on for potential switch of bunker fuels to gasoil

New investments in the Med area for diesel

Capacities in B/D	Expected completion	Crude Capacity	Hydrocracking	Coking
Petronor, Bilbao	2009			40000
Huelva	2010	85500	37000	
Cartagena	2009	110000	50000	60000
Castellon	2009			19000
Taranto	2009		18000	
Hellenic, Elefsis	2010		40000	20000
Total		**195500**	**145000**	**139000**

(source: Purvin&Gertz)

- New diesel oriented investments in the Med are mainly in Spain and will add about 10 Mton/y of diesel oil supply by 2010-2011
- Diesel demand in Spain, Italy and southern France is projected to grow by about 2.5 Mton/y

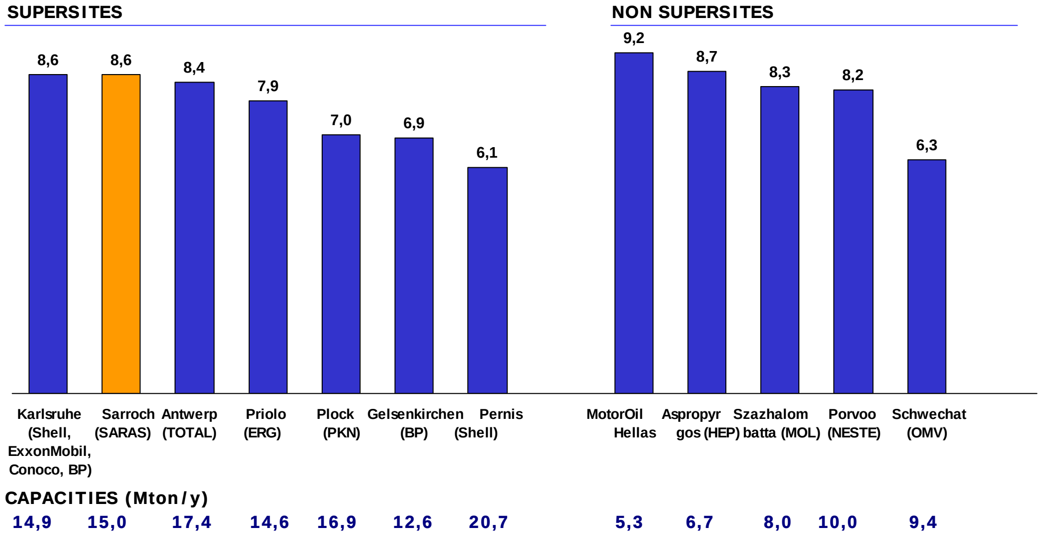
Increased supply just enough to keep up with increasing demand in 4 years time (conservative because not considering fast growing areas such as East Med and Northern Africa)

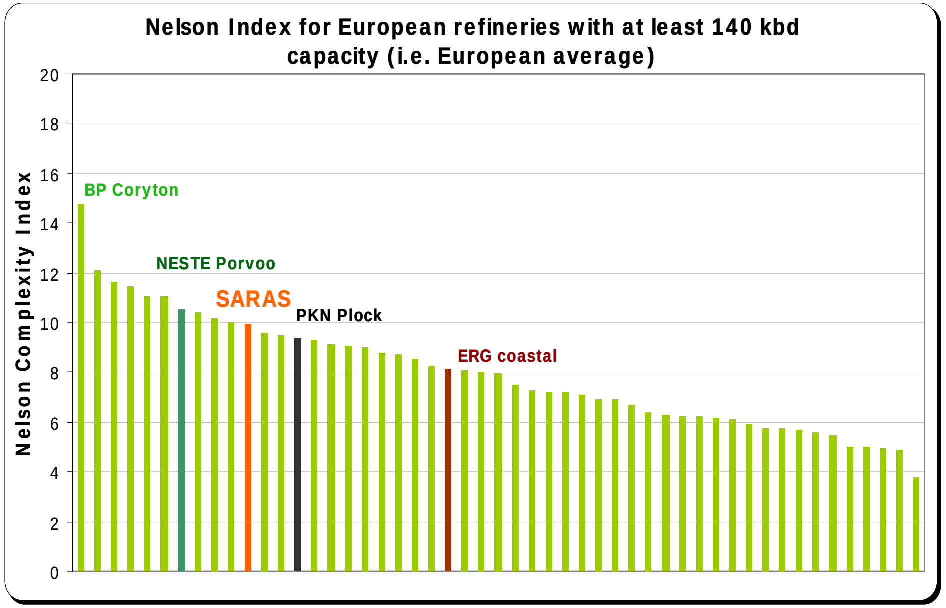
Saras is:

- **Supersite already able to fully exploit current market trend in refining margins**
  - ✓ Second most complex supersite in Europe (*)
  - ✓ Nelson complexity(**) included 100% Sarlux ownership and Petrochemical : **9.7**
  - ✓ Full integration with IGCC power plant

WoodMackenzie: complexity indexes for the major European refineries (*)

All Data from WoodMac Downstream Online (data available as of February 2007):
(*) Note for Saras: reported complexity by WoodMac is 7.9 but does not include full ownership of IGCC and is based on 313 kbcd capacity
We are restating Saras complexity (under WoodMac methodology) considering 100% IGCC ownership and a capacity of 300 kbcd





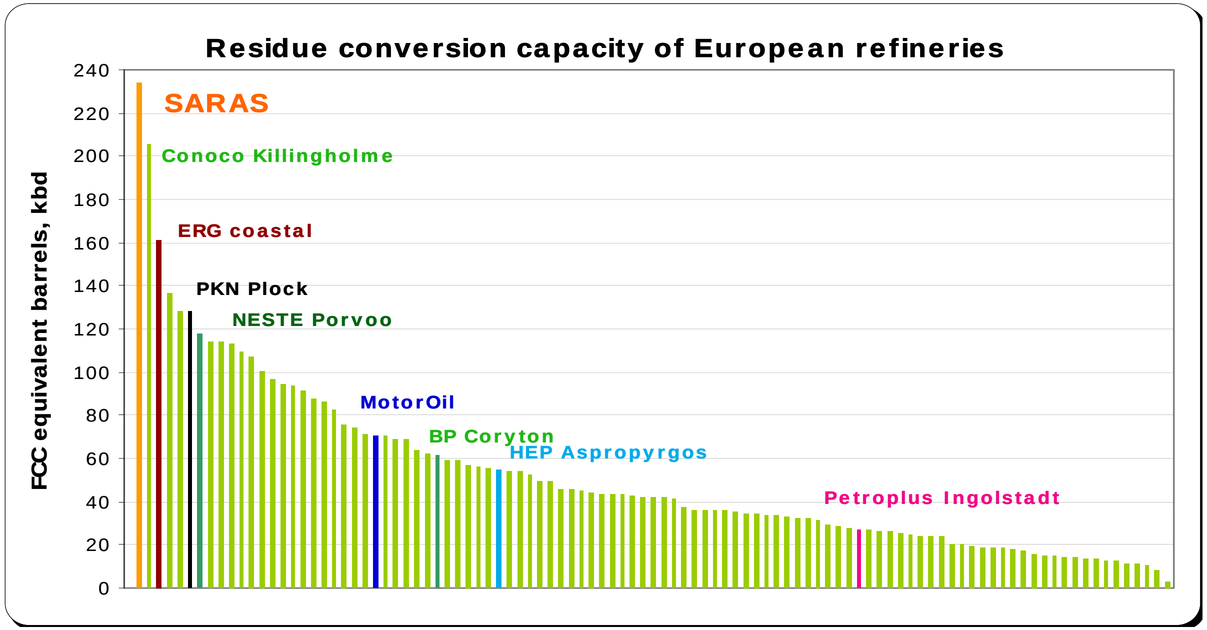
(*) Source: Wood Mackenzie, February 2007 "*High complexity means that a refinery has had a continuous historical capital investment and as a result should have an above average yield quality and hence higher value products".* **(**Wood Mackenzie**)**

(**) Source: Saras elaboration on Oil&Gas Journal (1976, 2004) methodology

Saras is:

- The Nelson complexity index mainly reflects mechanical complexity and, as a consequence, construction and maintenance costs: therefore **it's certainly related with replacement cost, but we don't believe that it's the most appropriate way to measure profitability**

- In the current and forecast European refining business environment, hydroskimming capacity earns no or very low margins. Refining margins are largely the result of the capability to convert atmospheric residue into lighter products



- To capture this, another important metrics for refineries is the **FCC Equivalent index**, that expresses the conversion capacity compared to the one achieved by an FCC of identical capacity

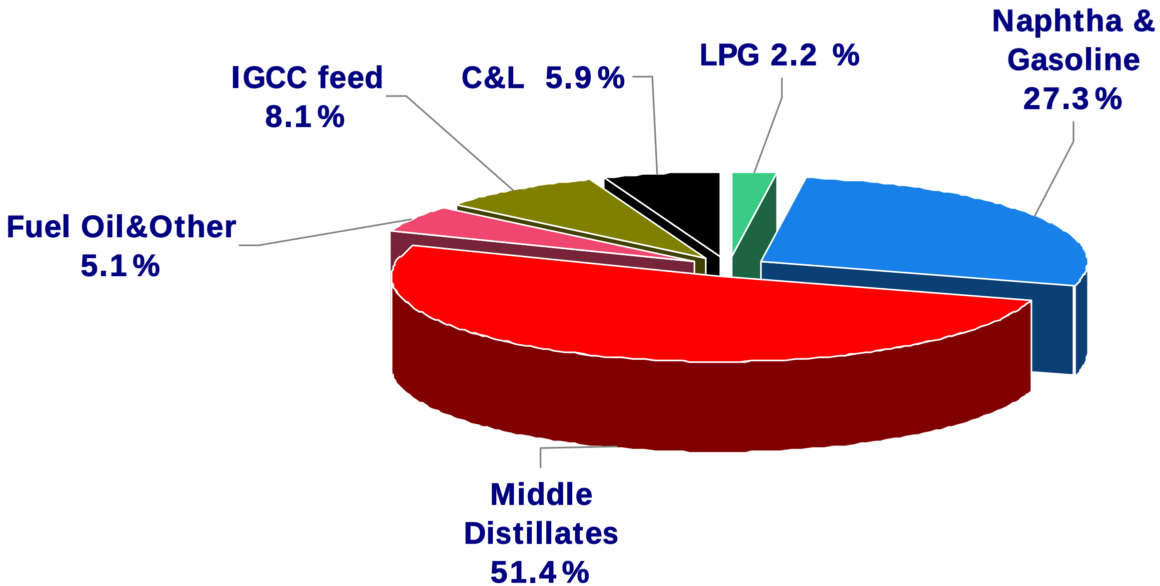
NOTES:
Saras: 100% IGCC included, petrochemical integration excluded
ERG: coastal refining data, 51% IGCC included, capacities as from recent company presentations (new 2007 configuration), new FCC feed pretreatment included
NESTE: 2007 diesel project included

Source for capacities and complexity indexes: OGJ Worldwide Refining Survey
Source for FCC equivalent Indexes and IGCC complexity Index: Wood Mackenzie

Saras is:

- **At the crossroad of major oil routes in the Med**
  - ✓ Med to become a net crude exporter with positive pressure on prices
  - ✓ Profitable opportunities from increasingly frequent discoveries of new “difficult” crude
  - ✓ Saras is to the best of our knowledge the first Western refinery to have recently experimented new extremely challenging African crudes

- **A Diesel oriented refinery just in front of the main Diesel importing regions**

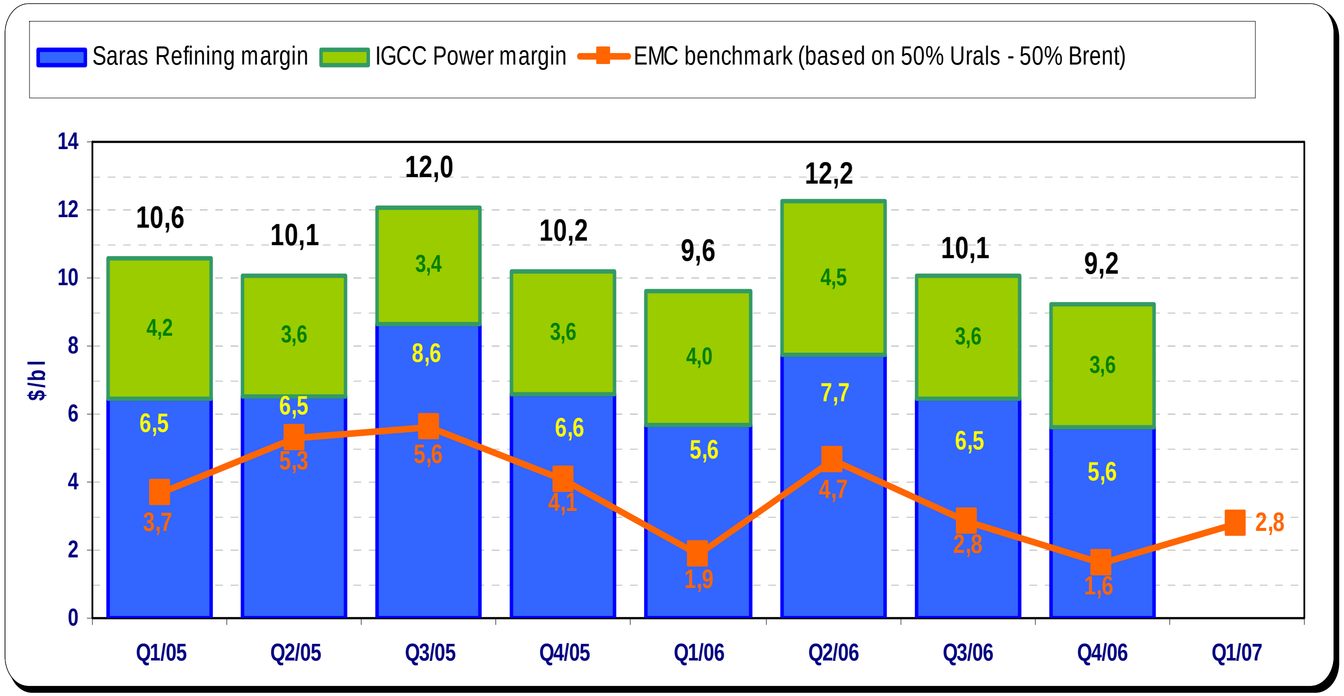


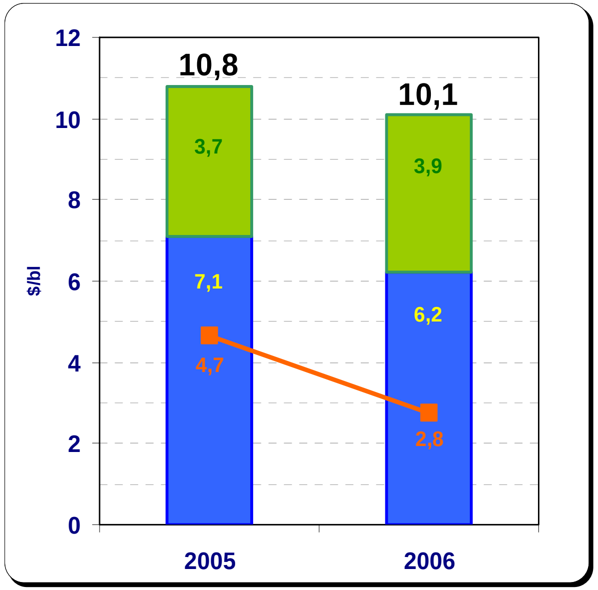
Middle distillates are mainly Diesel (ULSD)

Track record of superior margins

$/bl	Q1/05	Q2/05	Q3/05	Q4/05	Q1/06	Q2/06	Q3/06	Q4/06	Q1/07
EMC benchmark (based on 50% Urals - 50% Brent)	3,7	5,3	5,6	4,1	1,9	4,7	2,8	1,6	2,8
Saras refining margin	6,5	6,5	8,6	6,6	5,6	7,7	6,5	5,6	
IGCC power margin	4,2	3,6	3,4	3,6	4,0	4,5	3,6	3,6	
Saras refining&power margin	10,6	10,1	12,0	10,2	9,6	12,2	10,1	9,2	

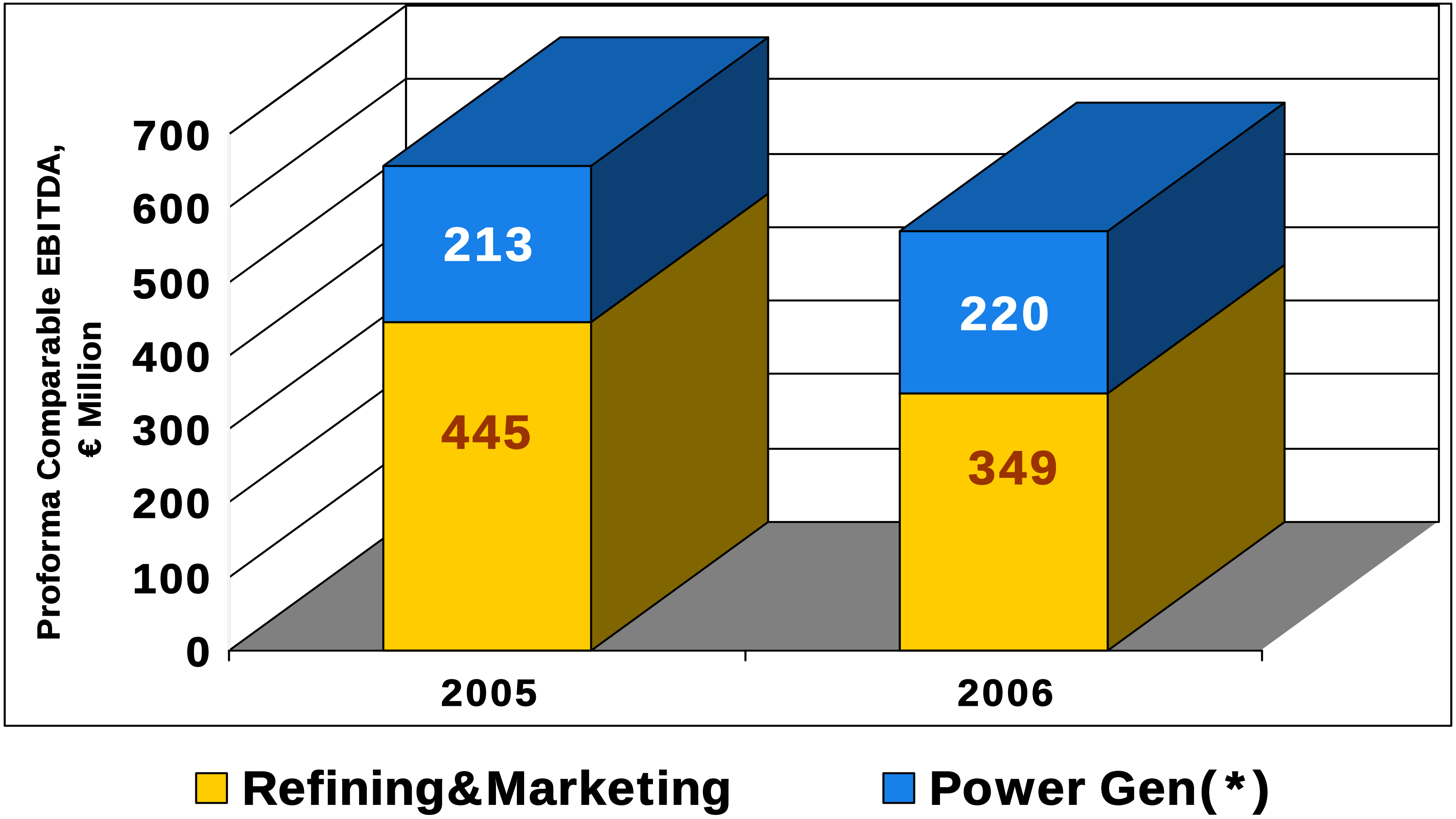
Q2/06: loss of **1.2 $/bl** on refining margin due to reduced conversion for major maintenance
Q3/06: loss of **0,6 $/bl** on refining margin due to unplanned CCR shutdown





- **The EMC benchmark is published on the company website and updated weekly**

Margins stability: influence of Power



(*) Substantially flat until 2021 due to IFRS linearization

EBITDA/EBIT by segment

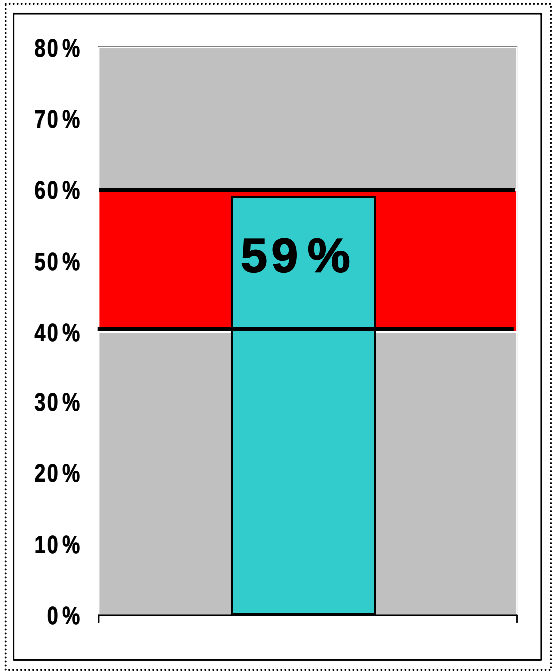
Proforma EBITDA (M€)	2005	%	2006	%
REFINING	422	*65*	324	*57*
POWER	213	*33*	220	*39*
MARKETING	23	*3*	25	*4*
OTHER	-4	*-1*	-1	*0*

Proforma EBIT (M€)	2005	%	2006	%
REFINING	348	*72*	255	*63*
POWER	120	*25*	132	*33*
MARKETING	22	*5*	21	*5*
OTHER	-8	*-2*	-4	*-1*

Attractive dividend policy

The Board of Directors will propose to the Annual General Meeting:

Payout ratio %



Target between 40% and 60%

2006 dividend

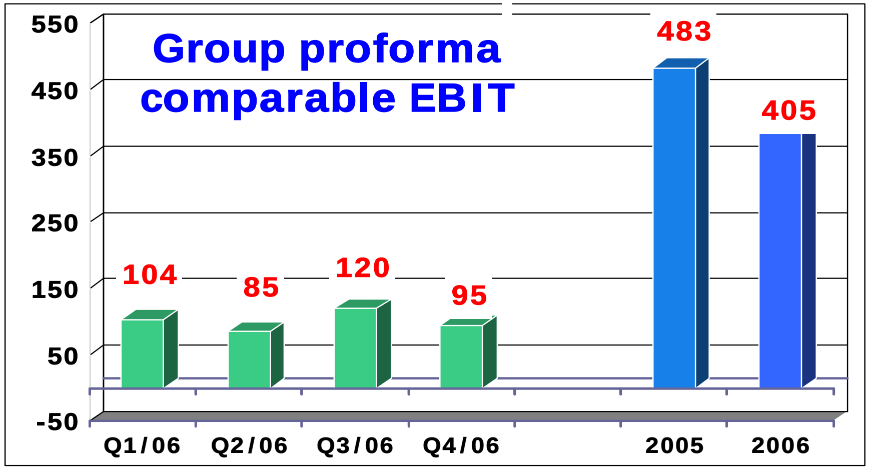
0.15 €/share

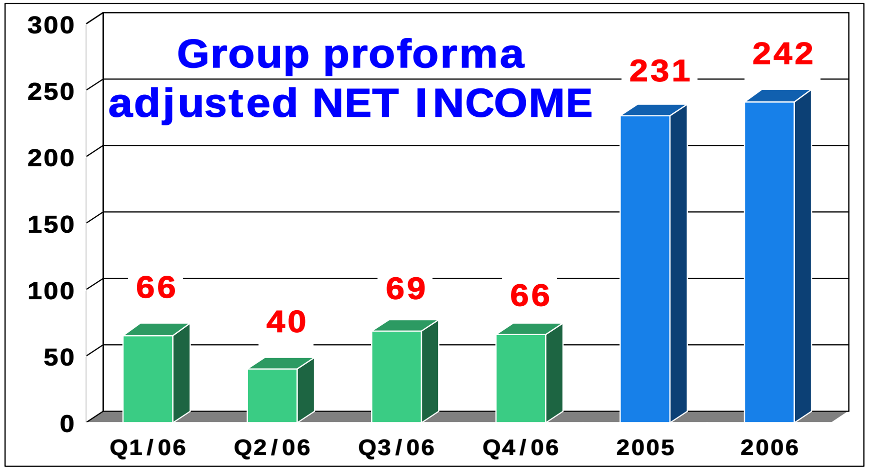
Payout from adjusted 2006 EPS of € 0.25

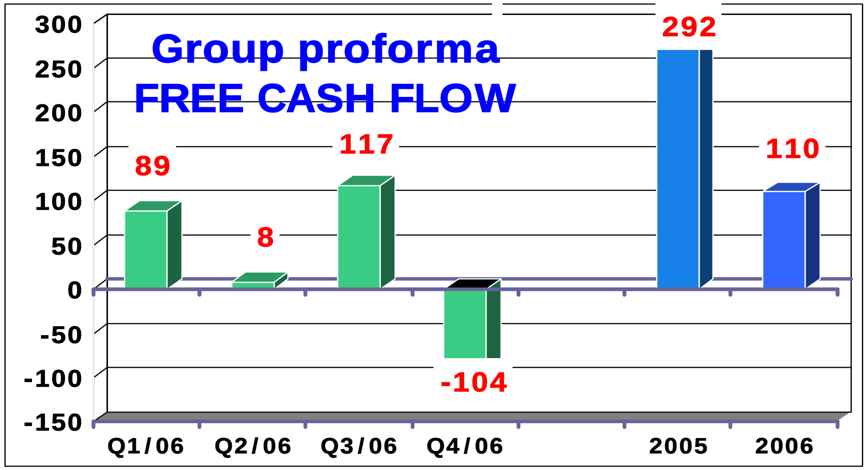
Dividend yield on 2007 EPS consensus : above 4%* , one of the highest in the sector

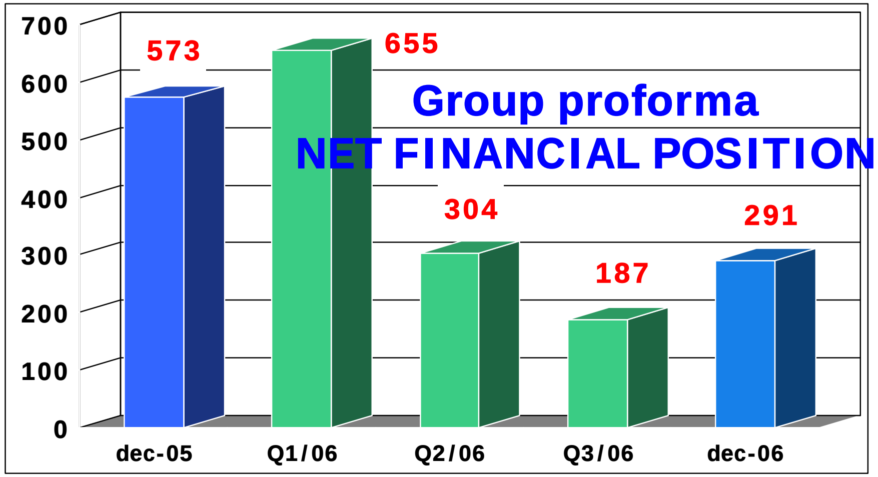
(*) at 4.4 €/share with 2007 EPS consensus at 0.30

Financial Highlights



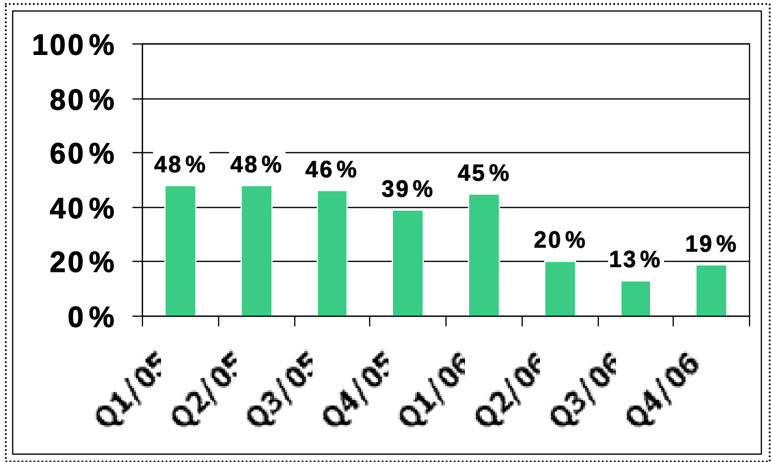




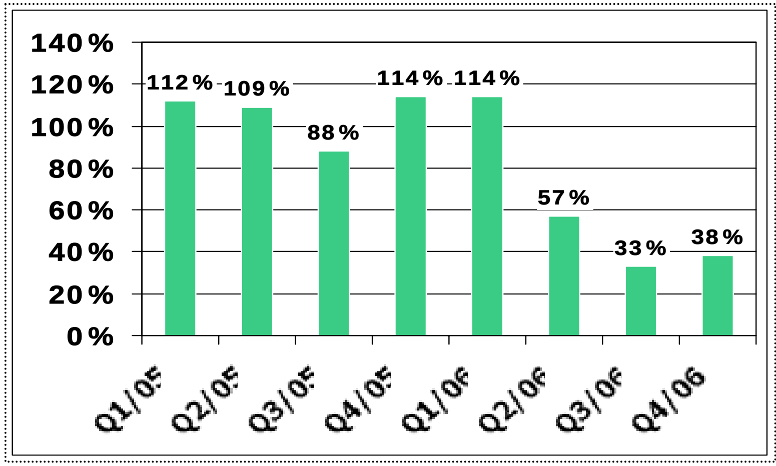


Key ratios

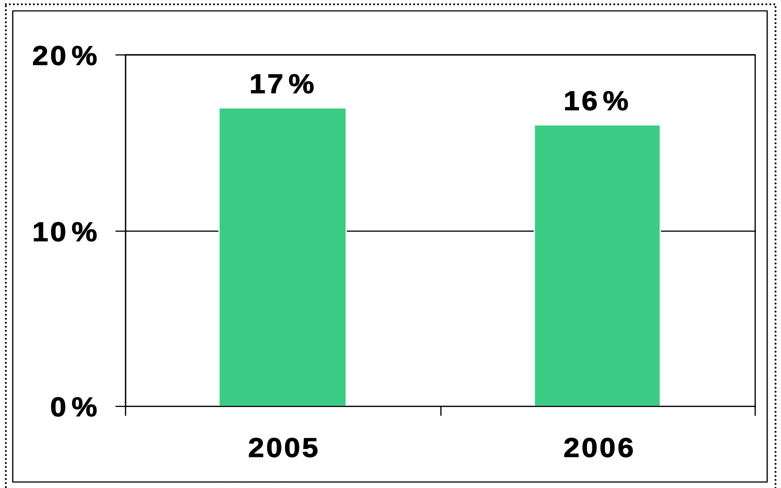
leverage[1] , %



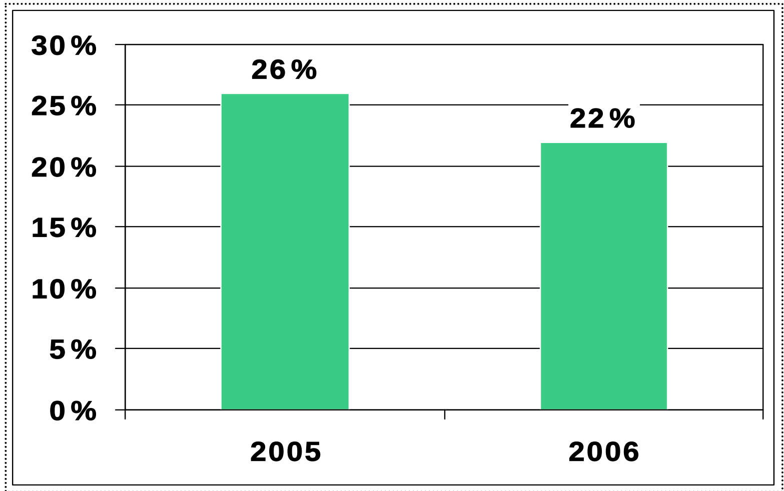
NFP/EBITDA, %



ROACE[2], %



Return on Equity , %



1) NFP/NFP+equity 2) after tax

CIP6 UPDATES

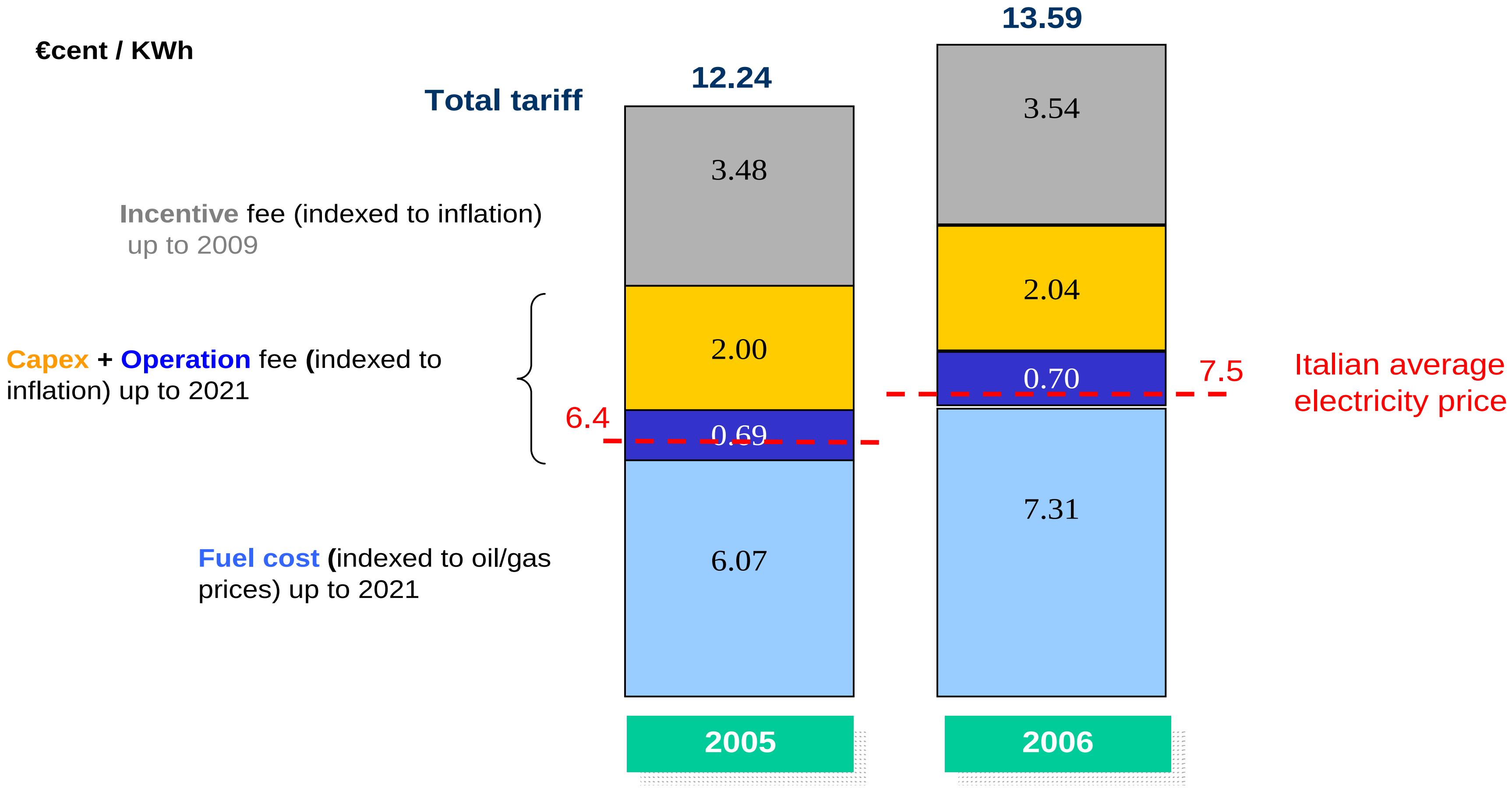
- Resolution No. 249/06, dated 15 November 2006 from the Italian energy authority modifies the criteria for evaluating the fuel cost component of the price of the electricity generated by CIP 6 plants

- Saras believes that the above mentioned resolution is unlawful for several reasons and consequently challenged the resolution before the relevant Court

- The recently approved budget law for 2007 (art.1117) confirms applicability of CIP6/92 law for all the plants already built and operational

CIP6 tariff

CIP 6 tariff components



CO_2 UPDATES

- **Article 7bis of CIP6/92 law** state: “the sale price of electricity will be updated in case of changes of regulations implying higher or additional costs for the producers”

- The guidelines of Italian energy authority, issued on 15th November 2006, confirm applicability of article 7bis to the CO2 related costs and also define reimbursement mechanism.

- Final resolution from the energy authority expected in the coming weeks

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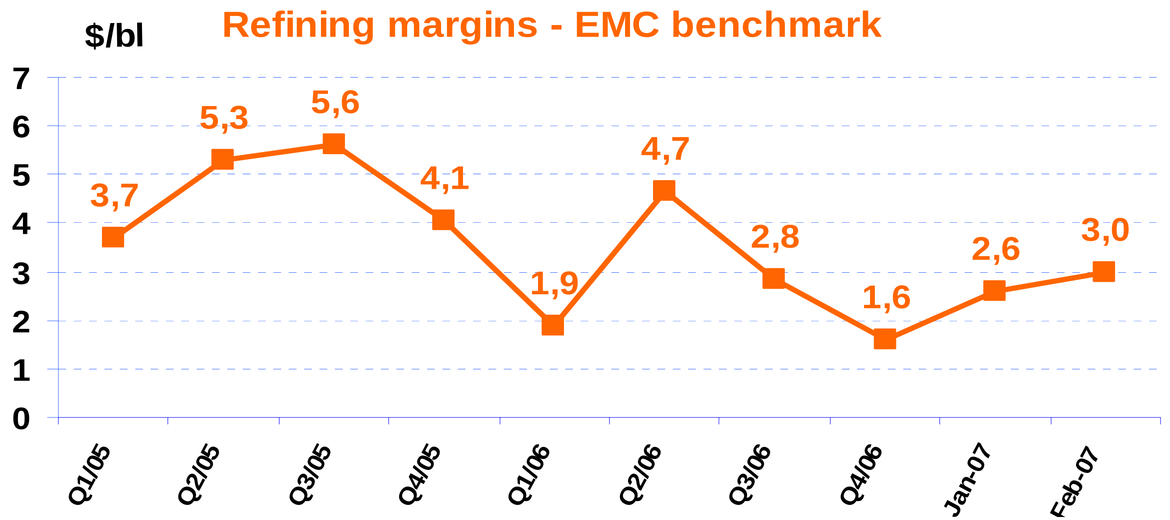
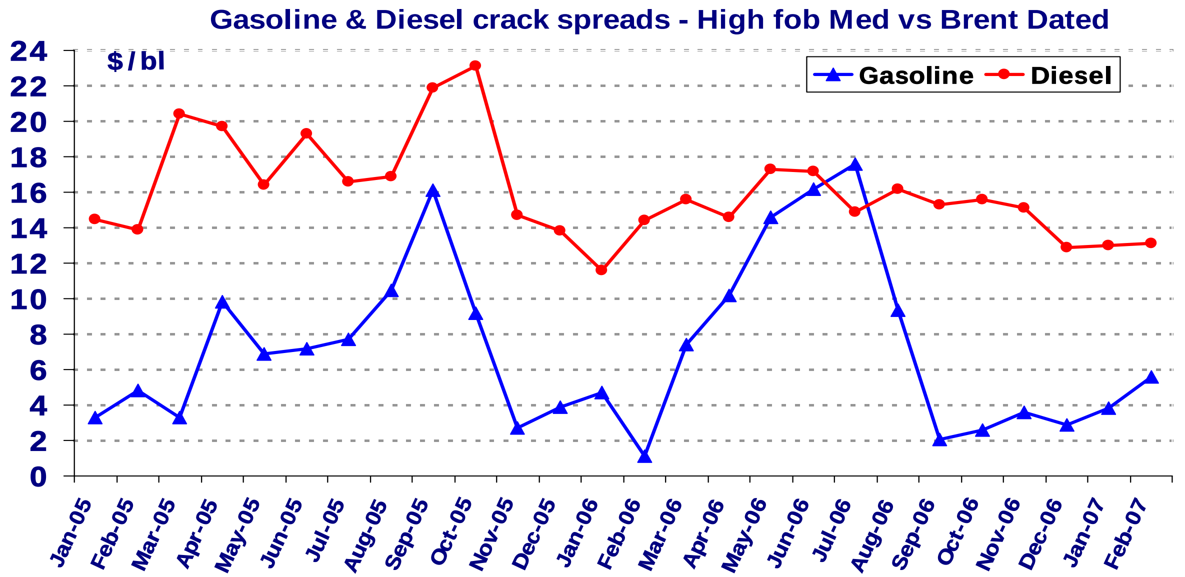
- Financial highlights
- **Outlook and strategy**
- Appendix

Short term outlook

- Margins are expected to remain robust throughout 2007





Short term outlook

- Diesel oil demand continues to increase in the Med allowing diesel oriented refineries, such as Saras, to fully exploit the market trend
- Med to become a net crude exporter with positive pressure on prices
- Saras' refinery flexibility allows it to take advantage of more frequently available "unconventional" crudes
- Improved conversion capacity from Q3/07 to add about **0.6 $/bl** to Saras refining margin
- Processing contracts renewed in line with current market conditions allowing Saras to retain the highest portion of the upside with an efficient protection against margin downturns
- Sarlux project finance restructuring ongoing. Benefits from Q2/07
- Hedging in place on refining margins
  - ✓ about 2 million barrels per quarter (15% of own crude runs)
  - ✓ level of margin hedging : EMC benchmark about 4.0 $/bl

Medium Term Growth Strategy: Refining

Plan	Target (base year 2005)	Delivered	notes	Total estimated impact on refining margins/ EBITDA
Increase conversion capacity	**350,000** t/y of ULSD **by 2008**	**200,000** t/y in **Q3/06** (ahead of schedule) **200,000 t/y** of Heating oil converted into ULSD in **Q3/06** (additional achievement) **50,000** t/y of high octane gasoline in **Q3/06**(additional achievement)	**150,000** t/y by **Q3/07** (ahead of schedule)	1.0-1.3 $/bl
Improve energy efficiency	**0.5%** reduction Cons.&Losses by **2009**		Engineering phase	0.25-0.3 $/bl
Heavy up crude slate	**-2 deg API** by **2009**		Engineering phase	0.6-0.8 $/bl
			TOTAL	**1.85-2.4 $/bl**
Increase refinery runs	**15,1** million ton in **2008** (from 14.4 in 2005)		Runs in 2006 similar to 2005 despite significant maintenance	**40-60 M$** per year on EBITDA

- **CAPEX 600 m€ in the period 2006-2009 (roughly half is maintain capacity)**
- **108 m€ (excluding Sarlux) spent in 2006**
- **Planned CAPEX for 2007 approximately 150 M€**

Medium Term Growth Strategy: Others

- **Biodiesel**
  - ✓ 200,000 tons/year plant in Cartagena (Spain) operational in Q1/08
  - ✓ Investment of 35-40 M€ totally on Saras balance-sheet (impact on EBIT 10-15 M€/y and expected IRR above 20%)

- **Wind**
  - ✓ Planned addition of 12MW (+14%) at Ulassai are under review because of change in law
  - ✓ Pipeline of projects under development are in the permitting phase

- **Gas exploration**
  - ✓ Saras started in January 2007 seismic tests in Sardinia
  - ✓ Committed **5 to 10 M€** in the period 2007-08 for seismic tests
  - ✓ We have no plans to enter the E&P sector alone; if results are positive we will evaluate which further steps might be taken

What is beyond?

- **Evaluating refinery step change opportunities**
  - ✓ stringent investment criteria
  - ✓ 10% Hurdle rate (after tax) in <u>worst case</u> scenario
- **Careful scrutiny of possible core business M&A opportunity**
  - ✓ strategic fit
  - ✓ financially disciplined approach: “no growth for growth’s sake”
    - EPS accretion
    - compatibility with strong credit profile
- **Ensuring continuation of our Best-in-Class status to maximise value creation**
  - ✓ Accelerating the pace of modernization
  - ✓ Improving operational efficiency
  - ✓ Best practice communication
- **Attractive dividend policy**
  - ✓ payout in the 40-60% range

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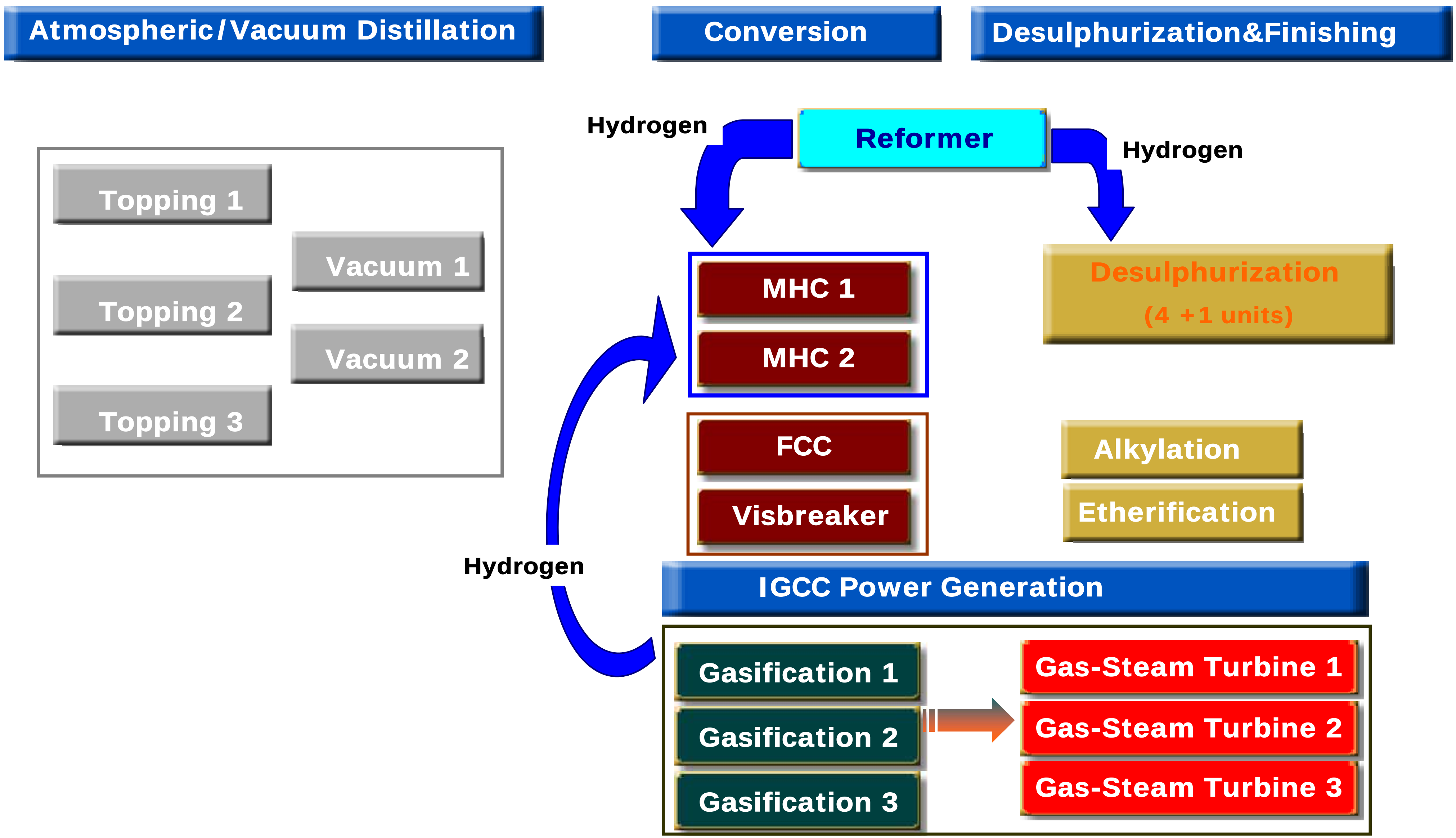
Major maintenance schedule

REFINERY	Q1/07	Q2/07	Q3/07	Q4/07	2007	2008
PLANT		1Topping 1Vaacum Visbreaking		1Topping 1MHC		
estimated RUNS (Mton)	3.65-3.75	3.25-3.35	3.70-3.80	3.35-3.45	14.0-14.4	15.0-15.2
additional estimated loss on EBITDA (Million $)		7-10		7-10	14-20	

IGCC POWER PLANT	Q1/07	Q2/07	Q3/07	Q4/07	2007	2008
PLANT		1gasifier 1turbine		1gasifier 1turbine		
estimated power prod. (MWh)	1.1-1.2	1.0-1.1	1.1-1.2	1.0-1.1	4.2-4.6	4.2-4.6

- 2007 maintenance schedule will affect refinery runs and also marginally conversion; no major maintenance in 2008
- Maintenance on IGCC power plant **will have negligible impact on IFRS EBITDA** since maintenance cycles already included in the linearization procedure required by IFRS accounting principles

Refining Structure



Fixed and variable costs

REFINERY	Q105	Q205	Q305	Q405	2005	Q106	Q206	Q306	Q406	2006
refinery runs (Mbl)	25,3	25,6	26,9	27,5	105,3	27,1	21,3	27,5	28,4	104,3
exchange rate	1,31	1,26	1,22	1,19	1,24	1,20	1,26	1,27	1,29	1,26
refining IFRS LIFO EBITDA (M€)	83,6	89,9	147,2	100,8	421,5	77,7	66,8	98,5	80,8	323,8
EBITDA margin ($/bl)	**4,3**	**4,4**	**6,7**	**4,4**	**5,0**	**3,4**	**3,9**	**4,6**	**3,7**	**3,9**
fixed costs ($/bl)	**2,2**	**2,1**	**2,0**	**2,3**	**2,1**	**2,2**	**3,8**	**1,9**	**1,9**	**2,3**
variable costs ($/bl)	**1,5**	**1,4**	**1,3**	**1,3**	**1,4**	**1,6**	**2,4**	**1,7**	**1,6**	**1,7**

IGCC	Q105	Q205	Q305	Q405	2005	Q106	Q206	Q306	Q406	2006
refinery runs (Mbl)	25,3	25,6	26,9	27,5	105,3	27,1	21,3	27,5	28,4	104,3
exchange rate	1,31	1,26	1,22	1,19	1,24	1,20	1,26	1,27	1,29	1,26
Sarlux IFRS EBITDA (M€)	59,1	49,6	51,9	52,8	213,4	63,1	52,3	52,6	52,0	220,0
EBITDA margin ($/bl)	**3,1**	**2,4**	**2,4**	**2,3**	**2,5**	**2,8**	**3,1**	**2,4**	**2,4**	**2,6**
fixed costs ($/bl)	**1,1**	**1,1**	**1,1**	**1,4**	**1,2**	**1,2**	**1,4**	**1,1**	**1,2**	**1,2**
variable costs ($/bl)	**0,8**	**0,7**	**0,7**	**0,6**	**0,7**	**0,7**	**1,2**	**0,9**	**0,7**	**0,8**

Proforma income statement

€ million	Q4/06	Q4/05	Q3/06	2006	2005
EBITDA	102.4	102.1	84.7	526.2	783.7
Comparable EBITDA[1]	**138.9**	**157.2**	**160.5**	**567.5**	**653.6**
Depreciation	-43.7	-44.6	-40.5	-162.7	-170.9
EBIT	58.7	57.5	44.0	363.5	612.8
Comparable EBIT[2]	**95.2**	**112.6**	**120.0**	**404.8**	**482.7**
Net financial income (expenses)	5.9	27.0	11.7	-9.8	-93.9
Adj to the value of fin.assets[4]	2.5	-0.2	0.5	6.5	-0.4
Non recurring items[5]	-9.3	0.0	0.0	-22.2	0.0
Profit before taxes	57.8	84.3	56.4	337.9	518.5
taxes	-22.1	-36.3	-22.6	-130.0	-212.1
Net income	35.7	48.0	33.8	207.8	306.4
Adjusted Net income[3]	**66.2**	**74.0**	**69.2**	**241.9**	**230.5**

1. Comparable EBITDA: calculated evaluating inventories at LIFO
2. Comparable EBIT = Comparable EBITDA - depreciation&amortization
3. Adjusted NET INCOME = reported NET INCOME
   +/- (inventories at LIFO-inventories at FIFO) net of taxes
   +/- non recurring items net of taxes
   +/- Δ in derivatives fair value net of taxes
4. Adj to the value of financial assets: joint ventures consolidated by the Equity method (Wind)
5. Non recurring items: includes certain IPO costs in Q2/06 and other non recurring in Q4/06

Proforma income statement

Detail of consolidated NET INCOME adjustments

€ million	Q4/06	Q4/05	Q3/06	2006	2005
REPORTED NET INCOME	35.7	48.0	33.8	207.8	306.4
(Inventories at LIFO – Inventories at FIFO) Net of Taxes	22.9	34.6	47.7	26.3	-81.6
Non recurring items Net of Taxes	6.6			14.7	
Δ in derivatives value Net of taxes	0.8	-8.6	-12.3	-7.0	5.7
TOTAL ADJ TO REPORTED NET INCOME	30.4	26.0	35.4	34.0	-75.9
ADJUSTED NET INCOME	66.2	74.0	69.2	241.9	230.5
Reported EPS[1]	0.04	0.05	0.04	0.22	0.34
Adjusted EPS[1]	0.07	0.08	0.07	0.25	0.26

(1) Number of shares: 891,000,000 in 2005; 951,000,000 after IPO in Q2/06

Proforma Cash flow

€ million	Q4/06	Q4/05	Q3/06	2006	2005
INITIAL NET FINANCIAL POSITION	**-187**	**-724**	**-304**	**-573**	**-703**
CASHFLOW FROM OPERATIONS (a)	**-63**	**174**	**164**	**271**	**379**
of which *p/l+dep&amort.+change in provisions*	*93*	*134*	*93*	*494*	*699*
Working capital	*-157*	*40*	*71*	*-222*	*-320*
CASHFLOW FROM INVESTMENTS (b)	**-41**	**-24**	**-47**	**-161**	**-86**
Investments in tangible and intangible assets	*-41*		*-19*	*-133*	*-86*
Acquisition of service stations in Spain			*-28*	*-28*	*0*
CASHFLOW FROM FINANCING (c)	**0**	**0**	**0**	**172**	**-140**
Capital increase	*0*	*0*	*0*	*342*	*0*
dividends	*0*	*0*	*0*	*-170*	*-140*
TOTAL CASHFLOW FOR THE PERIOD (a)+(b)+(c)	**-104**	**151**	**117**	**283**	**152**
FINAL NET FINANCIAL POSITION	**-291**	**-573**	**-187**	**-291**	**-573**

Proforma balance sheet

€ millions	12/2004	31/3/05	30/6/05	30/9/05	12/2005	31/3/06	30/6/06	30/9/06	12/2006
CURRENT ASSETS	1,050	1,427	1,425	1,657	1,409	1,618	1,643	1,654	1,516
of which Cash	*166*	*357*	*242*	*282*	*227*	*261*	*300*	*393*	*232*
Other current assets	*884*	*1,069*	*1,183*	*1,372*	*1,182*	*1,356*	*1,344*	*1,261*	*1,284*
NON CURRENT ASSETS	1,775	1,752	1,732	1,702	1,684	1,676	1,689	1,707	1,707
TOTAL ASSETS	2,825	3,179	3,157	3,356	3,093	3,294	3,332	3,361	3,223
NON INT.BEARING LIABILITIES	1,179	1,336	1,479	1,426	1,376	1,574	1,502	1,520	1,410
INT. BEARING LIABILITIES	927	1,079	973	1,081	820	930	618	596	532
of which Sarlux Project Finance	*566*	*566*	*507*	*507*	*465*	*465*	*421*	*421*	*369*
EQUITY	719	765	705	849	897	790	1,211	1,245	1,281
EQUITY AND TOTAL LIABILITIES	2,825	3,179	3,157	3,356	3,093	3,294	3,332	3,361	3,223
LOANS TO UNCONSOLIDATED SUBSIDIARIES	35.3	28.6	68.8	75.2	19.4	13.6	14.6	15.8	8.9
NET FINANCIAL POSITION*	-726	-693	-662	-724	-573	-655	-304	-187	-291
NFP / EBITDA**		1.17	1.12	1.09	0.88	1.14	0.57	0.33	0.38

* Net financial position = Interest bearing liabilities – cash – loans to unconsolidated subsidiaries (wind)

** Calculated using comparable EBITDA figures

Refining

€ million	Q4/06	Q4/05	Q3/06	2006	2005
EBITDA	55.1	58.6	**31.0**	292.2	531.5
Comp. EBITDA[1]	**80.8**	100.8	**98.5**	**323.8**	**421.5**
EBIT	36.8	38.0	**13.8**	223.8	458.2
Comparable EBIT[1]	**62.5**	80.2	**81.3**	**255.4**	**348.2**
Capex	**26.0**	19.5	**15.2**	**108.0**	**57.3**
Total runs (kt)	**3,895**	**3,765**	**3,764**	**14,286**	**14,396**
Saras margin ($/bl)	**5.6**	**6.6**	**6.5**	**6.2**	**7.1**
EMC margin ($/bl)	**1.6**	**4.1**	**2.8**	**2.8**	**4.7**

1 calculated using IFRS accounting principles and evaluating inventories at LIFO

Power generation

€ million	Q4/06	Q4/05	Q3/06	2006	2005
EBITDA	**52.0**	52.8	**52.6**	**220.0**	213.4
EBIT	**29.9**	29.4	**30.5**	**131.7**	120.4
Capex	**13.0**	8.2	**1.3**	**16.0**	13.5
Electricity production (Mwh)	**999,000**	**921,100**	**1,177,076**	**4,467,000**	**4,346,900**
Power tariff (€cent/KWh)	13.49	13.28	**13.83**	13.59	12.10
IGCC margin ($/bl)	**3.6**	3.6	**3.7**	**3.9**	3.7

Power generation
(supplementary informations)

ITALIAN GAAP INCOME STATEMENT

€ million	Q4/06	Q4/05	Q3/06	2006	2005
EBITDA	68.8	53.5	88.7	323.8	269.7
depreciation&amortization	-13.6	-15.9	-13.5	-53.8	-61.8
EBIT	**55.2**	**37.6**	**75.2**	**270.0**	**208.0**
Net financial income/expenses	-2.9	-3.3	-2.7	-11.5	-14.2
Extraordinary items	0	3.3	0.0	0	3.0
Profit before taxes	52.2	37.7	72.4	258.5	196.7
NET INCOME	**32.4**	**22.9**	**45.2**	**160.9**	**121.8**

Marketing

€ million	Q4/06	Q4/05	Q3/06	2006	2005
EBITDA	-5.4	-10.0	**0.8**	15.1	43.1
Comp. EBITDA[1]	**5.4**	2.9	**9.3**	**24.8**	23.0
EBIT	-7.6	-9.2	**0.2**	11.7	41.9
Comp. EBIT[1]	**3.2**	3.7	**8.7**	**21.5**	21.8
Capex	**6.0**	0.3	**0.6**	**7.0**	1.2
Total sales (kt)	**870**	786	**775**	**3,217**	2,956
Sales in Italy (ktl)	**276**	300	**238**	**1,013**	1,036
Sales in Spain (ktl)	**594**	486	**537**	**2,204**	1,920

1 calculated using IFRS accounting principles and evaluating inventories at LIFO

Wind

100% figure, Saras share is 70%

€ million	Q4/06	Q4/05	Q3/06	2006	2005
EBITDA	7.9		5.4	25.7	
Depreciation&amortisation	-2.3		-2.3	-8.3	
EBIT	5.6		3.3	17.4	
Net financial expenses	-0.5		-1.9	-2.8	
Net income	3.2		0.8	8.9	
Adjusted Net income	1.7		1.4	8.1	
Electricity production (Mwh)	39,708		33,058	157,290	
Power price (€cent/KWh)	8.2		8.1	7.4	
Green certificates (€cent/KWh)	12.1		10.9	12.1	

Other

€ million	Q4/06	Q4/05	Q3/06	2006	2005
EBITDA	**0.7**	0.7	**0.1**	**-1.1**	-4.3
EBIT	**-0.4**	-0.7	**-0.5**	**-3.7**	-7.7
Capex	**1.0**	0.4	**0.3**	**2.0**	0.8

Analysts' recommendations

	SARAS	NESTE	ERG
ABN AMRO		BUY	
BANCA AKROS (ESN PARTNER)	BUY		HOLD
CABOTO EQUITY RESEARCH	ADD		BUY
CA CHEUVREUX	EXP. 04/07	1/SELECTED	OUTPERF
CITIGROUP		BUY	HOLD
CREDIT SUISSE - EUROPE	EXP. 12/07	NEUTRAL/OV	NEUTR
DEUTSCHE BANK SECURITIES		HOLD	
EUROMOBILIARE S.P.A.	BUY		HOLD
GOLDMAN SACHS & CO.	EXP. 06/07	NEUTRAL/NE	NEUTRAL
INTERMONTE	NEUTR		BUY
IXIS SECURITIES	EXP. 04/07	ADD	REDUCE
JPMORGAN	OVERW	NEUTRAL	OVERW
KEPLER EQUITIES	EXP. 12/07		BUY
LEHMAN BROTHERS	EXP. 12/07	2-EQUALW	
MANDATUM (ESN PARTNER)		BUY	
MERRILL LYNCH	SELL	NEUTRAL	BUY
MORGAN STANLEY	EQ-WT	EQUALWT/AT	EQ-WT
RASBANK			UNDERPERF
SOCIETE GENERALE	EXP. 03/07	HOLD	HOLD
UBM	ACCUM		ACCUM
UBS	BUY-2	REDUCE 2	BUY

	SARAS	NESTE	ERG
BUY / OVERWEIGHT / ACCUMULATE / OUTPERFORM / ADD	67%	36%	47%
NEUTRAL / EQUAL-WEIGHT / HOLD	22%	57%	41%
SELL / REDUCE / UNDERPERFORM	11%	7%	12%

SOURCE: THOMSON (UPDATE 28/02/2007)