



# Investor Presentation



Last update: Apr 2010



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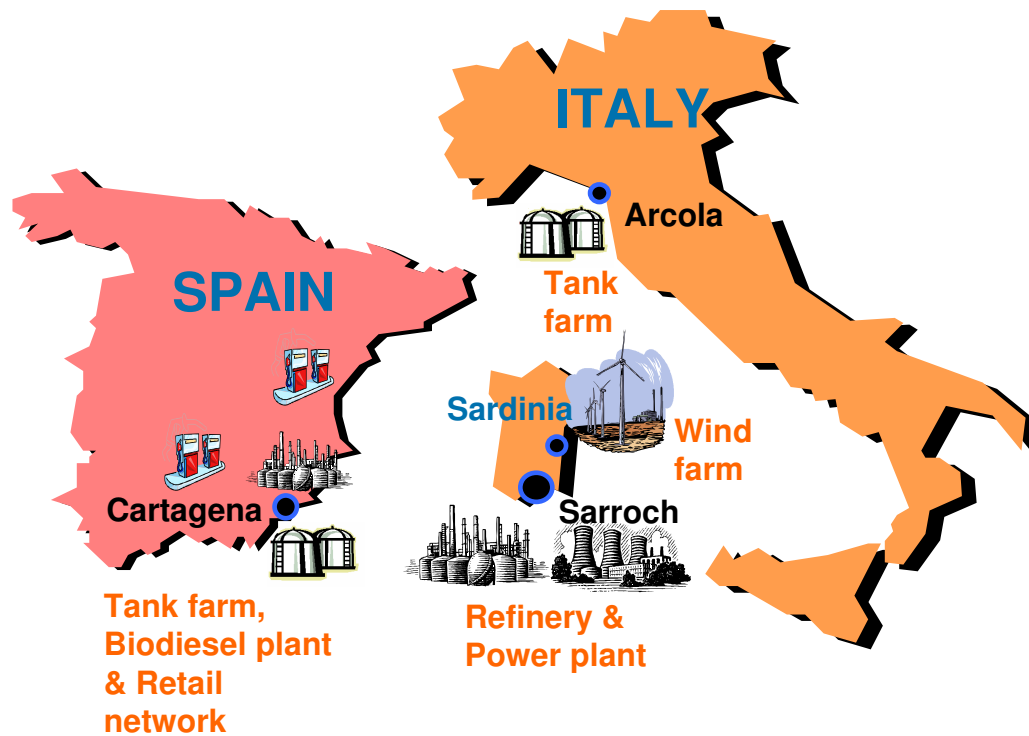


Certain statements contained in this presentation are based on the belief of the Company, as well as factual assumptions made by any information available to the Company. In particular, forward-looking statements concerning the Company's future results of operations, financial condition, business strategies, 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.

- 
- **Saras in a Snapshot**
  - **Market Overview**
  - **Business Segments**
  - **Financials**
  - **Investment Plan & Others**



## PURE PLAY REFINER WITH STABILIZATION OF RETURNS FROM POWER GEN



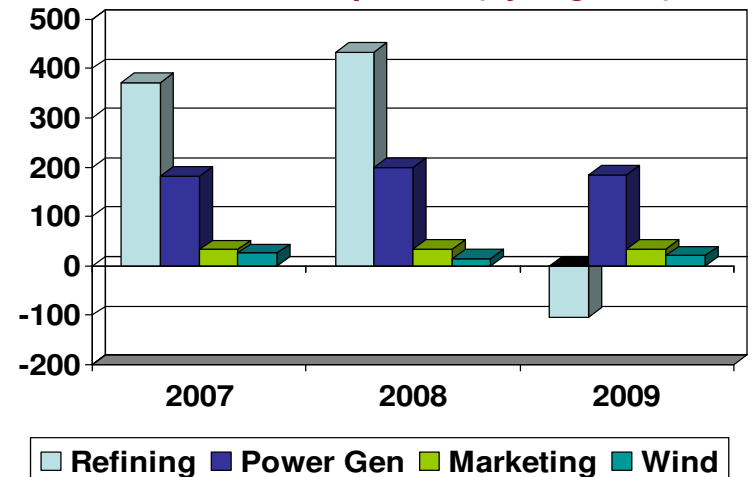
### HISTORY:

- 1962: Saras founded by Mr. Angelo Moratti
- '70s: Third party Processing
- '80s: Increase of conversion capacity
- '90s: Environment, new technologies and expansion in wholesale market (Italy & Spain)
- Early 2000s: Further investments to increase conversion and Power business
- 2005: Investments in Renewables (Wind)
- 2006: Listing on Italian stock exchange
- 2007- 09: Upgrades and revampings of refinery assets for environmental, conversion and product quality purposes

### ASSETS:

- 300kbd high complexity refinery, integrated with Pet-Chem & Power
- World's largest liquid fuel gasification plant (575MW capacity)
- Marketing activities in Italy and Spain (sales of 4mta, mainly diesel)
- 200kta Biodiesel plant in Cartagena, integrated with existing depot
- Renewables (72MW Wind farm, upgradeable to 96MW)

### EBITDA Comparable (by segment)





## VISION

- Best in class refiner, through sustainable technological excellence

## STRATEGIC GOALS

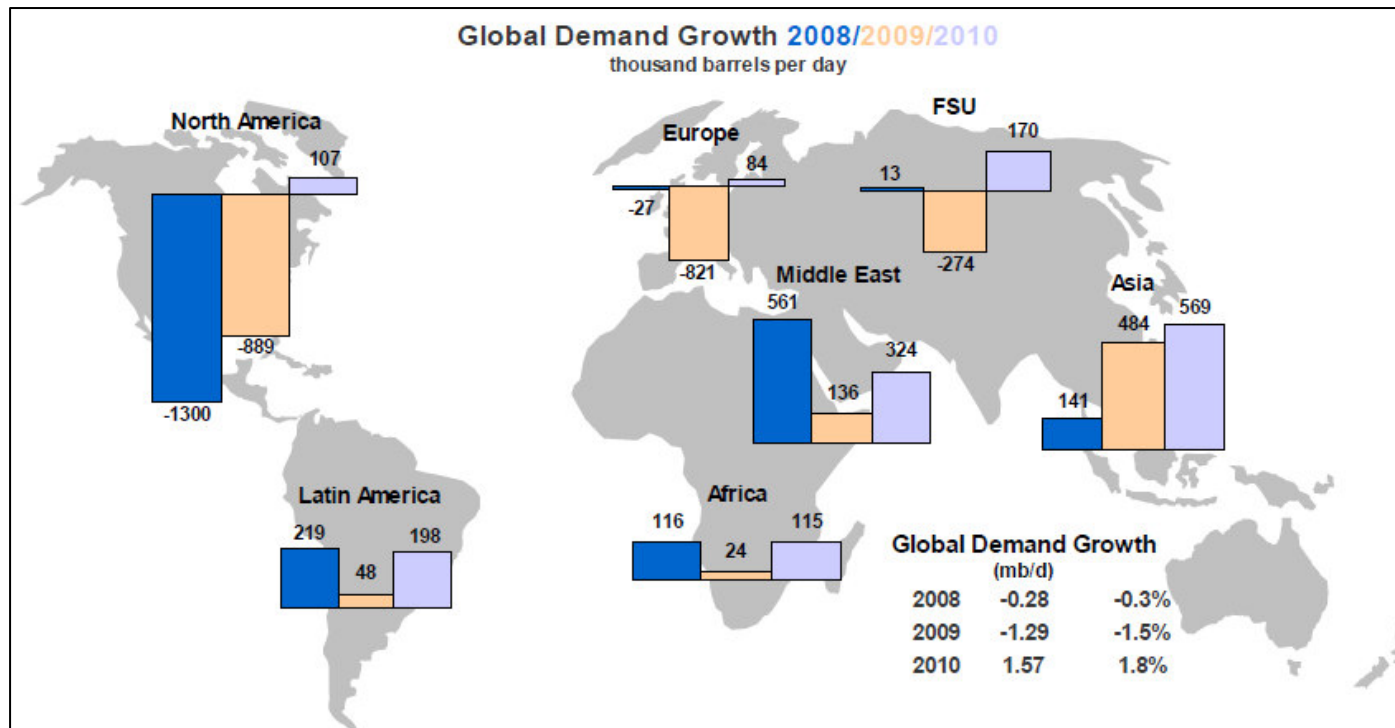
- Prioritize organic growth in our core business, moving towards a “ZERO FUEL OIL” configuration
- Grow selectively in marketing & renewables
- Top of the industry return on investment



- 
- Saras in a Snapshot
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## GLOBAL DEMAND FOR OIL PRODUCTS – SHORT TERM VIEW



Sources: IEA "Monthly Oil Market Report" (Feb10)

➤ **World oil demand in 2009 settled at 84.9 mb/d (-1.5% vs. 2008):**

- ✓ **OECD down by 4.4%**, mainly due to Japan (-6.1%), North America (-3.7%) and Western Europe (-5.2%)
- ✓ **Non-OECD up by 2.0%**, driven by China (+7.7%), India (+5.2%) and Middle East (+2.0%)

➤ **However, in line with latest IMF assumptions on GDP growth, on the back of surging demand in emerging economies, and according to positive signals from various economic indicators, recovery is now starting to materialize, and it should achieve a stable pace in H2/10. Therefore, 2010 global oil demand is expected to reach 86.5 mb/d (+1.8%)**

- ✓ driven by **non-OECD Asia** (China +4.7%, India +3.8%), **Middle East** (Saudi Arabia +4.9%), **Latin America** and **Africa**

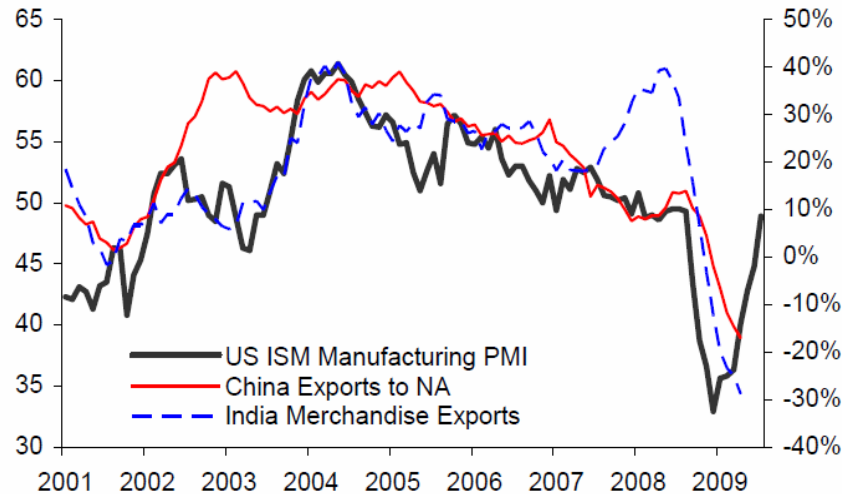




## GLOBAL DEMAND – THE STAGE IS SET FOR A REBOUND

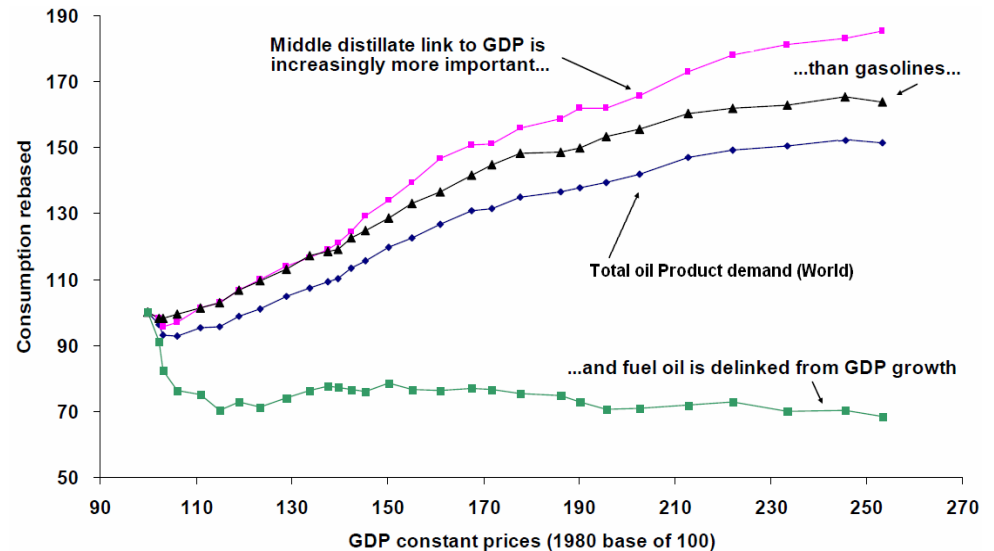
### Historical Correlation between US PMI and Global Trade

(rhx: US PMI) (lhx:China and India exports YoY%Δ)



Sources: Bloomberg, Morgan Stanley Commodity Research

### Historical link between GDP and Oil products consumption



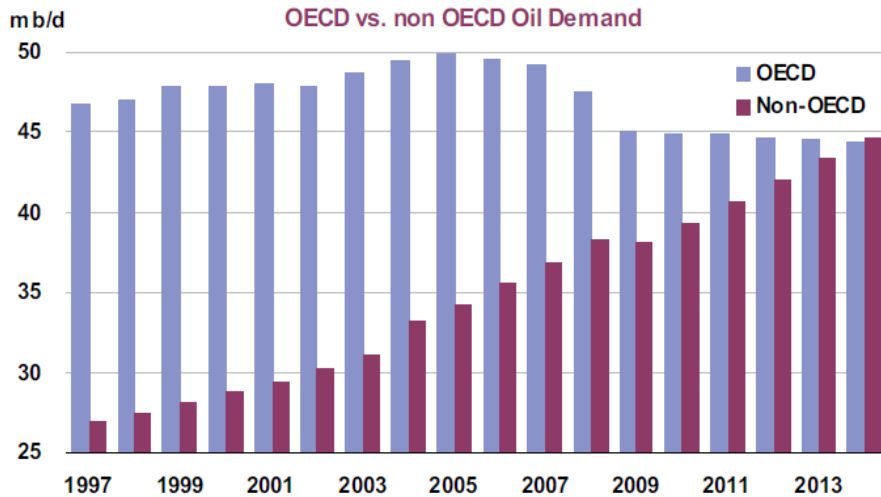
Sources: IMF, BP Statistical Review, Morgan Stanley Research

- The US Purchasing Manager Index (PMI) is one of the best indicators for economic activity. It reflects the percentage of purchasing managers in a certain sector that report better business conditions than in the previous month (PMI > 50 = expanding economy)
- The US PMI is also a good leading indicator (by approx. 3 months) of export activity from India and China
- Recent readings above 50 indicate that we have now moved back into expansion territory

- There currently is no credible large-scale substitute for transport fuel other than liquid hydrocarbons
- Increased consumer efficiency, natural gas usage, biofuels and nuclear can all play a part in easing the planet's reliance on gasoline, diesel and jet fuel
- However, the above factors are highly unlikely to derail the link between GDP growth and oil consumption over the next two decades

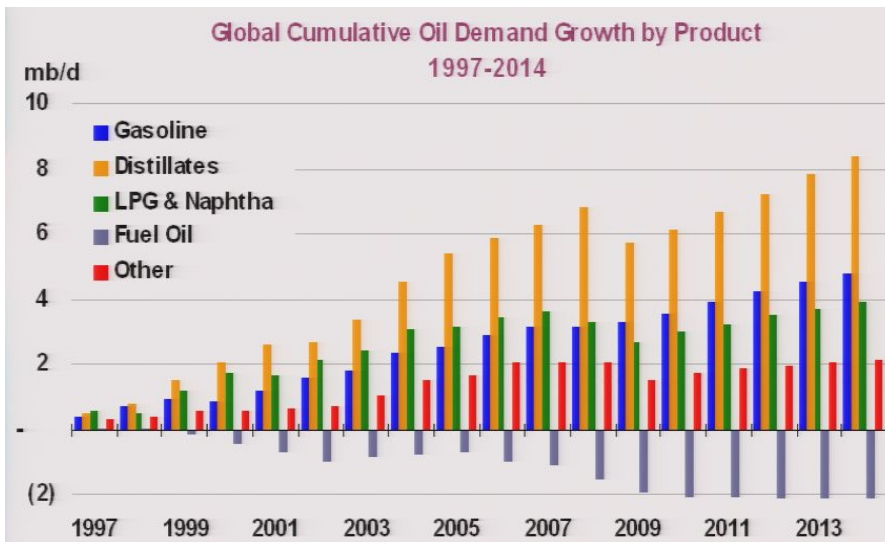


## GLOBAL DEMAND FOR OIL PRODUCTS – MID TERM VIEW (2014)



➤ **There will be geographic differences in demand growth:**

- ✓ OECD expected to decrease by 1.1% on average per year, from 47.5 mb/d in 2008 to 44.4 mb/d in 2014
- ✓ Non-OECD, by contrast, forecasted to increase by 2.6% per year, from 38.3 mb/d in 2008 to 44.6 mb/d in 2014



➤ **And diverging trends for individual products:**

- ✓ Transportation needs are expected to account for roughly 80% of global cumulative demand growth
- ✓ Demand for Middle Distillates has grown faster than any other product category, and it will continue to do so
- ✓ Efficiency improvements in the US will limit growth opportunities for gasoline. Moderate growth will come only from Asia and Middle East
- ✓ Petrochemical demand will boost growth for LPG/Naphtha
- ✓ Shrinking demand for Fuel Oil due to substitution effects



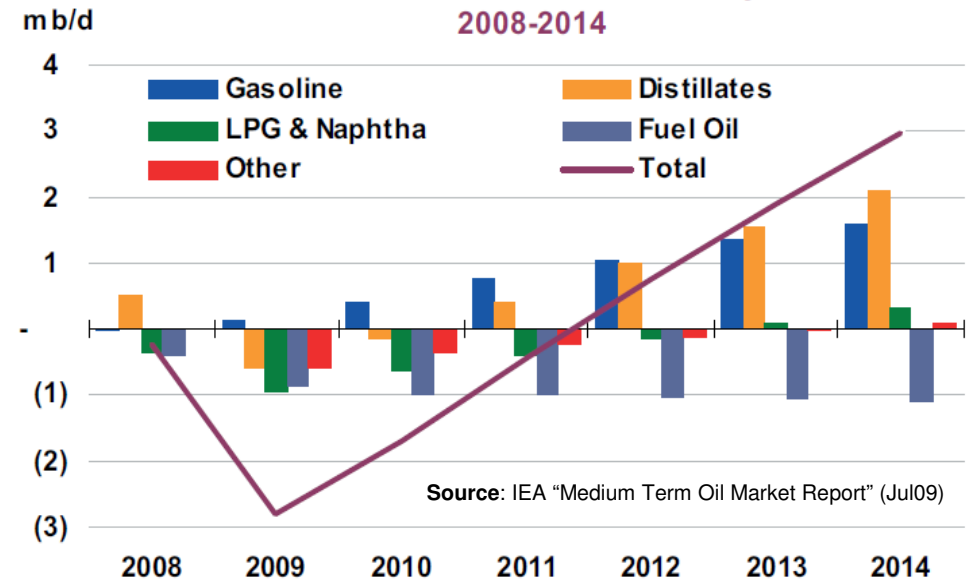
## MIDDLE DISTILLATES AS LEADING FUELS

- **Diesel is primary transportation fuel**
  - ✓ commercial use key driver
  - ✓ private cars in Europe
  - ✓ greater fuel efficiency
  - ✓ more stringent CO2 emissions targets
- **Gasoil used as heating oil, and in agricultural and industrial applications, but also as an important power source in emerging economies**
- **Shipping industry will progressively switch from bunker fuel oil to gasoil**

## SLOWER GROWTH FOR GASOLINE

- **North America is the main market for gasoline, but US consumption will shrink due to political pressure for higher fuel efficiency and impact of bio-ethanol**
- **On the other hand, significant growth expected from North Africa, Middle East and Asia**
  - ✓ New cheap vehicles with gasoline engines (Tata “Nano”, Chery “QQ”, etc.) are now affordable for larger share of population

Global Cumulative Oil Demand Growth by Product  
2008-2014



## DECLINING DEMAND FOR FUEL OIL

- **Declining demand for power generation due to fuel switch (gas, coal), nuclear and renewables**
- **Increasing environmental regulations will shift bunker specs towards gasoil**
  - ✓ cap of 4.5% sulphur in marine bunker oil reduced to 3.5% from 2012, then down to 0.5% from 2020
  - ✓ in Sulphur Control Emission Areas (SECA) current 1% cap down to 0.1% from 2015



## REFINING CAPACITY – INVESTMENT DELAYS AND CANCELLATIONS

- Since 2005, more than 160 refining projects (grassroots and expansions) have been announced, totaling over 25 mb/d of new crude distillation capacity, due to come on stream globally pre-2015
- However, there is hard information that more than 85% of these projects have been delayed / cancelled in the past 12 months, due to:
  - ✓ limited availability of funds due to the global financial crisis and the credit crunch
  - ✓ contracts renegotiations to take advantage of sharp drop in materials, engineering and constructions costs
  - ✓ opposition by environmental organizations to the identification of new sites in OECD countries

### Top Projects Delayed:

Investor	Country	Location	Type	Size (kbd)	Original date	Delayed to
Motiva - Shell/Aramco	U.S.A.	Port Arthur	CDU	325	Dec-10	early 2012
Saudi Aramco	Saudi	Ras Tanura	CDU	400	Dec-12	end 2014
Saudi Aramco/TOTAL	Saudi	Al Jubail	CDU	400	Jun-13	2015 ?
Saudi Aramco/Conoco	Saudi	Yanbu	CDU	400	Jun-13	2015 ?

### Top Projects Cancelled:

Investor	Country	Location	Type	Size (kbd)	Original date
Sudan Refining ONGC/Petronas	Sudan	Port Sudan	CDU	174	Dec-10
Patrick Monteiro de Barros	Portugal	Sines	CDU	250	Dec-10
NIOC/Essar Oil JV	Iran	Bandar Abbas	CDU	300	Jan-11
Pertamina/Sinopec	Indonesia	Tuban	CDU	200	Mar-11
Lukoil/Govt of Kalingrad	Russia	Kalingrad	CDU	300	Dec-11
Saudi Aramco	Saudi Arabia	Ras az-Zawr	CDU	400	Dec-12
Reliance Petroleum	India	Jamnagar	CDU	300	Dec-12
Shell Canada	Canada	Sarnia Ontario	CDU	200	May-13
S-Oil/Aramco	South Korea	Sosan	CDU	480	Dec-13
Lukoil	Turkey	Samsun/Zonguldak	CDU	180	Dec-13

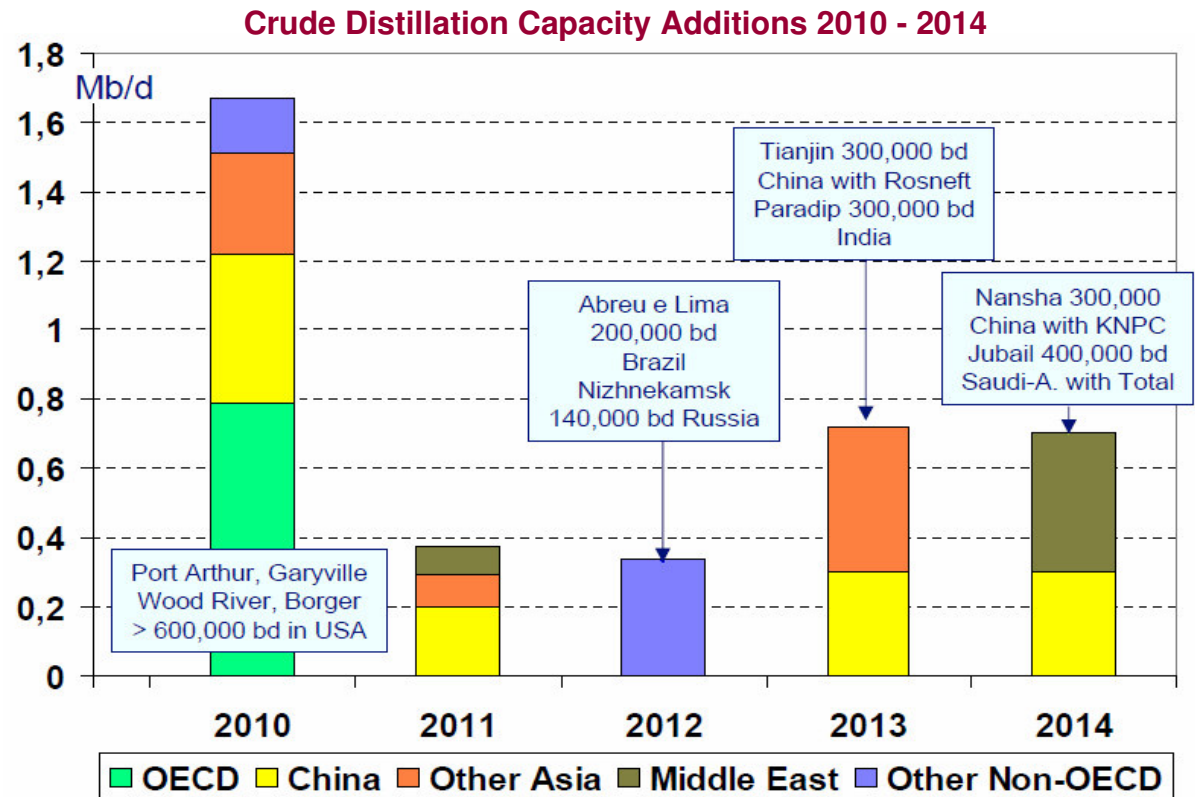
Source: Saras elaborations on Wood MacKenzie and other Company News



## REFINING CAPACITY ADDITIONS

➤ In 2009, seven new refineries have been actually completed (1.4mbd):

- ✓ Reliance: Jamnagar (580kbd)
- ✓ CNOOC: Huizhou (240kbd)
- ✓ Sinopec/Exxon: Fujian (160kbd)
- ✓ PetroChina: Dushanzi (80kbd)
- ✓ PetroChina: Fushun (110kbd)
- ✓ Petrovietnam: Dung Quat (130kbd)
- ✓ Saudi Aramco: Rabigh (80kbd)



Source: WoodMackenzie, IEA "Medium Term Oil Market Report" (Jul09) and Saras research

➤ In the period 2010-2014, further 3.7mb/d of crude distillation capacity is currently expected to be added

➤ New refineries to be build primarily by National Oil Companies, in China and other Asian countries

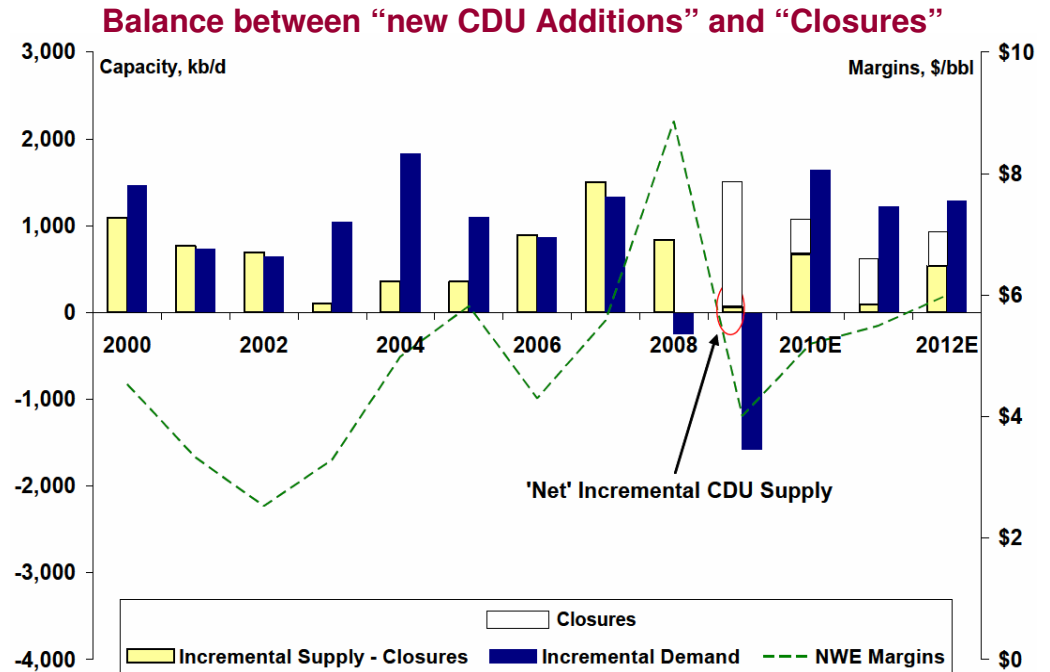


## REFINING CAPACITY CLOSURES AND “NET” CDU SUPPLY

### CDU Closures in 2009:

Operator	Country	Location	Action	Size (kbd)
Big West	U.S.A.	Bakersfield	Closed	68
Tema Oil	Ghana	Tema	Closed	45
Petroplus	UK	Teeside	Closed	117
NNPC	Nigeria	Warri	Closed	125
Nippon Oil	Japan	Mizushima	Closed	110
Valero	Aruba	Aruba	Closed	275
Total	France	Normandy	CDU reduction	100
Total	France	Dunkirk	Closed	141
Valero	U.S.A.	Delaware	Closed	210
Western Refining	U.S.A.	Bloomfield	Closed	17
Sunoco	U.S.A.	Eagle Point	Closed	150
				<b>1358</b>

Sources: Saras elaborations on Morgan Stanley Research, Dec 2009

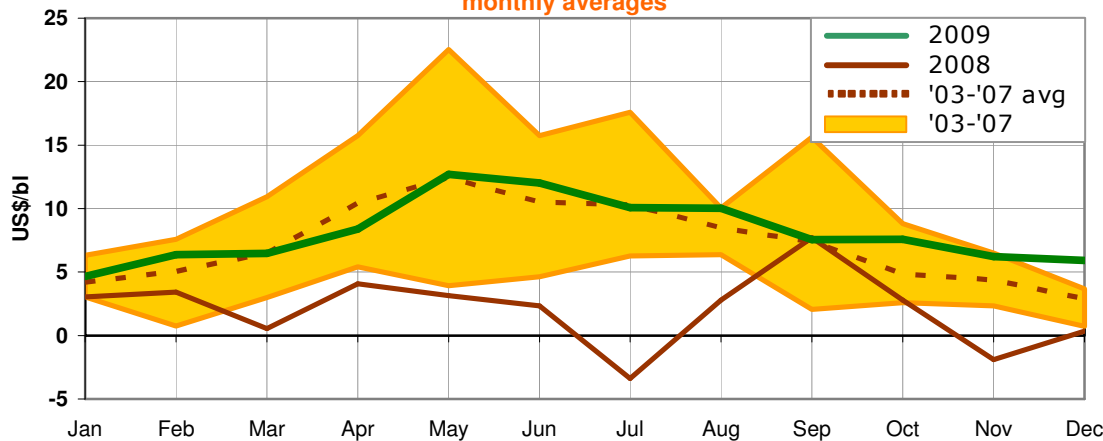


- During 2009 the focus of the investor community has been mainly on new refining capacity additions
- However, there has been an almost equivalent volume of CDU closures, leading to a negligible “net effect”
- Refinery closures will continue also in coming years, affecting mainly small, simple, and inefficient players
- “Supply – Demand” balance will become tighter starting already in 2010, and margins will improve accordingly

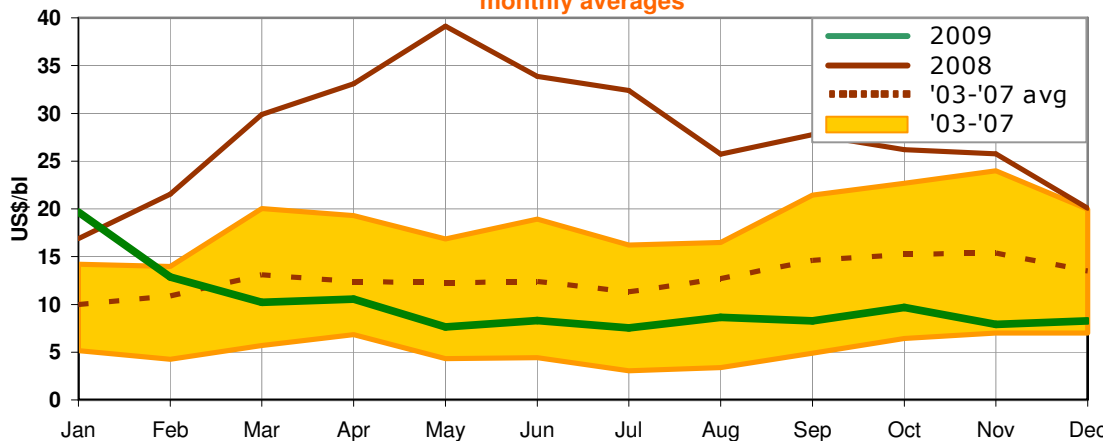


## DIESEL AND GASOLINE CRACK SPREADS

Med: Gasoline Crack spread vs Brent  
monthly averages



Med: Diesel Crack spread vs Brent  
monthly averages

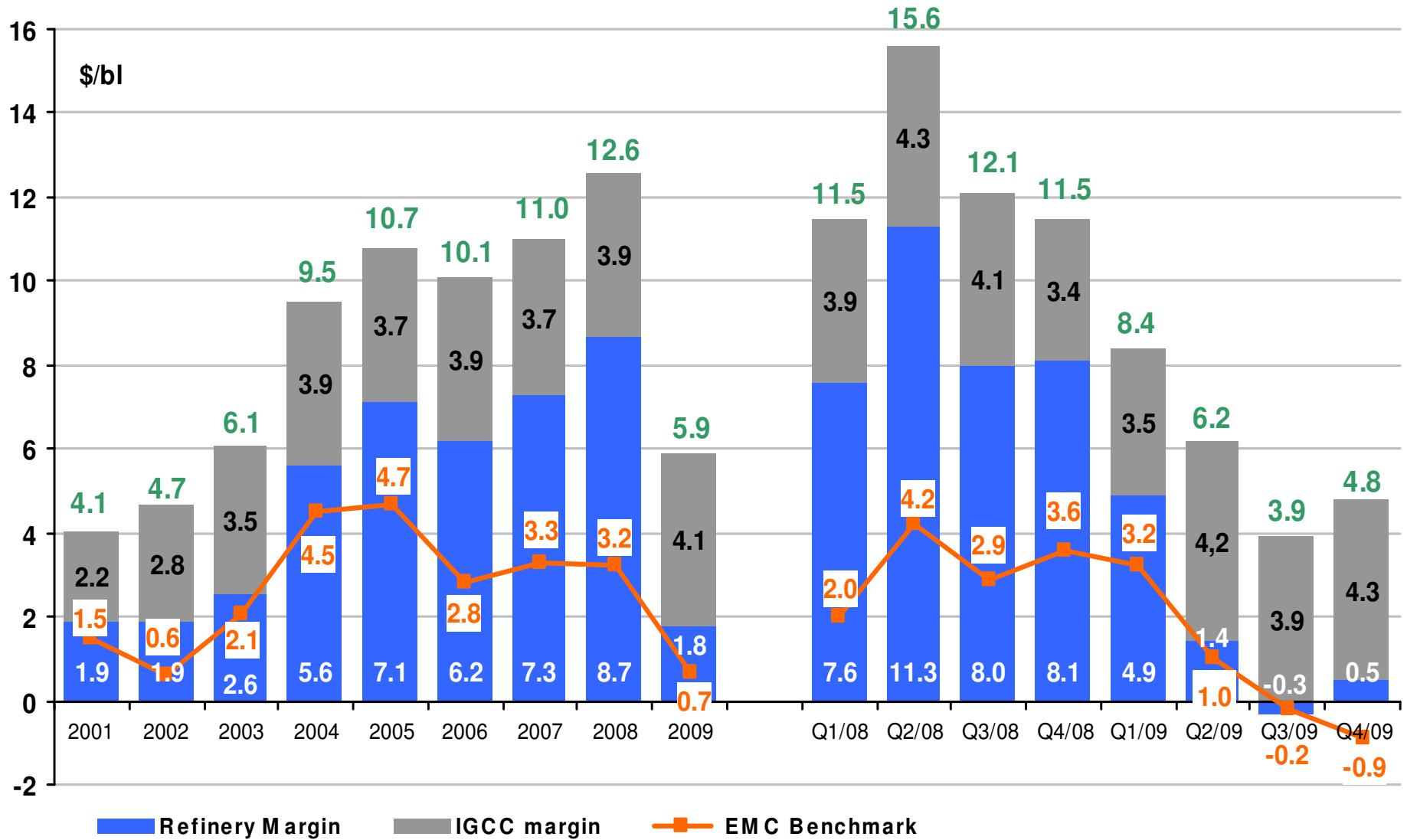


- In 2009 gasoline cracks recovered from the extremely depressed levels they had in 2008, thanks to lower retail prices which supported consumption, and reduced refinery runs. The peak value of the MED gasoline crack was reached towards the end of May (at 17.4 \$/bl), at the beginning of the US “driving season”. However, as soon as the season ended, gasoline inventories inflated rather fast, causing margins to turn downwards. The year ended with a counter-seasonal strength in Q4/09, related to a number of refinery closures as well as unplanned outages

- With the exception of a resilient Q1/09, demand for middle distillates stayed very weak during the entire 2009, as a consequence of the global recession. Despite low refinery runs during H2/09, distillate stocks touched the highest level in the past 20 years. All major inland depots reached full capacity, and further 70 ml barrels of distillates were held in floating storage during Q4/09, also because of a persisting “contango” structure of the futures market



## REFINING & POWER MARGIN







## EMC BENCHMARK

- In order to monitor and compare refining performance, Saras has chosen a benchmark margin produced by EMC(\*), which represents the profitability of a mid-complexity coastal refinery in the Med, and is based on:
  - ✓ crude slate: 50% Urals, 50% Brent
  - ✓ crude oil pricing: Urals MED and Brent DTD quotations
  - ✓ products pricing: FOB MED quotations
  - ✓ yields: EMC estimate for a mid-complexity refinery in the MED area
  - ✓ variable costs: EMC estimate for a mid-complexity refinery in the MED area
  
- The EMC benchmark is a refining margin after variable cost

ENERGY MARKET CONSULTANTS (UK) LTD

Part of

FACTS GLOBAL ENERGY

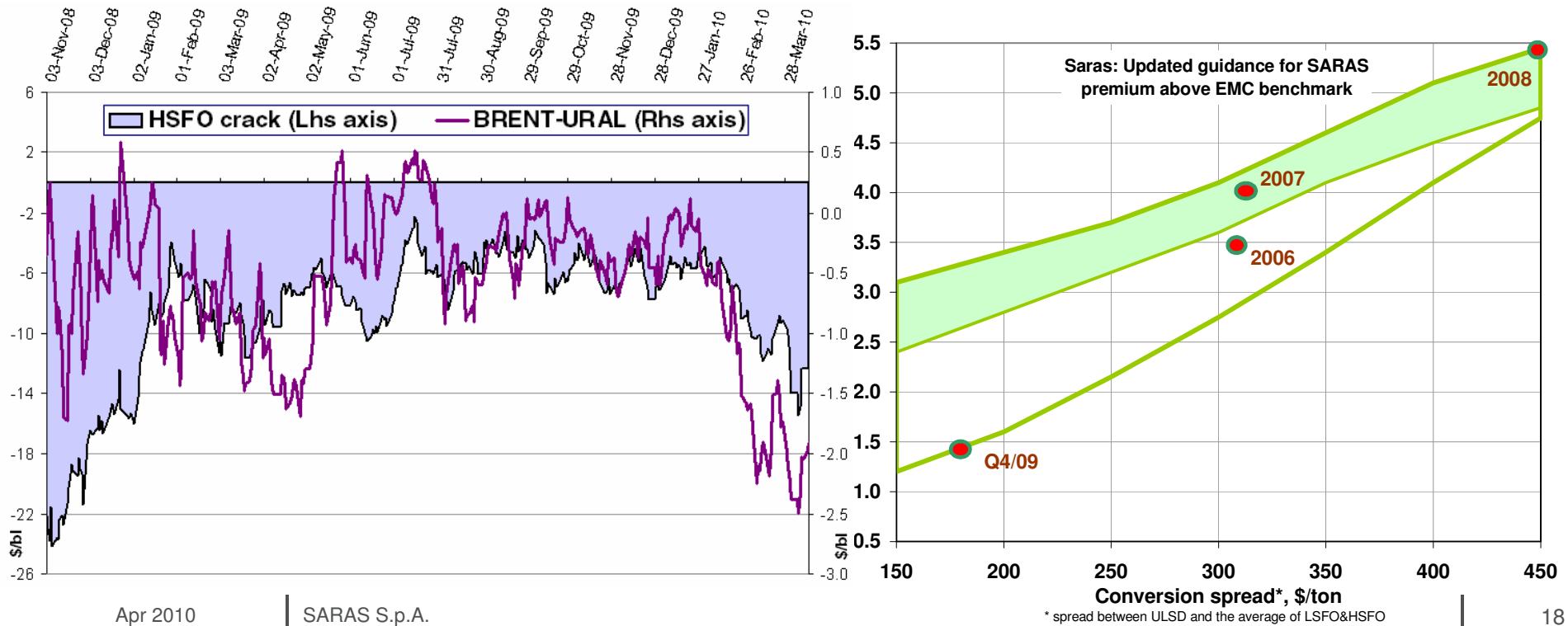
GROUP OF COMPANIES

(\*) **EMC – Energy Market Consultants:** based in London, and founded in 1989 by a group of dedicated consultants with extensive experience in the Oil, Gas and Energy sectors ([www.fgennergymc.com](http://www.fgennergymc.com))



## GUIDANCE FOR SARAS REFINING MARGIN PREMIUM ABOVE EMC

- Saras premium above EMC benchmark is strongly linked to “diesel-fuel oil” price differential, although we always mentioned that this is not the only factor influencing performance of our complex system
- The global recession which started in Q4/08, induced OPEC to cut production (primarily of heavy sour crude), hence creating an artificial shortage of this quality of crude oils. “Light-Heavy” crude differential provided strong support to fuel oil (HSFO crack climbed from -22 \$/bl in Nov-08, up to approx. -5 \$/bl from Jul-09)
- Unprecedented strength of Fuel Oil is reducing the “complexity advantage” for all top class refiners. In our case, we can quantify that our premium above the EMC benchmark is currently approx. 1\$/bl lower than previously expected. The situation will revert back to normal as soon as the economic recovery will drive demand growth for diesel, and differentials for heavier crude oils will return to normal levels





## REFINING & POWER – SUMMARY OF 2009 MAINTENANCE

- In 2009, Saras performance was heavily influenced by an important cycle of scheduled maintenance and investments, which lasted significantly longer than planned, mainly because of May accident at MHC1
- Several conversion units remained shut down for maintenance and upgrading activities for a sizeable period of time, reducing conversion capacity. Delays involved also the turnaround of one Crude Distillation Unit (Topping1), in the period between May and July, thus refinery runs came below original targets
- We also suffered some technical problems during the start-up of the revamped units in Q3/09, leading to further reductions of availability and production, as well as unavoidable impacts on EBITDA

		Q1/09	Q2/09	Q3/09	Q4/09	2009
<b>REFINERY</b>						
<b>PLANT</b>		<b>MHC2, Visbreaking</b>	<b>Topping 1, FCC, Tame, Alky, MHC1</b>	<b>Delays of Q2/09 maintenance</b>	<b>Reforming slowdown</b>	
<b>Refinery runs</b>	<b>Tons (ml) Bbls (ml)</b>	<b>3.72 27.2</b>	<b>2.70 19.7</b>	<b>3.45 25.2</b>	<b>3.43 25.0</b>	<b>13.3 97</b>
<b>Loss on EBITDA due to lower conversion capacity</b>	<b>USD (million)</b>	<b>25</b>	<b>47</b>	<b>65</b>	<b>8</b>	<b>145</b>
<b>IGCC</b>						
<b>PLANT</b>		<b>1 Gasifier 1 Turbine</b>		<b>1 Gasifier 1 Turbine</b>		
<b>Power production</b>	<b>MWh (ml)</b>	<b>0.90</b>	<b>1.12</b>	<b>0.92</b>	<b>1.13</b>	<b>4.07</b>



## REFINING & POWER – 2010 MAINTENANCE SCHEDULE

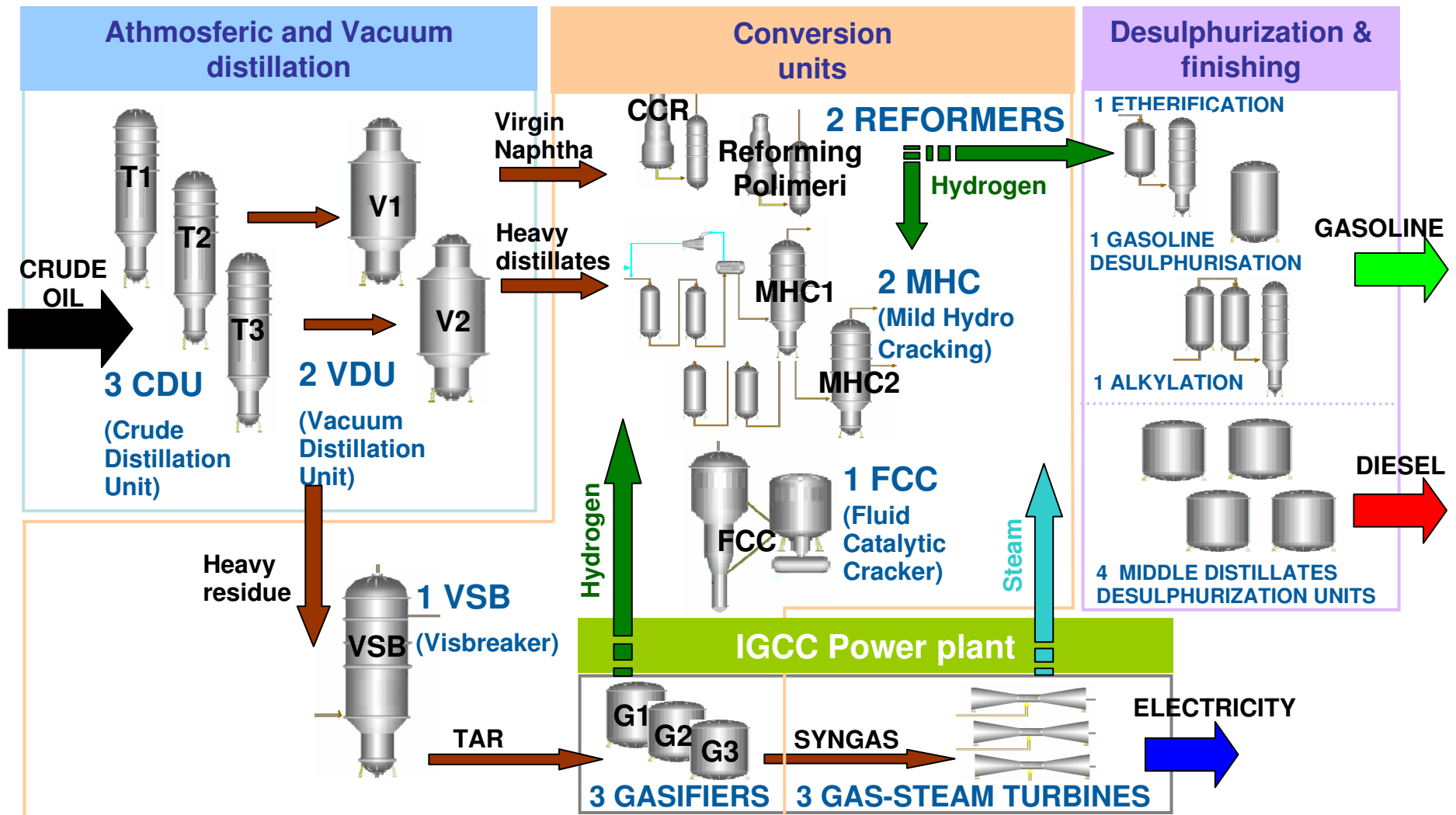
- 2010 Refinery maintenance in line with schedule already presented in November, and significantly lighter than the programme carried out in 2009. The cumulative impact of 2010 activities, in terms of reduced conversion capacity, will be worth approximately 0.1 ÷ 0.2 \$/bl
- IGCC Power plant will undergo the usual maintenance routine on 2 trains of “Gasifier – Turbine” during H1/10 but, as usual, Power Generation IFRS results will be unaffected due to linearization procedure
- Global economic recovery is expected to be slow but progressive throughout 2010. Therefore, our guidance has been elaborated with EMC benchmark at 1.5 ÷ 2.5 \$/bl, and conversion spread at 200 ÷ 300 \$/ton

		Q1/10 expected	Q2/10 expected	Q3/10 expected	Q4/10 expected	2010 expected
<b>REFINERY</b>						
<b>PLANT</b>		RT2, MHC2, Vacuum2, Visbreaking, MHC1, U700				
<b>Refinery runs</b>	Tons (ml) Bbls (ml)	3.40 ÷ 3.60 24.8 + 26.3	3.65 ÷ 3.85 26.6 + 28.1	3.80 ÷ 3.90 27.7 + 28.5	3.80 ÷ 3.90 27.7 ÷ 28.5	14.6 ÷ 15.2 107 ÷ 111
<b>Loss on EBITDA due to lower conversion capacity</b>	USD (million)	6 + 10	9 + 15			15 ÷ 25
<b>IGCC</b>						
<b>PLANT</b>		2 Gasifiers 2 Turbines				2 Gasifiers 2 Turbines
<b>Power production</b>	MWh (ml)	0.95 + 1.00	1.05 + 1.10	1.10 + 1.20	1.10 + 1.20	4.20 + 4.50

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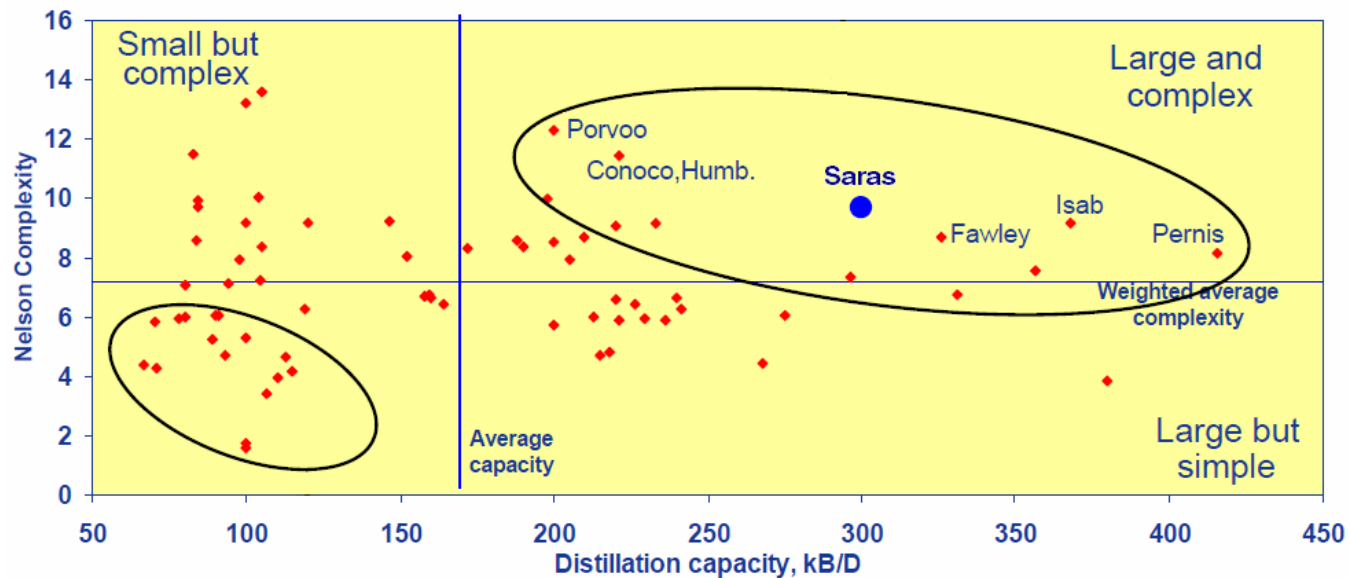
# Refining Segment



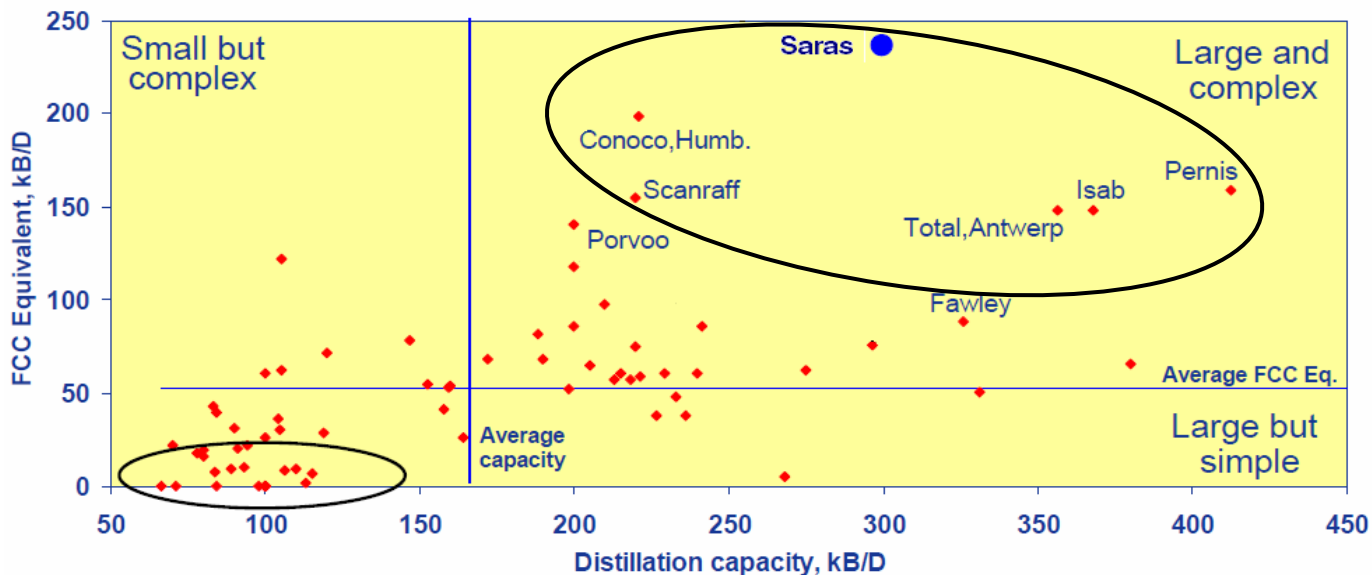
➤ Saras' competitive advantages: size (300 kbd), complexity (Nelson Index = 9.2), flexibility (crude slate optimisation), location (centre of Med), and integration (Pet-chem & IGCC Power plant)



## COMPETITIVE POSITIONING: NELSON AND FCC EQUIVALENT COMPLEXITY



**3<sup>rd</sup> Highest Nelson Complexity Index (9.2) among large EU refiners**  
(i.e. distillation capacity > 200kdb)

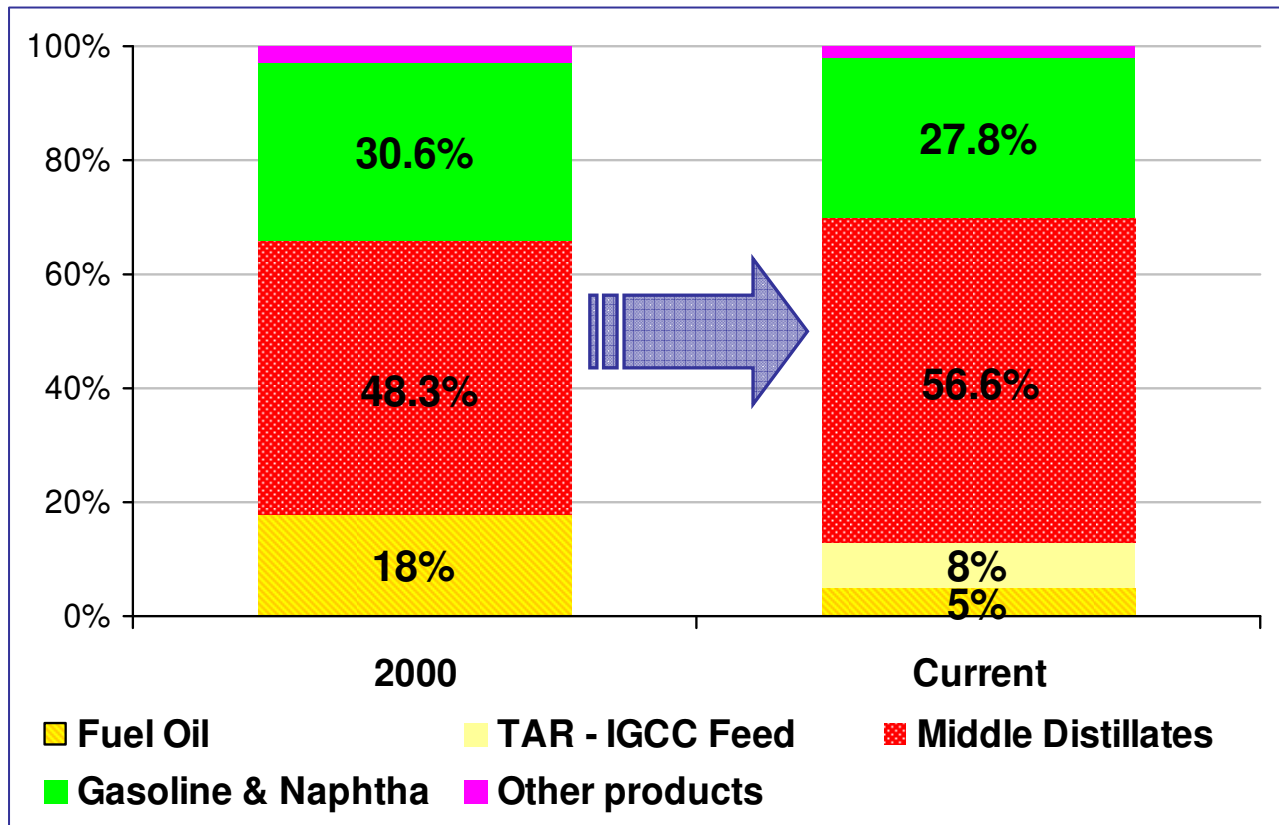


**Highest FCC equivalent capacity amongst all EU refiners**



## COMPLEXITY STEMS FROM 10 YEARS OF CONTINUOUS INVESTMENTS

- Continuous investments in organic growth allowed Saras to become a very complex refinery, with high conversion of Fuel Oil into Middle Distillates



### CAPEX details:

- ✓ IGCC plant (2001)
- ✓ MildHydroCracking2 (2001)
- ✓ TAME (2001)
- ✓ Revamping of the MildHydroCracking1 (2005)
- ✓ "Prime G+"® and U800 (2006 – 2008)
- ✓ Upgrading of the Continuous Catalytic Reforming (2006)
- ✓ Revamping of H2 separation unit of IGCC (2008)
- ✓ Tail Gas Treatment Unit (2008)
- ✓ Alkylation revamping (2009)
- ✓ Upgrading of the Fluid Catalytic Cracking (2009)

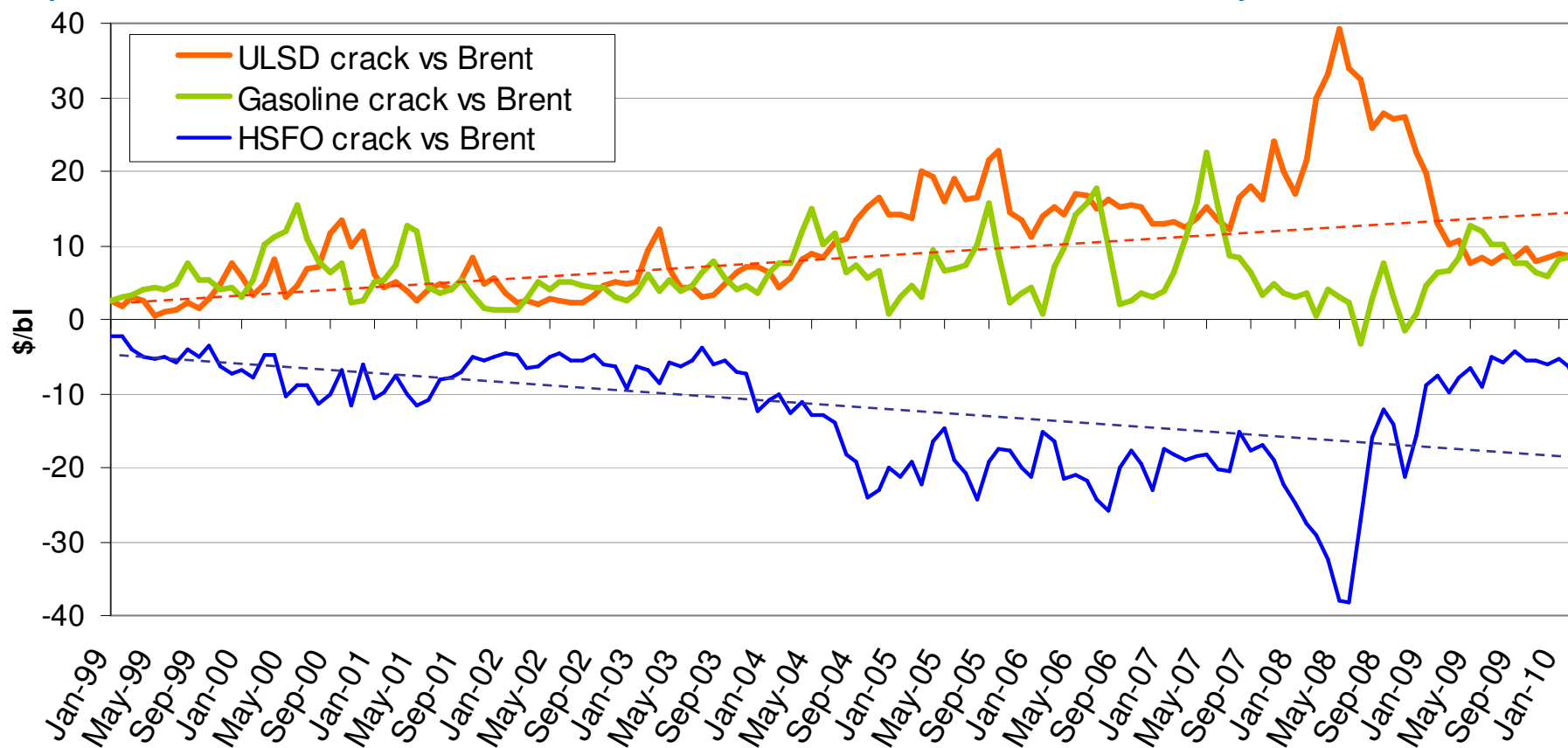
Note: Product Yields are calculated net of "C&L"





## UPGRADING HEAVY OIL TO MIDDLE DISTILLATES ENHANCES MARGINS

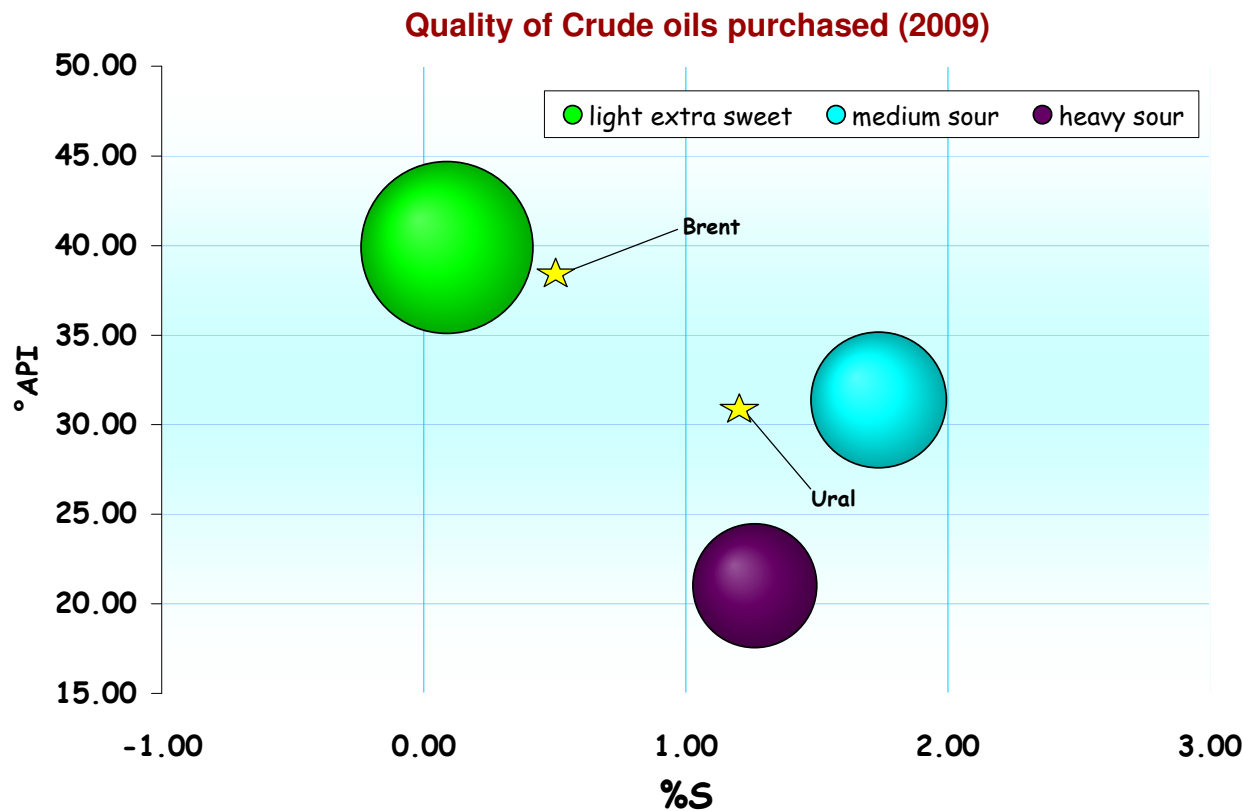
- Since the late '90s, the differential between ULSD and HSFO has progressively widened, in line with the growing demand for middle distillates, thus enhancing Saras competitive advantage vs. simple refineries
- However, the global recession which started in H2/08, induced OPEC to cut production (primarily of heavy sour crude grades), hence creating an artificial shortage of this quality
- This market distortion brought a contraction of the “light-heavy” price differential, and is currently supporting fuel oil prices. At the same time, middle distillates weakened due to reduction in industrial activity





## FLEXIBILITY OFFERS OPPORTUNITIES TO OPTIMISE FEEDSTOCK

- Flexible configuration (3 parallel and independent CDU) allows to run simultaneously up to 5 different grades of crude
- During 2009 Saras processed approx. fifteen grades of crude oils (including “unconventional” oils with higher margins)



➤ **Flexibility comes from technological enhancements to processing units and to logistic infrastructure:**

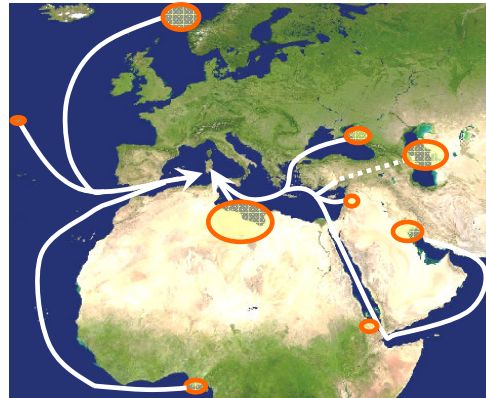
- ✓ Steam traced piping and heated storage tanks dedicated to paraffinic and waxy crude oils
- ✓ Integration with pet-chem plant to improve cold properties of middle distillates
- ✓ Internal lining in special alloys for heads of CDU columns, together chemical injections for acidic crude
- ✓ New Catalyst cooler for FCC unit, to convert heavier feeds with enhanced profitability
- ✓ Very large tank farm, to allow storage of several different crude oil varieties



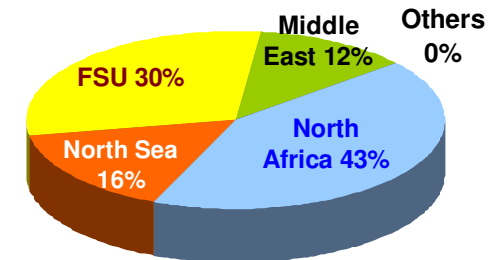
## LOCATION AT THE HEART OF MAIN CRUDE OIL ROUTES...

➤ Geographic location in the centre of the Mediterranean sea allows easier and cheaper crude procurement:

- Reduced transportation costs
- Enhanced flexibility of supply
- Enjoy recent trends in crude oil availability

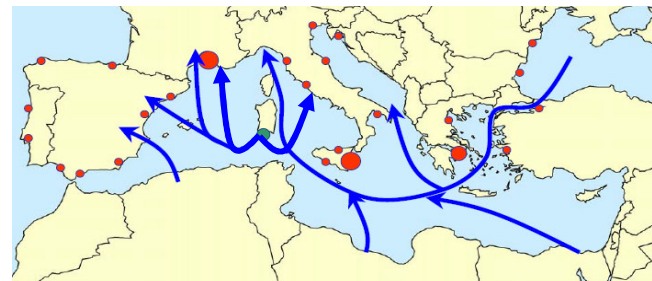
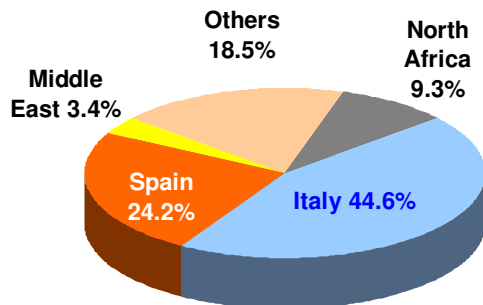


Origins of Crude purchased (2009)



## ...AND CLOSE TO MAIN OIL PRODUCTS MARKETS

Total product Sales by geography (2009)



- Structural shortage of middle distillates in MED
- Saras is close to Italian coasts, South of France, North Africa and Med Spain



- Structural surplus of gasoline in Europe
- Italian Islands are favourite suppliers of growing markets in North Africa and Middle East



## PRODUCTION

		2007	2008	Q4/09	2009
<b>LPG</b>	<i>Thousand tons</i>	306	337	59	221
	<i>Yield</i>	2.1%	2.2%	1.7%	1.7%
<b>NAPHTHA+GASOLINE</b>	<i>Thousand tons</i>	4,039	4,056	997	3,343
	<i>yield</i>	27.7%	26.1%	29.1%	25.1%
<b>MIDDLE DISTILLATES</b>	<i>Thousand tons</i>	7,541	8,275	1,854	6,769
	<i>yield</i>	51.7%	53.3%	54.0%	50.9%
<b>FUEL OIL &amp; OTHERS</b>	<i>Thousand tons</i>	707	825	0	1,119
	<i>yield</i>	4.8%	5.3%	0.0%	8.4%
<b>TAR</b>	<i>Thousand tons</i>	1,120	1,121	304	1,077
	<i>yield</i>	7.7%	7.2%	8.9%	8.1%

Balance to 100% are Consumption & Losses

## CRUDE OIL SLATE

		2007	2008	Q4/09	2009
<b>Light extra sweet</b>		45%	51%	50%	48%
<b>Light sweet</b>		2%	0%	0%	0%
<b>Medium sweet</b>		0%	0%	0%	0%
<b>Light sour</b>		0%	0%	0%	0%
<b>Medium sour</b>		26%	22%	27%	28%
<b>Heavy sour</b>		27%	27%	23%	24%
<b>Average crude gravity</b>	$^{\circ}$ API	32.9	32.7	32.7	32.4

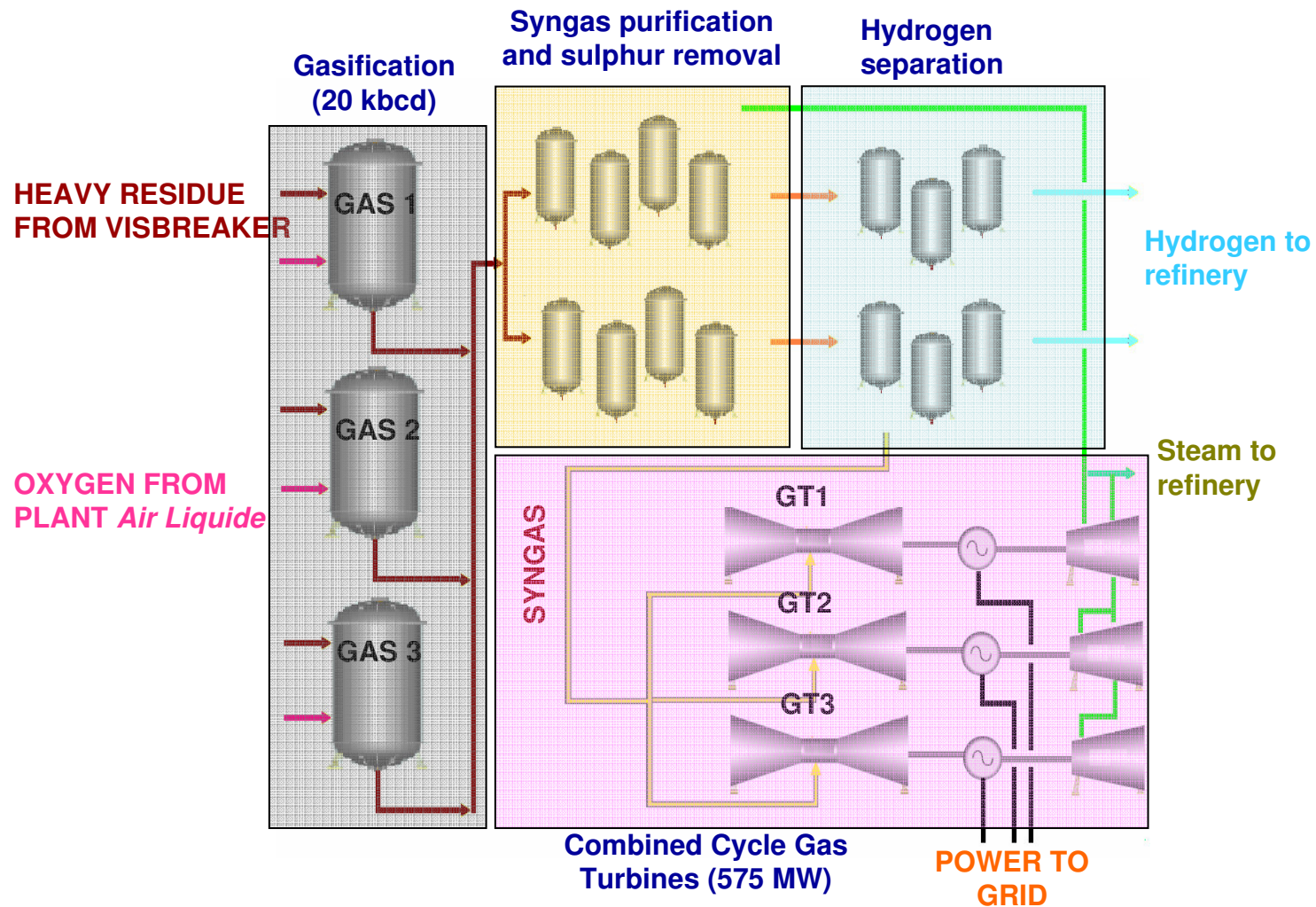


## REFINING FIXED AND VARIABLE COSTS

		2007	2008	Q4/09	2009
<b>Refinery RUNS</b>	Million barrels	106.5	113.3	25.0	97.1
<i>Exchange rate</i>	<i>EUR/USD</i>	<i>1.37</i>	<i>1.47</i>	<i>1.48</i>	<i>1.40</i>
<b>Fixed costs</b>	EUR million	<b>198</b>	<b>239</b>	<b>58</b>	<b>228</b>
	\$/bl	<b>2.5</b>	<b>3.1</b>	<b>3.4</b>	<b>3.3</b>
<b>Variable costs</b>	EUR million	<b>140</b>	<b>178</b>	<b>41</b>	<b>156</b>
	\$/bl	<b>1.8</b>	<b>2.3</b>	<b>2.4</b>	<b>2.2</b>



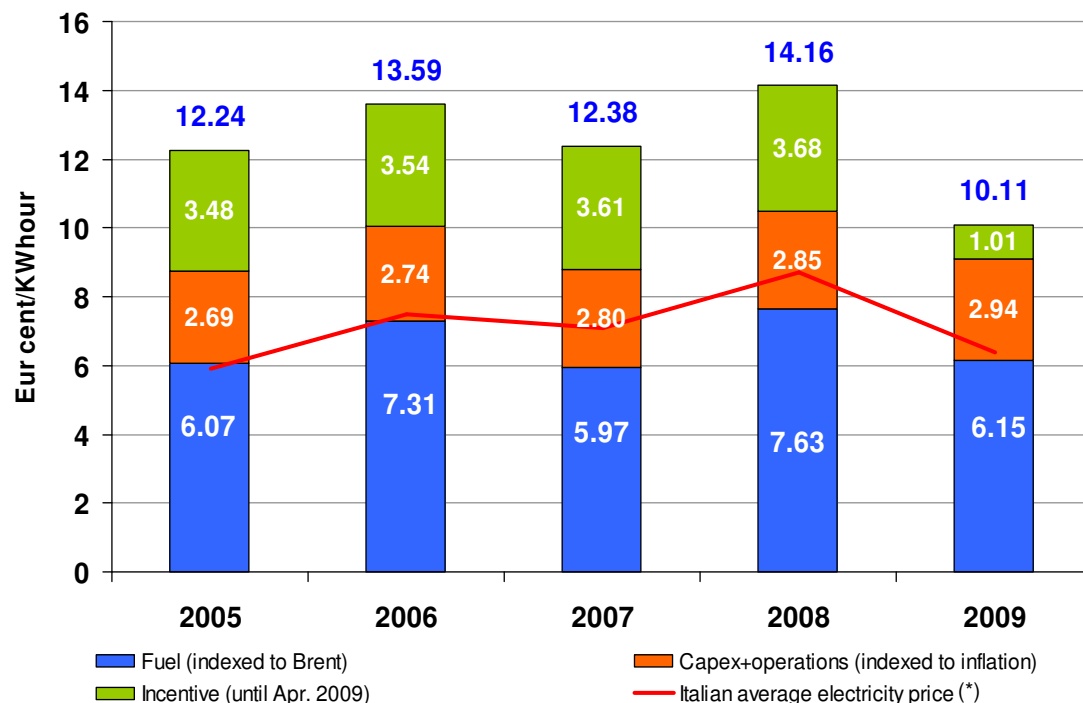
## POWER PLANT CONFIGURATION





## CIP6/92 AND THE SARLUX IGCC PLANT

- SARLUX economics based on regulated incentive scheme (CIP6/92 tariff). 20 year sale contract with National Grid operator (GSE) and priority of dispatching
- The tariff had originally 3 components:
  - ✓ CAPEX+Operations Costs: inflation indexed and valid until 2021
  - ✓ Fuel Cost: indexed with oil prices, and valid until 2021
  - ✓ Incentive Fee: indexed with inflation, and valid only for the first 8 years of production (Apr 2001 ÷ Apr 2009)
- ✓ The incentive component expired in 2009, so the current tariff only has the other 2 components



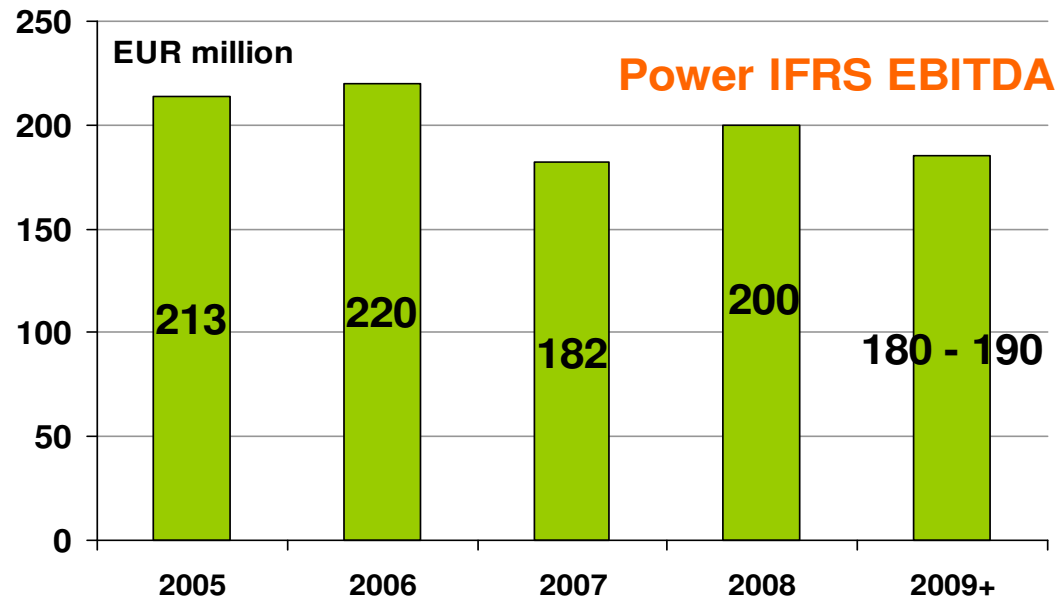
(\*) = The Italian average electricity price (PUN) can be found on the GME website at: [www.mercatoelettrico.org](http://www.mercatoelettrico.org)

	2005	2006	2007	2008	2009
<b>BRENT DTD</b>	54.6	65.2	72.4	97.4	61.7
<b>USD/EUR exchange rate</b>	1.245	1.256	1.370	1.471	1.395



## GUIDANCE FOR FUTURE YEARS

- Sarlux activities have been classified under IFRS as an operating lease. Results are “linearised” for the duration of the contract, and are therefore very steady. These results however do not reflect cash generation
- IFRS EBITDA from 2009 onwards is expected to be around EUR 180-190 million, on the basis of a long term crude oil price between 80 – 90 \$/bl

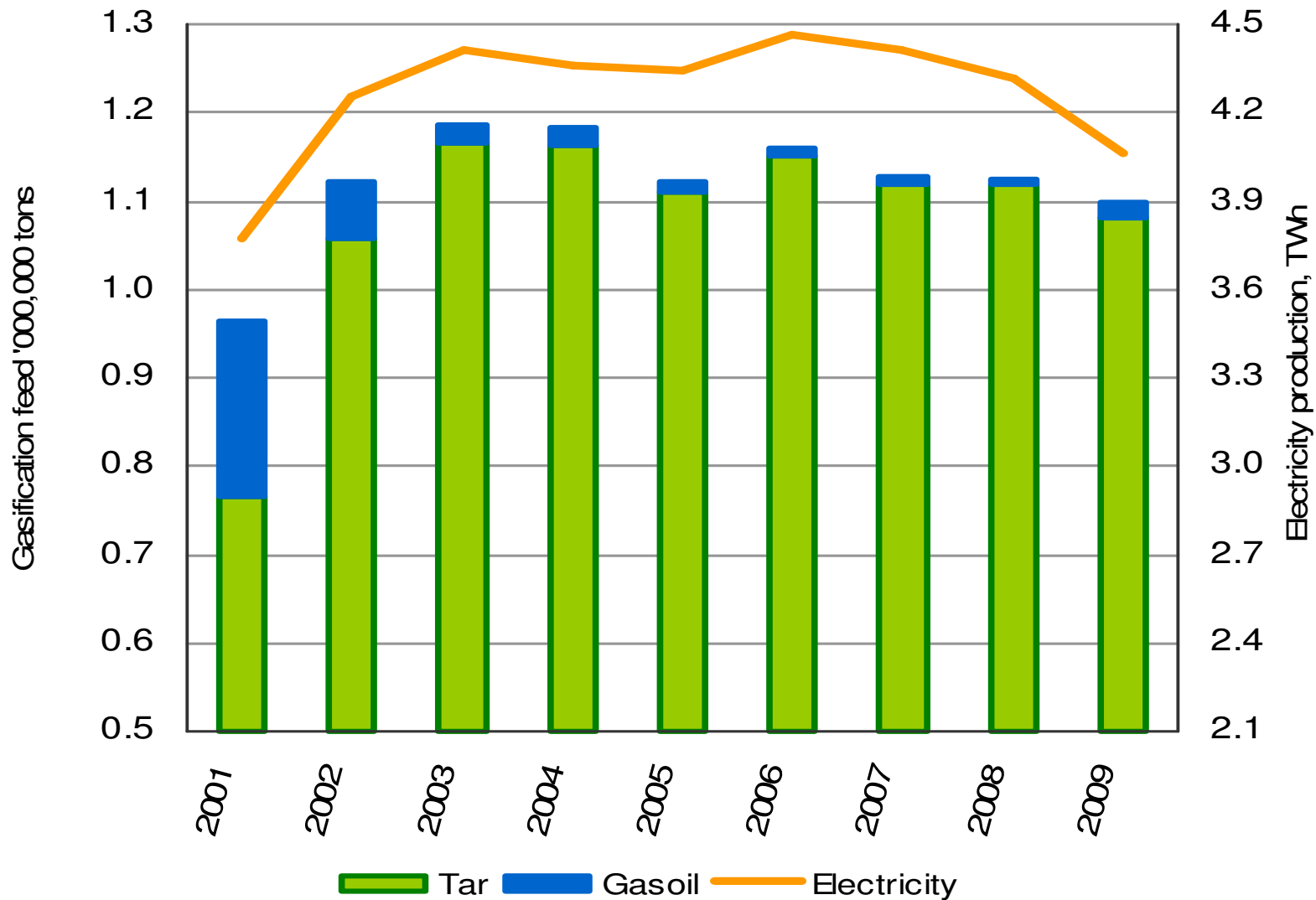


- **2010 IT GAAP EBITDA:** the incentive component of the power tariff is expired in April 2009, as per original contract with the National Grid Operator (GSE). Therefore, IT GAAP EBITDA from 2010 onwards will be approx. EUR 140 ml



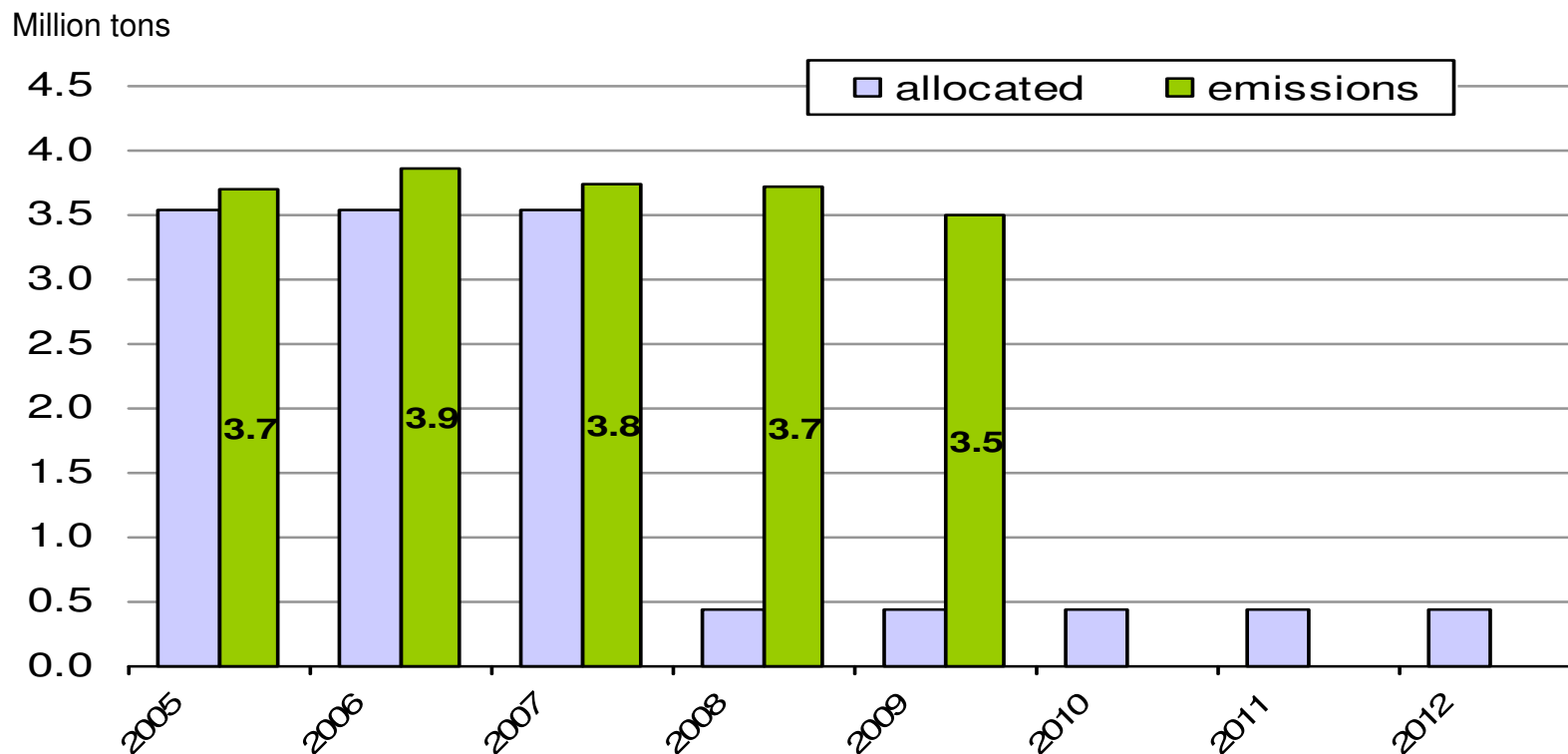


## PRODUCTION AND FEEDSTOCK CONSUMPTION





## POWER PLANT CO<sub>2</sub> EMISSIONS AND ALLOCATED QUOTAS



- 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 Energy Authority subsequently confirmed reimbursement of CO<sub>2</sub> costs, for the entire duration of the CIP6 contract, with the Resolution n. 77/08 issued on 11th Jun 2008



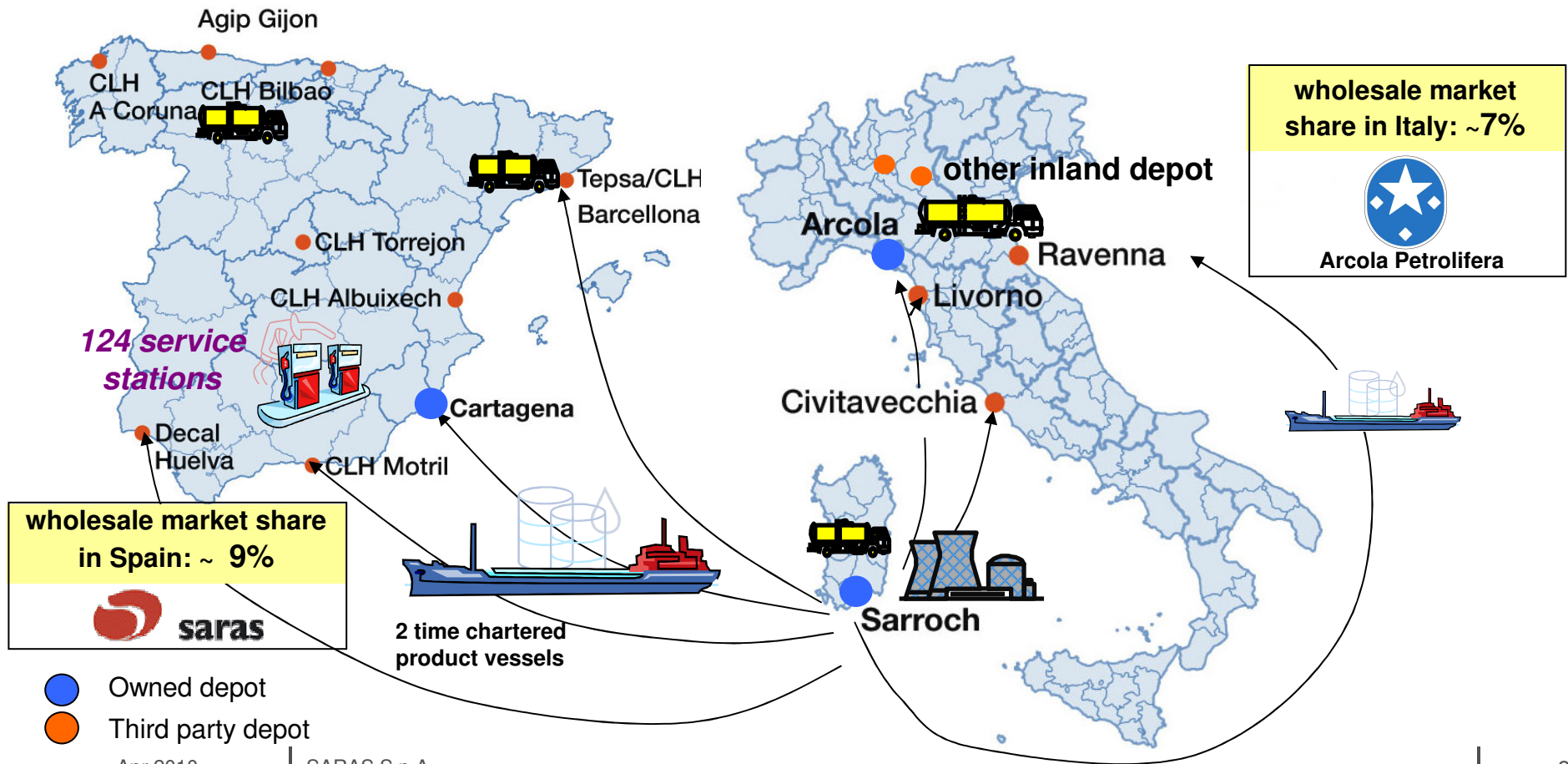
## IGCC FIXED & VARIABLE COSTS (IT GAAP)

		2007	2008	Q4/09	2009
<b>Refinery RUNS</b>	Million barrels	106.5	113.3	25.0	97.1
<b>Power production</b>	MWh/1000	4,414	4,318	1,128	4,066
<i>Exchange rate</i>		<i>1.37</i>	<i>1.47</i>	<i>1.48</i>	<i>1.40</i>
<b>Fixed costs</b>	EUR million	<b>104</b>	<b>102</b>	<b>25</b>	<b>103</b>
	\$/bl	<b>1.3</b>	<b>1.3</b>	<b>1.5</b>	<b>1.5</b>
	EUR/MWh	24	24	22	25
<b>Variable costs</b>	EUR million	<b>67</b>	<b>78</b>	<b>13</b>	<b>53</b>
	\$/bl	<b>0.9</b>	<b>1.0</b>	<b>0.8</b>	<b>0.8</b>
	EUR/MWh	15	18	12	13



## LOGISTIC OF WHOLESALE/RETAIL OPERATIONS IN ITALY & SPAIN

Sales (thousand tons)	2006	2007	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09	Q2/09	Q3/09	Q4/09	2009
<b>SPAIN</b>	2,206	2,804	746	692	694	721	2,845	705	681	650	697	2,733
<b>ITALY</b>	1,013	1,102	286	275	292	324	1,176	308	304	320	308	1,239
<b>TOTAL</b>	<b>3,219</b>	<b>3,906</b>	<b>1,032</b>	<b>967</b>	<b>986</b>	<b>1,045</b>	<b>4,030</b>	<b>1,013</b>	<b>985</b>	<b>969</b>	<b>1,005</b>	<b>3,972</b>





## DEPOTS AND RETAIL NETWORK

**Cartagena (Spain):** 112,000 cubic meters

**Arcola (Italy):** 200,000 cubic meters

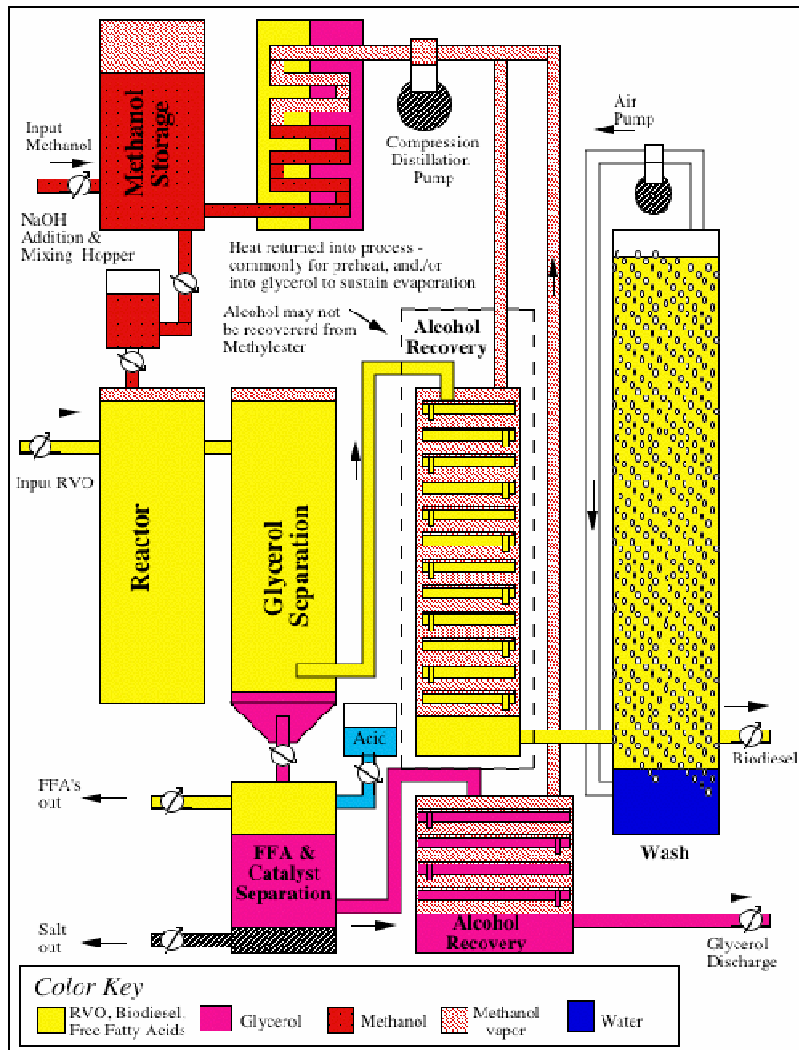


**Retail network of 124 high throughput service stations:** located in Spanish Med area (88 stations fully owned + 36 long term leased)





# CARTAGENA BIODIESEL PLANT



- Integrated with existing Saras depot
- Full scale production of 200,000 ton/year (4,500 kbd), achieved in H2/09
- Feedstock: palm, rapeseed, soy
- Consistent to EU targets
  - ✓ 5.75% of bio-diesel into marketed diesel by 2010
- Positive Economics despite high feedstock prices
  - ✓ favourable taxation in Spain
  - ✓ low OPEX due to integration with existing logistics



## WIND IN EUROPE

Italian Capacity installed at 31.12.2009:  
4,850 MW



Installed Capacity at 31.12.2009	MW
GERMANY	25,777
SPAIN	19,149
ITALY	4,850
FRANCE	4,492
UNITED KINGDOM	4,051
PORTUGAL	3,535
DENMARK	3,465
NETHERLANDS	2,229
SWEDEN	1,560
IRELAND	1,260
<b>TOTAL EUROPEAN UNION (27)</b>	<b>74,767</b>

### Green Certificates

- **Electric energy created by renewable energy plants are entitled to receive GC, related to the KWh produced, for the first 12 years of production since their last inspection.** Said GC are securities issued by the Administrator at the beginning of a given year in accordance with the foreseeable quantity of energy that will be produced during that year by the requesting operator.
- **Specifically, all operators of the field, whether producers or traders, must possess and subsequently file a certain number of GC equal to 2% of the energy used/produced in the course of the previous year.** Noteworthy is the fact that the Administrator issues the GC and is then required to annul them, thus entitling the operators to comply with the above indicated Green Portfolio requirements.
- **GC may be traded independently from the related renewable energy. Further, there is no legal limitation on the possibility to freely and repeatedly trade GC before they are annulled by the Administrator. The only limit is given by the need of using certificates representing the past year's production by March of the subsequent year.** By way of example, if a GC is issued at the beginning of the year 2007, referring to energy that will be produced in the year 2007, its annulment must occur by March 31, 2009. Therefore, throughout the entire period running from the date of issuance to the date of annulment, operators are entitled to trade the GC, privately or within the Energy Stock Market, without any legal limitations whatsoever, except to the possibility of exporting the certificates abroad. In particular, as briefly mentioned above, GC do not necessarily have to be traded in connection with the energy they represent, as long as the relative sale takes place in Italy. Contrarily, GC can be sold abroad only in conjunction with the sale of energy.

## ULASSAI WIND FARM

	2006	2007	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09	Q2/09	Q3/09	Q4/09	2009
Electricity Production (MWh)	157,292	168,185	49,773	47,760	19,821	36,381	153,735	58,556	25,249	16,956	55,209	155,970
Power Tariff (€cent/KWh)	7.4	8.5	8.5	8.9	8.7	8.5	8.6	7.8	6.4	9.6	5.6	7.0
Green Certificates (€cent/KWh)	12.1	9.8	8.0	6.0	3.0	8.8	6.9	8.4	8.0	10.0	8.9	8.7




### Ulassai Wind Farm



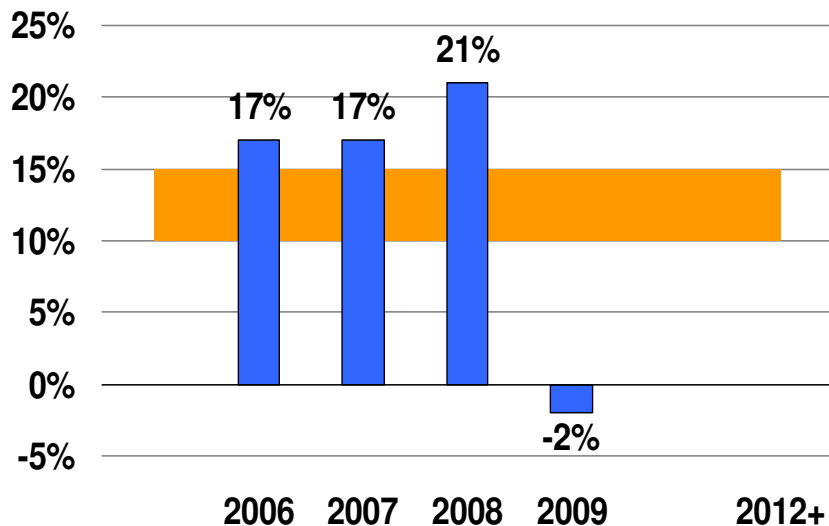
- production started end 2005
- GC granted until 2016
- 72 MW (42 Vestas “V80” aero generators)
- upgradeable to 96 MW
- production of approx 160,000 MWh per year
- investment of EUR 100 million
- fully owned from 30/06/2008



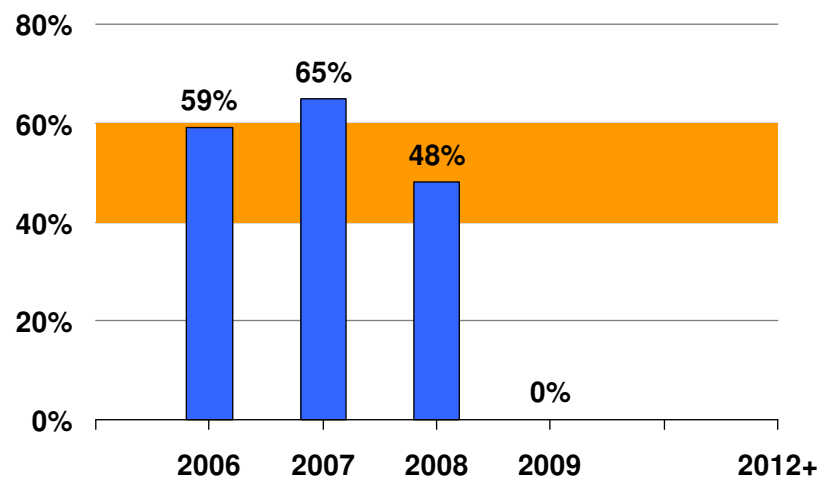
- 
- Saras in a Snapshot
  - Market Overview
  - Business Segments
  - **Financials**
  - Investment Plan & Others



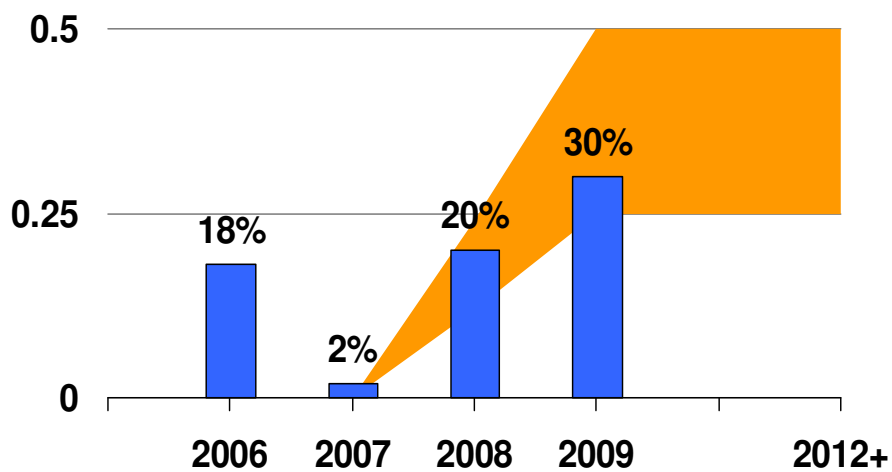
## ➔ ROACE – target between 10% to 15%



## ➔ Payout ratio - between 40% to 60%



## ➔ Leverage - long term target 25-50%



**ROACE:** return on average capital employed after tax

**Leverage:**  $\text{Net debt} / (\text{net debt} + \text{equity})$

**Payout:** calculated on adjusted net income

## INCOME STATEMENT (1)

EUR million	2007	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09	Q2/09	Q3/09	Q4/09	2009
<b>EBITDA</b>	<b>760.1</b>	<b>151.4</b>	<b>316.0</b>	<b>64.2</b>	<b>-275.0</b>	<b>256.6</b>	<b>144.6</b>	<b>147.9</b>	<b>-17.1</b>	<b>70.1</b>	<b>345.5</b>
Refining	511.5	91.4	217.9	39.2	-238.9	109.6	89.3	67.5	-77.5	-0.8	78.5
Marketing	55.4	12.7	48.0	-27.5	-91.0	-57.8	2.8	30.5	11.3	13.0	57.6
Power	182.1	47.7	49.7	53.2	49.4	200.0	43.8	45.7	46.5	48.5	184.5
Wind				-1.4	3.4	2.0	8.3	3.7	2.2	6.8	21.0
Other activities	11.1	-0.4	0.4	0.7	2.1	2.8	0.4	0.5	0.4	2.6	3.9
<b>Comparable EBITDA</b>	<b>587.3</b>	<b>148.1</b>	<b>192.1</b>	<b>164.2</b>	<b>168.9</b>	<b>673.3</b>	<b>91.1</b>	<b>24.1</b>	<b>1.4</b>	<b>24.6</b>	<b>141.2</b>
Refining	371.6	94.4	131.4	98.8	109.0	433.6	39.4	-38.9	-54.2	-49.6	-103.3
Marketing	33.2	6.4	10.6	10.3	7.6	34.9	-0.8	13.1	6.5	16.3	35.1
Power	182.1	47.7	49.7	53.2	49.4	200.0	43.8	45.7	46.5	48.5	184.5
Wind				1.2	3.4	4.6	8.3	3.7	2.2	6.8	21.0
Other activities	0.4	-0.4	0.4	0.7	-0.5	0.2	0.4	0.5	0.4	2.6	3.9
<b>EBIT</b>	<b>508.8</b>	<b>113.3</b>	<b>275.6</b>	<b>21.9</b>	<b>-322.1</b>	<b>88.7</b>	<b>100.0</b>	<b>102.3</b>	<b>-65.5</b>	<b>15.6</b>	<b>152.4</b>
Refining	437.4	73.8	198.2	19.9	-261.9	30.0	68.2	46.0	-101.0	-30.6	-17.4
Marketing	50.3	11.5	46.6	-28.8	-92.5	-63.2	1.5	28.5	8.4	10.1	48.5
Power	12.3	28.9	30.9	34.4	29.8	124.0	24.6	26.4	27.3	29.4	107.7
Wind				-3.6	0.9	-2.7	5.9	1.3	-0.2	5.1	12.1
Other activities	8.8	-0.9	-0.1	0.0	1.6	0.6	-0.2	0.1	0.0	1.6	1.5
<b>Comparable EBIT</b>	<b>423.7</b>	<b>110.0</b>	<b>151.7</b>	<b>121.9</b>	<b>121.8</b>	<b>505.4</b>	<b>46.5</b>	<b>-21.5</b>	<b>-47.0</b>	<b>-29.9</b>	<b>-51.9</b>
Refining	297.5	76.8	111.7	79.5	86.0	354.0	18.3	-60.4	-77.7	-79.4	-199.2
Marketing	28.1	5.2	9.2	9.0	6.1	29.5	-2.1	11.1	3.6	13.4	26.0
Power	100.2	28.9	30.9	34.4	29.8	124.0	24.6	26.4	27.3	29.4	107.7
Wind				-1.0	0.9	-0.1	5.9	1.3	-0.2	5.1	12.1
Other activities	-2.1	-0.9	-0.1	0.0	-1.0	-2.0	-0.2	0.1	0.0	1.6	1.5

Comparable EBITDA : Calculated using IFRS accounting principles, deducting non recurring items and based on LIFO methodology (which doesn't include devaluation and revaluation of oil inventories)  
 Comparable EBIT equal to comparable EBITDA less depreciation & amortization

## INCOME STATEMENT (2)

EUR million	2007	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09	Q2/09	Q3/09	Q4/09	2009
<b>Comparable EBIT</b>	<b>423.7</b>	<b>110.0</b>	<b>151.7</b>	<b>121.9</b>	<b>121.8</b>	<b>505.4</b>	<b>46.5</b>	<b>-21.5</b>	<b>-47.0</b>	<b>-29.9</b>	<b>-51.9</b>
Interest expense	-17.70	-1.6	-3.8	-4.8	-2.3	-12.6	-4.1	-3.7	-0.6	-9.0	-17.4
derivatives gains/losses	-12.1	2.7	0.8	-0.6	-0.8	2.1	-1.6	-1.4	-2.3	4.2	-1.1
derivatives fair value	-12.3	1.4	-1.3	1.0	10.7	11.8	2.3	-5.7	-1.4	-10.5	-15.3
<b>Net Financial expense</b>	<b>-42.0</b>	<b>2.5</b>	<b>-4.3</b>	<b>-4.4</b>	<b>7.6</b>	<b>1.4</b>	<b>-3.4</b>	<b>-10.8</b>	<b>-4.2</b>	<b>-15.3</b>	<b>-33.7</b>
<b>Equity interest</b>	<b>5.0</b>	<b>0.0</b>	<b>1.5</b>	<b>0.0</b>	<b>-1.0</b>	<b>0.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Profit before taxes</b>	<b>471.8</b>	<b>115.8</b>	<b>272.8</b>	<b>17.5</b>	<b>-315.5</b>	<b>90.6</b>	<b>96.6</b>	<b>91.5</b>	<b>-69.7</b>	<b>0.3</b>	<b>118.7</b>
Net Income	322.7	78.3	251.5	-19.7	-248.3	61.8	58.2	58.8	-49.6	5.2	72.6
Adjustments	-73.1	-2.9	-154.8	79.8	343.4	265.3	-32.9	-77.1	12.0	-29.2	-127.1
<b>Adjusted Net Income</b>	<b>249.6</b>	<b>75.4</b>	<b>96.7</b>	<b>60.1</b>	<b>95.1</b>	<b>327.1</b>	<b>25.3</b>	<b>-18.3</b>	<b>-37.6</b>	<b>-24.0</b>	<b>-54.5</b>

*Comparable EBITDA* : Calculated using IFRS accounting principles, deducting non recurring items and based on LIFO methodology (which doesn't include devaluation and revaluation of oil inventories)  
*Comparable EBIT* equal to comparable EBITDA less depreciation & amortization

## BALANCE SHEET AND NET FINANCIAL POSITION

EUR million	2007	2008	Q1/09	Q2/09	Q3/09	2009
<b>Current assets</b>	<b>1,773</b>	<b>1,311</b>	<b>1,341</b>	<b>1,511</b>	<b>1,423</b>	<b>1,406</b>
Cash and other cash equivalents <b>A</b>	323	86	130	184	93	133
Other current assets	1,450	1,225	1,212	1,328	1,330	1,273
<b>Non current assets</b>	<b>1,669</b>	<b>1,925</b>	<b>1,938</b>	<b>1,991</b>	<b>2,022</b>	<b>2,020</b>
<b>TOTAL ASSETS</b>	<b>3,442</b>	<b>3,236</b>	<b>3,280</b>	<b>3,502</b>	<b>3,445</b>	<b>3,426</b>
<b>Non interest bear liabilities</b>	<b>1,618</b>	<b>1,507</b>	<b>1,556</b>	<b>1,574</b>	<b>1,665</b>	<b>1,532</b>
<b>Interest bear liabilities</b> <b>B</b>	<b>357</b>	<b>418</b>	<b>353</b>	<b>655</b>	<b>556</b>	<b>666</b>
<b>Equity</b>	<b>1,466</b>	<b>1,311</b>	<b>1,371</b>	<b>1,273</b>	<b>1,224</b>	<b>1,228</b>
<b>TOTAL LIABILITIES + EQUITY</b>	<b>3,442</b>	<b>3,236</b>	<b>3,280</b>	<b>3,502</b>	<b>3,445</b>	<b>3,426</b>
Intercompany loans to unconsolidated subsidiaries <b>C</b>	7.4	0.0	0.0	0.0	0.0	0.0
<b>Net Financial Position (A-B+C)</b>	<b>-27</b>	<b>-333</b>	<b>-223</b>	<b>-472</b>	<b>-463</b>	<b>-533</b>



## CASHFLOW

EUR million	2007	2008	Q1/09	Q2/09	Q3/09	Q4/09	2009
<b>Initial Net Financial Position</b>	<b>-285</b>	<b>-27</b>	<b>-333</b>	<b>-223</b>	<b>-472</b>	<b>-463</b>	<b>-333</b>
<b>CF FROM OPERATIONS</b>	<b>610</b>	<b>275</b>	<b>170</b>	<b>31</b>	<b>78</b>	<b>-5</b>	<b>274</b>
of which working capital	-72	203	31	-142	97	-48	-62
<b>CF FROM INVESTMENTS</b>	<b>-210</b>	<b>-289</b>	<b>-61</b>	<b>-122</b>	<b>-70</b>	<b>-65</b>	<b>-317</b>
tangible & intangible assets	-210	-257	-61	-122	-70	-65	-317
acquisitions	0	-32	0	0	0	0	0
<b>CF FROM FINANCING</b>	<b>-143</b>	<b>-231</b>	<b>0</b>	<b>-158</b>	<b>0</b>	<b>0</b>	<b>-158</b>
capital increase	0	0	0	0	0	0	0
buyback own shares	0	-70	0	0	0	0	0
dividends	-143	-161	0	-158	0	0	-158
<b>TOTAL CASHFLOW</b>	<b>258</b>	<b>-245</b>	<b>109</b>	<b>-249</b>	<b>8</b>	<b>-70</b>	<b>-201</b>
Wind net debt @ 30.06.2008		-61					
<b>Final Net Financial Position</b>	<b>-27</b>	<b>-333</b>	<b>-223</b>	<b>-472</b>	<b>-463</b>	<b>-533</b>	<b>-533</b>

## CAPEX BY BUSINESS SEGMENT

EUR million	2007	2008	Q1/09	Q2/09	Q3/09	Q4/09	2009
<b>REFINING</b>	<b>177</b>	<b>182</b>	<b>53</b>	<b>91</b>	<b>44</b>	<b>57</b>	<b>244</b>
<b>MARKETING</b>	<b>11</b>	<b>46</b>	<b>4</b>	<b>26</b>	<b>22</b>	<b>4</b>	<b>57</b>
<b>POWER GENERATION</b>	<b>20</b>	<b>26</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>12</b>
<b>WIND</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>OTHER ACTIVITIES</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>3</b>
<b>TOTAL CAPEX</b>	<b>210</b>	<b>256</b>	<b>61</b>	<b>122</b>	<b>70</b>	<b>65</b>	<b>317</b>



## Additional information

### REFINING

EUR million	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09	Q2/09	Q3/09	Q4/09	2009
EBITDA	91.4	217.9	39.2	(238.9)	109.6	89.3	67.5	(77.5)	(0.8)	78.5
<b>Comparable EBITDA</b>	<b>94.4</b>	<b>131.4</b>	<b>98.8</b>	<b>109.0</b>	<b>433.6</b>	<b>39.4</b>	<b>(38.9)</b>	<b>(54.2)</b>	<b>(49.6)</b>	<b>(103.3)</b>
EBIT	73.8	198.2	19.9	(261.9)	30.0	68.2	46.0	(101.0)	(30.6)	(17.4)
<b>Comparable EBIT</b>	<b>76.8</b>	<b>111.7</b>	<b>79.5</b>	<b>86.0</b>	<b>354.0</b>	<b>18.3</b>	<b>(60.4)</b>	<b>(77.7)</b>	<b>(79.4)</b>	<b>(199.2)</b>
CAPEX	38	50	36	58	182	53	91	44	57	244
<b>REFINERY RUNS</b>										
Thousand tons	3,920	3,777	3,887	3,933	15,517	3,723	2,704	3,447	3,432	13,305
Million barrels	28.6	27.6	28.4	28.7	113.3	27.2	19.7	25.2	25.0	97.1
Barrels/day	314	303	308	312	310	302	217	273	272	266
Of which for third parties	31%	39%	36%	36%	35%	28%	31%	31%	31%	30%
EMC benchmark	2.0	4.2	2.9	3.6	3.2	3.2	1.0	(0.2)	(0.9)	0.7
Saras refining margin	7.6	11.3	8.0	8.1	8.7	4.9	1.4	(0.3)	0.5	1.8

**POWER GENERATION**

EUR million	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09	Q2/09	Q3/09	Q4/09	2009
<b>Comparable EBITDA</b>	47.7	49.7	53.2	49.4	200.0	43.8	45.7	46.5	48.5	184.5
<b>Comparable EBIT</b>	28.9	30.9	34.4	29.8	124.0	24.6	26.4	27.3	29.4	107.7
EBITDA IT GAAP	70.5	63.3	93.9	66.9	294.6	57.9	47.8	13.3	33.5	152.5
EBIT IT GAAP	57.0	49.7	80.3	52.5	239.5	43.9	33.7	(0.9)	19.3	95.9
NET INCOME IT GAAP	37.4	17.8	46.5	32.2	133.9	26.1	17.6	(1.4)	11.9	54.2
<b>CAPEX</b>	9	4	5	9	27	3	3	3	3	12
<b>ELECTRICITY PRODUCTION</b> <small>MWh/1000</small>	1,121	1,084	1,164	948	4,318	897	1,116	924	1,128	4,066
<b>POWER TARIFF</b> <small>€cent/kWh</small>	13.4	13.7	14.0	14.2	14.2	14.1	9.6	8.3	8.6	10.1
<b>POWER IGCC MARGIN</b> <small>\$/bl</small>	3.9	4.3	4.1	3.4	3.9	3.5	4.8	4.2	4.3	4.1





## MARKETING

EUR million	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09	Q2/09	Q3/09	Q4/09	2009
EBITDA	12.7	48.0	(27.5)	(91.0)	(57.8)	2.8	30.5	11.3	13.0	57.6
<b>Comparable EBITDA</b>	<b>6.4</b>	<b>10.6</b>	<b>10.3</b>	<b>7.6</b>	<b>34.9</b>	<b>(0.8)</b>	<b>13.1</b>	<b>6.5</b>	<b>16.3</b>	<b>35.1</b>
EBIT	11.5	46.6	(28.8)	(92.5)	(63.2)	1.5	28.5	8.4	10.1	48.5
<b>Comparable EBIT</b>	<b>5.2</b>	<b>9.2</b>	<b>9.0</b>	<b>6.1</b>	<b>29.5</b>	<b>(2.1)</b>	<b>11.1</b>	<b>3.6</b>	<b>13.4</b>	<b>26.0</b>
CAPEX	11	15	6	15	46	4	26	22	4	57
<b>SALES</b> (THOUSAND TONS)										
ITALY	286	275	292	324	1,176	308	304	320	308	1,239
SPAIN	746	692	694	721	2,854	705	681	650	697	2,733
TOTAL	1,032	967	986	1,045	4,030	1,013	985	969	1,005	3,972



## Additional information

### WIND (\*)

EUR million	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09	Q2/09	Q3/09	Q4/09	2009
<b>Comparable EBITDA</b>	4.4	5.1	1.2	3.4	14.1	8.3	3.7	2.2	6.8	21.0
<b>Comparable EBIT</b>	2.1	3.0	(1.0)	0.9	5.0	5.9	1.3	(0.2)	5.1	12.1
<b>ELECTRICITY PRODUCTION</b>										
<small>MWh</small>	49,773	47,760	19,821	36,381	153,735	58,556	25,249	16,956	55,209	155,970
<b>POWER TARIFF</b>										
<small>€cent/kWh</small>	8.5	8.9	8.7	8.5	8.6	7.8	6.4	9.6	5.6	7.0
<b>GREEN CERTIFICATES</b>										
<small>€cent/kWh</small>	8.0	6.0	3.0	8.8	6.9	8.4	8.0	10.0	8.9	8.7

(\*): The first two quarters of 2008 have been consolidated with the equity method

### OTHER

EUR million	Q1/08	Q2/08	Q3/08	Q4/08	2008	Q1/09	Q2/09	Q3/09	Q4/09	2009
<b>Comparable EBITDA</b>	(0.4)	0.4	0.7	(0.5)	0.2	0.4	0.5	0.4	2.6	3.9
<b>Comparable EBIT</b>	(0.9)	(0.1)	0.0	(1.0)	(2.0)	(0.2)	0.1	0.0	1.6	1.5
<b>CAPEX</b>	0	0	1	0	2	1	1	0	0	3

## ANALYST RECOMMENDATIONS AND 2009 / 2010 / 2011 ESTIMATES

Last update 14<sup>th</sup> Apr 2010

LAST UPDATE	BROKER	ANALYST	REC	Target Price	EBITDA 2009	EBITDA 2010	EBITDA 2011	EBIT 2009	EBIT 2010	EBIT 2011	NET INCOME 2009	NET INCOME 2010	NET INCOME 2011
01/03/10	UBS	Anish Kapadia	NEUT	1.65	141	341	394	-52	132	185	-55	69	101
26/02/10	MORGAN STANLEY	James Hubbard	BUY	2.75	141	473	574	-52	274	365	-55	156	217
26/02/10	MERRILL LYNCH	James Schofield	NEUT	1.92	148	277	415	-38	101	241	-43	51	140
01/03/10	GOLDMAN SACHS	Henry Morris	BUY	2.15	133	271	492	-52	81	297	-56	37	167
14/04/10	NATIXIS	Hager Bouali	BUY	2.30	133	445	609	-52	255	414	-55	146	242
01/03/10	CHEUVREUX	Marianna Primiceri	SELL	1.60	169	353	467	-16	163	272	-23	83	154
10/08/09	BANCA IMI	Roberto Ranieri	BUY	1.95	141	371	555	-52	177	353	-55	92	209
01/03/10	INTERMONTE	Paolo Citi	BUY	2.20	142	335	464	-52	145	272	-55	81	165
01/03/10	EQUITA SIM	Domenico Ghilotti	NEUT	2.10	177	433	489	-10	246	293	-26	130	158
01/03/10	UNICREDIT	Sergio Molisani	NEUT	1.90	141	316	431	-46	127	240	-55	58	129
01/03/10	EXANE BNP	Alexandre Marie	SELL	1.70	141	394	505	-52	192	299	-55	128	193
24/03/10	CREDIT SUISSE	Kim Fustier	NEUT	2.10	141	407	528	-52	195	326	-55	103	187
19/02/10	CITI GROUP	David Thomas	BUY	3.20	146	445	512	-43	248	315	-46	151	188
26/03/10	SANTANDER	Armando Iobbi	BUY	2.22	141	377	365	-52	184	163	-55	92	73
31/03/10	BARCLAYS CAPITAL	Lydia Rainforth	BUY	2.25	141	304	395	-52	111	200	-54	57	113
11/11/09	NOMURA	Ryan Kaupilla	NEUT	2.60	167	404	448	-18	222	271	-32	129	162
22/03/10	BERNSTEIN	Neil McMahon	NEUT	2.00	141	399	465	-52	202	257	-54	65	74
31/03/10	MACQUARIE	Daniel Ekstein	BUY	2.50	141	430	479	-52	137	186	-46	140	117
MIN 1.6					133	271	365	-52	81	163	-56	37	73
AVG 2.2					146	376	477	-44	177	275	-49	98	155
MAX 3.2					177	473	609	-10	274	414	-23	156	242

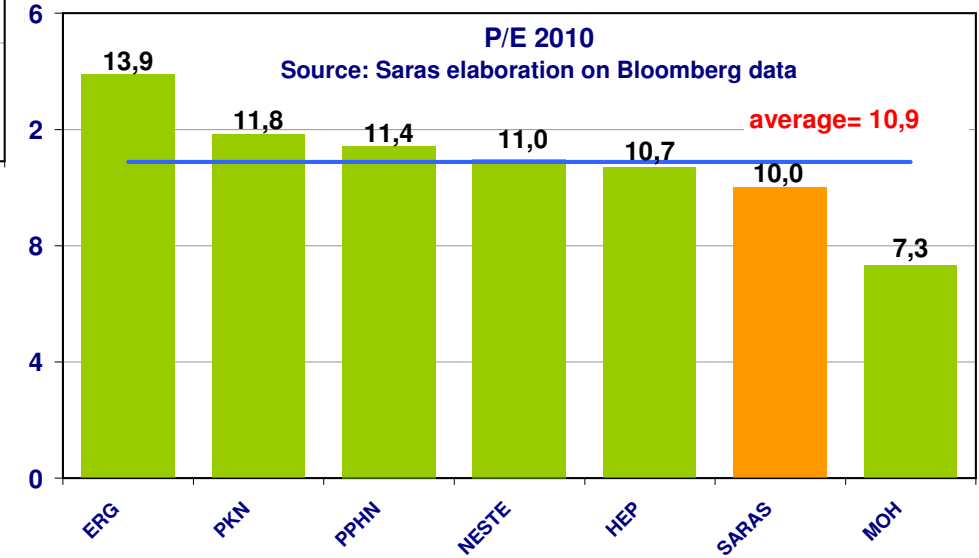
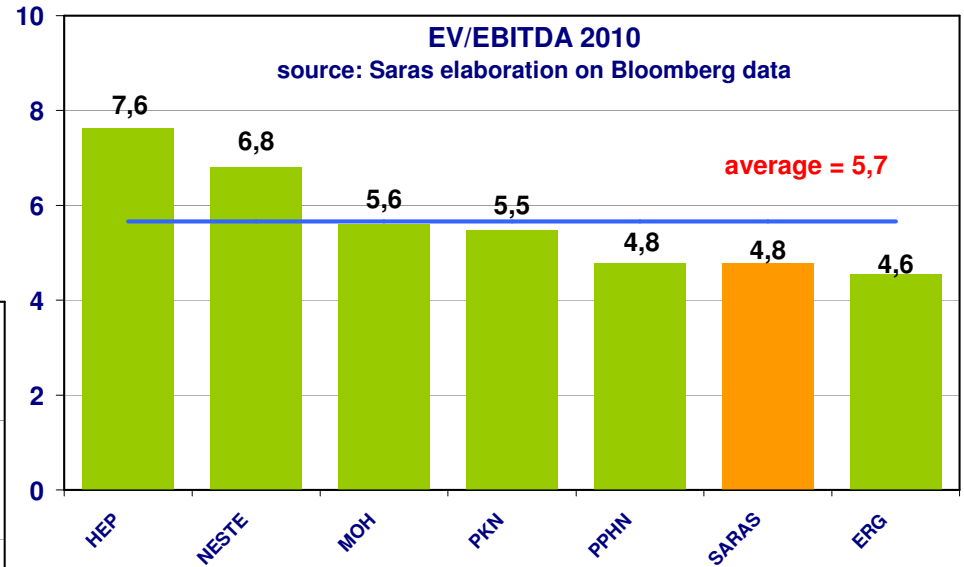
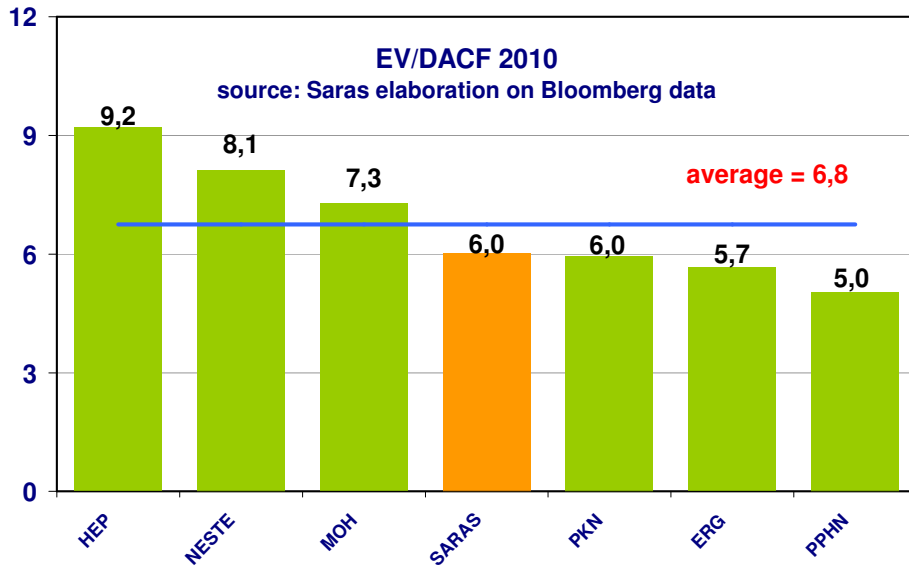
EUR million

EUR million

EUR million



# MARKET MULTIPLES



Last update 22<sup>nd</sup> March 2010; Saras share price EUR 1.91

- 
- **Saras in a Snapshot**
  - **Market Overview**
  - **Business Segments**
  - **Financials**
  - **Investment Plan & Others**



### **SARROCH SITE: SIGNIFICANT GROWTH OPPORTUNITIES**

**In line with our long term vision, the investment plan for 2008-2012 is focused on:**

- ✓ increasing conversion capacity
- ✓ improving energy efficiency
- ✓ exploiting unconventional crudes
- ✓ enhancing overall refinery performance

**Our approach is based on:**

- ✓ continuous improvement
- ✓ integrated but independent projects
- ✓ mitigated investment risk
- ✓ operational and HSE excellence

**However, CAPEX from 2010 onwards has been recently postponed by 12 ÷ 18 months in order to:**

- ✓ align investments with current market scenario
- ✓ pursue best possible returns for shareholders
- ✓ take advantage of lower prices for construction materials and engineering services





## MAIN INVESTMENT AREAS

### INCREASE CONVERSION CAPACITY

#### MildHydroCracking2 revamping & new Steam Reforming Unit

- ✓ Increase capacity from 60,000 to 65,000 b/d
- ✓ Increase conversion by 5%

+5,500 b/d of diesel  
(270 kton/year)

#### Visbreaking Revamping

- ✓ conversion increased by 5%

+2,000 b/d of diesel  
(100 kton/year)

### IMPROVE ENERGY EFFICIENCY

#### Energy recovery projects

- ✓ Improved thermal integration
- ✓ Energy recovery from exhaust gas
- ✓ Upgrade combustion processes

-1,300 b/d (75 kton/year)  
of fuel consumptions

### ENHANCE REFINERY PERFORMANCE

#### Process optimisation & increase throughput

- ✓ FCC, Alky and new Tank farm

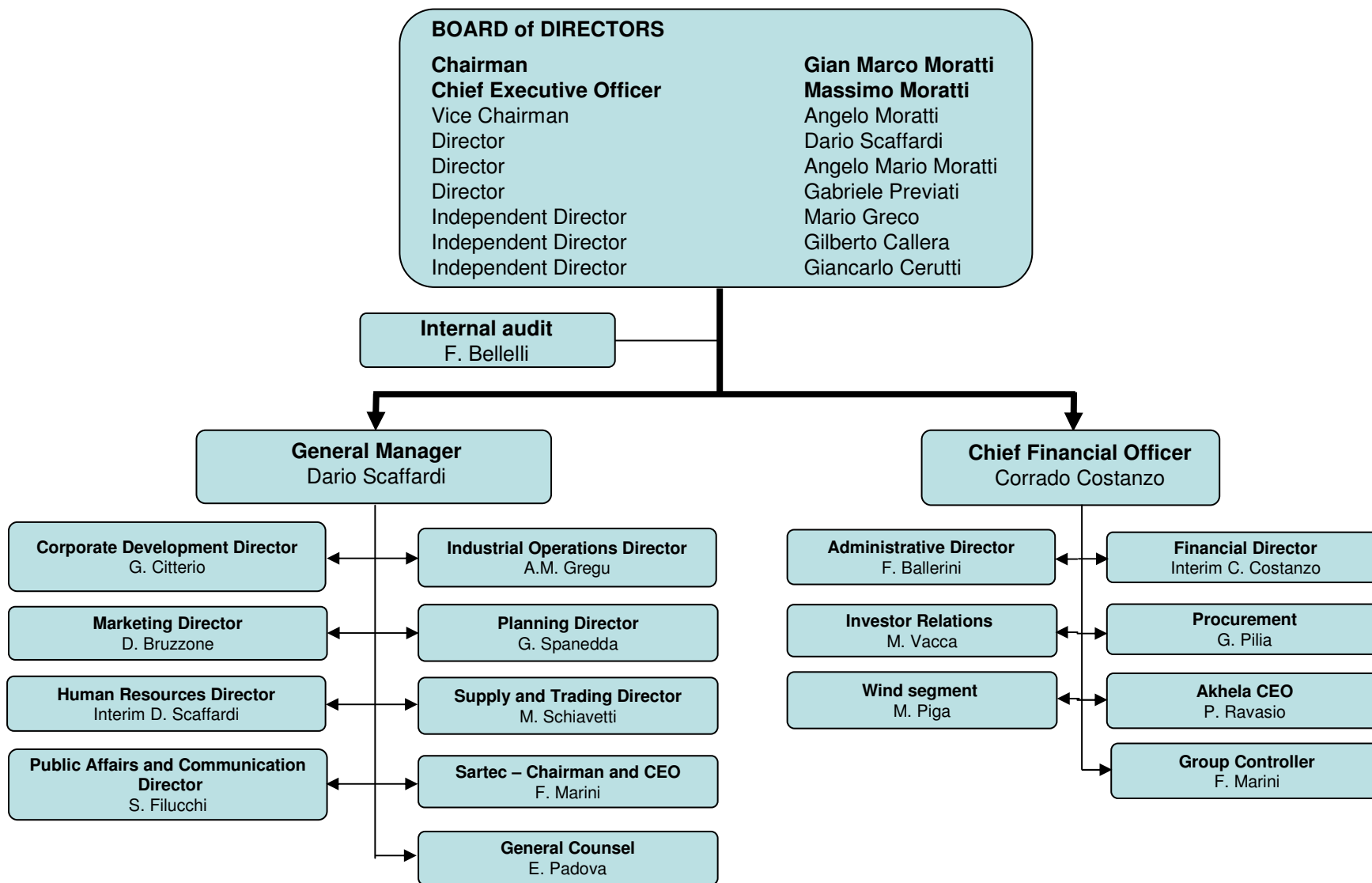
#### Flexibility for unconventional crudes

- ✓ Waxy, Condensate, Extra heavy

+10 kb/d (500 kton/year)  
of total runs



## ORGANIZATION CHART







### CORPORATE GOVERNANCE

**The Company is structured according to the traditional business administration and audit model as follows:**

**Board of Directors** charged with overseeing business management within which various committees have been set up, namely

- remuneration committee
- internal control committee

The Board includes **three independent non-executive directors**, Mr. Mario Greco, Mr. Gilberto Callera and Mr. Giancarlo Cerutti, who, together with another non-executive director, Mr Gabriele Previati, make up the above mentioned remuneration committee and the internal control committee

**Board of Statutory Auditors** charged with supervising the compliance with laws and statutes, and monitoring the adequacy of the organisational structure, the internal control system and the Company's accounting-administrative system.

The Board has nominated the Chairman of the Board of Directors as the executive in charge of surveying internal control system functions.



## PERSONNEL

**31/12/2009**

<b>Male</b>	<b>78%</b>	<b>1,702</b>
<b>Female</b>	<b>22%</b>	<b>488</b>

**Average age: 40 years**

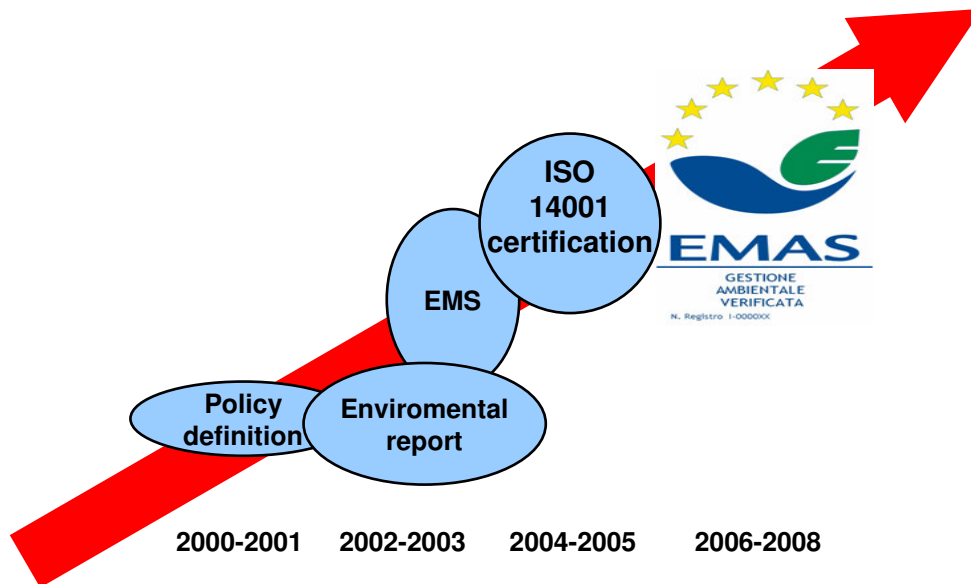
**Average time at the company 8 years**

The Saras Group has 2,190 staff. Approximately 78% of these are employed in Sardinia, mostly at the Sarroch refinery. Some 490 people work in Spain, in distribution and marketing.

In over 40 years of activity, Saras has successfully built a reputation that has enabled it to attract the best employees, and to develop and retain talented and motivated personnel, who share the company's values of honesty, respect, excellence and responsibility.

Saras has promoted these values by creating and constantly improving a safe and stimulating work environment, which encourages respect for the individual and offers attractive opportunities for staff development.

## SARAS CERTIFICATION PATTERN



The Eco-Management and Audit Scheme (**EMAS**) is the EU voluntary instrument which acknowledges organisations that improve their environmental performance on a continuous basis. EMAS registered organisations are legally compliant, run an environment management system and report on their environmental performance through the publication of an independently verified environmental statement. They are recognised by the EMAS logo, which guarantees the reliability of the information provided.

The Saras Group has always paid particular attention to the environmental issues connected with its activities. **Investments in environmental and safety initiatives stood at EUR 64 million in 2008. This was approximately 25% of total investments made in the year**

Saras' environmental objectives include **transparency of information**. It has always made company data and the results of studies available to the authorities and the public. In keeping with this policy, Saras draws up an *Environment and Safety Report* each year.

**The Saras Group has a programme aimed at ensuring the safety of all its employees at work.** The company introduced a specific safety policy in 1996, and since then has achieved positive results in safeguarding both its workers and the environment.

**The Group's Safety Management System** for the prevention of major accidents was developed pursuant to Legislative Decree 334/99. The main components of this system are a *Safety Report*, an *Internal Emergency Plan* and an *External Emergency Plan*.



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