



Investor Presentation

Last update: May 2011



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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**

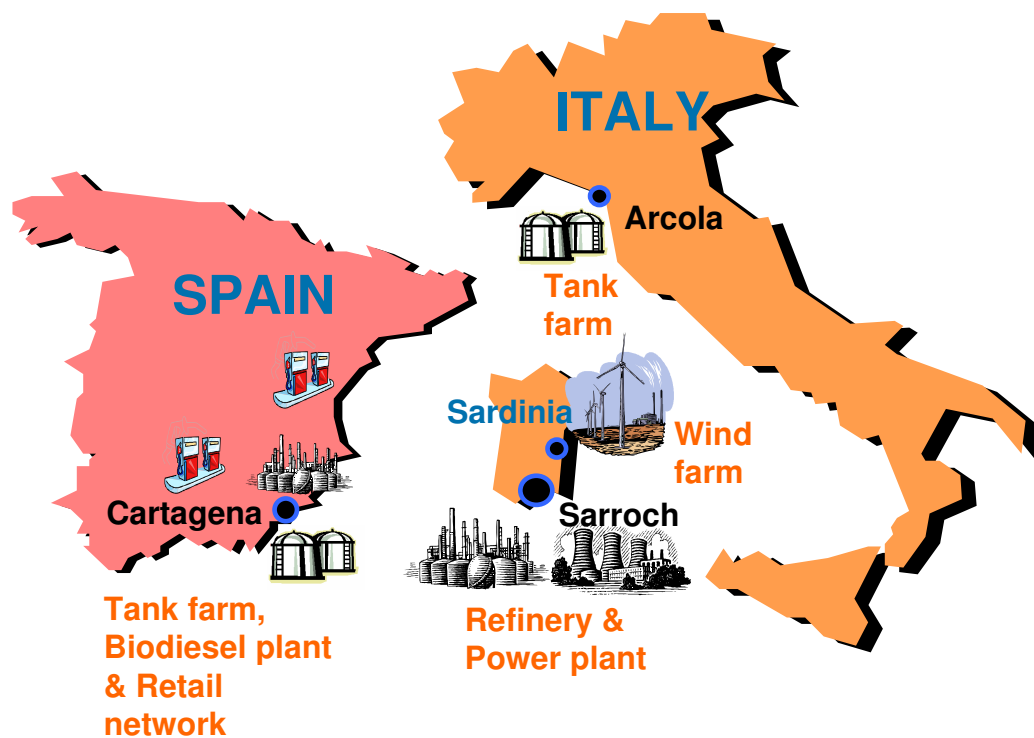
- **Business Segments**

- **Financials**

- **Other information**



PURE PLAY REFINER WITH STABILIZATION OF RETURNS FROM POWER GEN



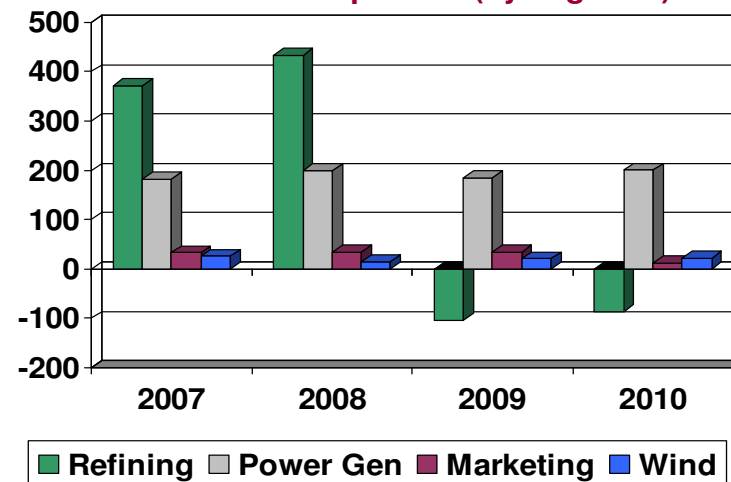
HISTORY:

- 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: Upgrade and revamping 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 (96MW Wind farm)

EBITDA Comparable (by segment)





VISION

- Best in class refiner, through sustainable technological excellence

STRATEGIC GOALS

- Achieve maximum efficiency in production and effectiveness in operations
- Prioritize organic growth in our core business, moving towards a “ZERO FUEL OIL” configuration
- Grow selectively in marketing & renewables



A grayscale silhouette of an industrial facility, likely a refinery or chemical plant, featuring several tall distillation columns and complex piping structures against a light background.

- **Saras in a Snapshot**

- **Market Overview**

- **Business Segments**

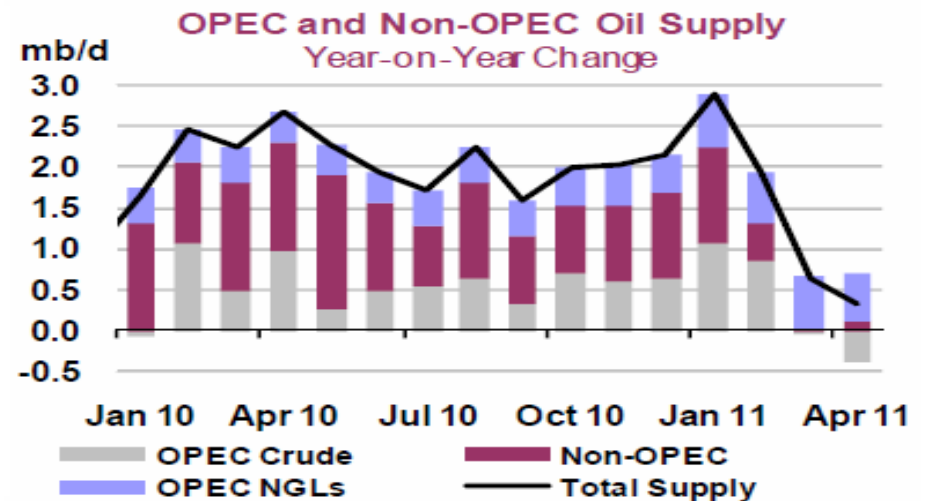
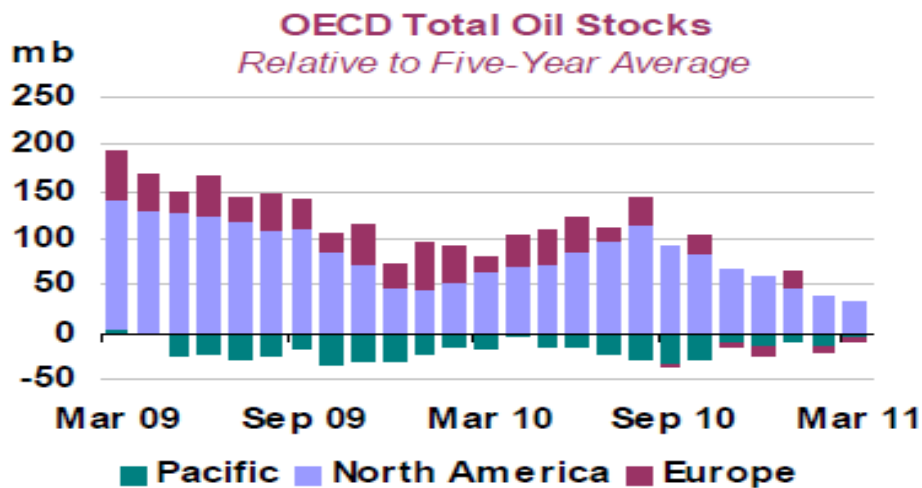
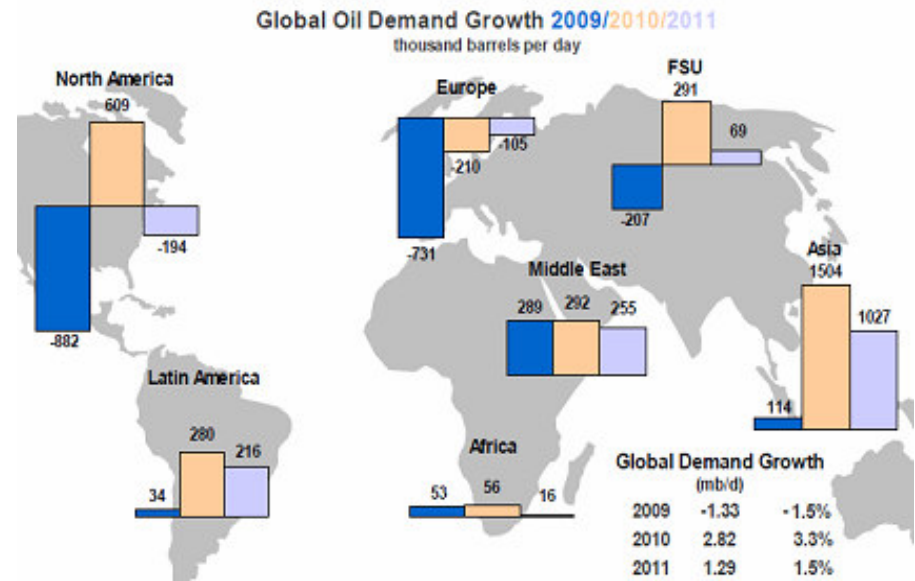
- **Financials**

- **Other information**



RECENT TRENDS IN PRODUCTS' DEMAND, CRUDE SUPPLY AND STOCKS

- **IEA remains optimistic on global oil demand:**
 - ✓ 2010 global demand closed at 87.9 mb/d (+3.3% or +2.8 mb/d vs. 2009), the highest growth rates in the past decade
 - ✓ 2011 expected at 89.2 mb/d (+1.5% or +1.3 mb/d year on year)
- **Global supply on a decreasing trend since start of 2011:**
 - ✓ OPEC supply continued its downward spiral in April, as Libyan output continues to remain severely curtailed by civil war, and other OPEC producers fail to increase volumes (OPEC production remained 1.3 mb/d below the pre-crisis level of around 30 mb/d posted in January)
 - ✓ Non-OPEC supply also lower than last year, due to shut-ins for technical and political reasons in Argentina, Canada, China, Norway, Sudan and Yemen, only partly offset by increases in Brazil and FSU
 - ✓ Prices beyond 100 \$/bl imply high risk of demand destruction
- **Oil inventories continue their massive correction:**
 - ✓ In H2/10 global tightening proceeded to the tune of 1.1 mb/d, due to strong demand for middle distillates, which largely exceeded supply;
 - ✓ OECD stock overhang vs. the 5-year average narrowed from 200mb in early 2009, down to 23mb in Mar 2011 (corresponding to less than one day of "forward demand cover")



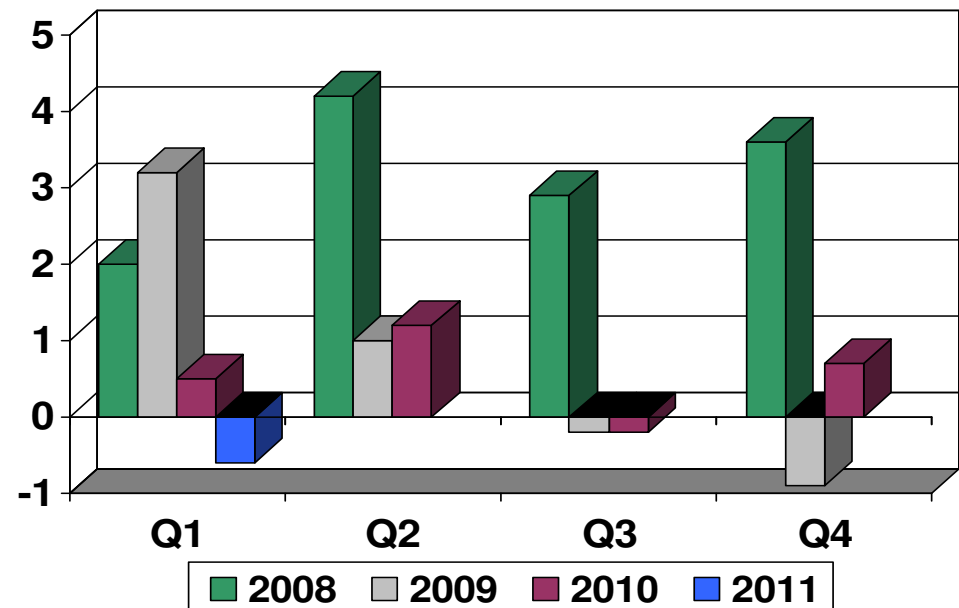


RECENT TRENDS IN REFINING MARGINS

➤ Refining margins had a complicated start in 2011:

- ✓ A series of harsh social conflicts shook the North African and Middle Eastern political landscape, affecting also some important oil producing and exporting countries. Disruptions of oil supply had the immediate effect of pushing up oil prices. Product prices however, did not manage to keep the same pace and refining margins suffered a severe squeeze
- ✓ In the Mediterranean, the EMC benchmark margin weakened in Q1/11, posting an average of -0.6 \$/bl vs. 0.7 \$/bl in Q4/10
- ✓ Gasoline crack spread declined due to seasonally weak demand for most of the period, and it started to improve only towards the end of the quarter, ahead of the driving season
- ✓ On the contrary, middle distillates crack spread strengthened throughout Q1/11, reflecting strong demand backed by lower seasonal maintenance-related refinery output. Middle distillates actually proved quite resilient in front of the cooling down of the Chinese economy, and the drop in Japanese demand, following the earthquakes and tsunami
- ✓ Finally, fuel oil crack spread weakened in comparison to the previous quarter, as a result of feeble demand and higher prices for crude oil

EMC Benchmark Refining Margin



➤ Libyan civil war widened “heavy-light” differential, favouring complex refineries:

- ✓ While refining margins were being squeezed, the “heavy-light” crude price differential widened. Several factors combined to push further apart the prices of the two benchmarks: on one hand, softer demand for fuel oil limited refiners’ appetite for heavier grades; on the other hand, the missing Libyan barrels are primarily “light sweet”, hence pushing upwards the price of these grades
- ✓ Possibly, a further depressing effect on heavy grades came as a consequence of the attempt of Russia and Saudi Arabia to replace the missing Libyan production, by increasing their own output which, however, is primarily made of medium and heavy sour crude oils. Therefore, this move further contributed to widen the “heavy-light” differential.
- ✓ Therefore, even if margins currently remain under pressure, market conditions continue to favour complex refineries which can benefit from the widening “heavy-light” differential and also from a more robust “conversion spread” (ie. the premium of upgrading fuel oil into diesel)

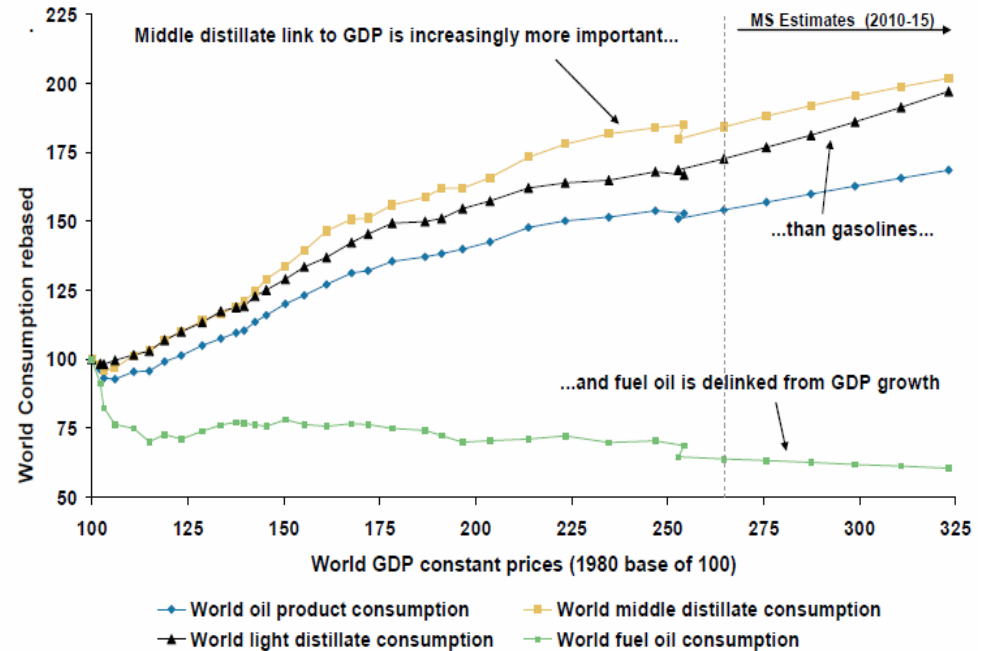


OIL PRODUCTS' DEMAND AND GDP GROWTH

IMF "World Economic Outlook" projections (Apr 2011)

	Year over Year		Projections	
	2009	2010	2011	2012
World Output	-0.5	5.0	4.4	4.5
Advanced Economies	-3.4	3.0	2.4	2.6
United States	-2.6	2.8	2.8	2.9
Euro Area	-4.1	1.7	1.6	1.8
Germany	-4.7	3.5	2.5	2.1
France	-2.5	1.5	1.6	1.8
Italy	-5.2	1.3	1.1	1.3
Spain	-3.7	-0.1	0.8	1.6
Japan	-6.3	3.9	1.4	2.1
United Kingdom	-4.9	1.3	1.7	2.3
Canada	-2.5	3.1	2.8	2.6
Other Advanced Economies	-1.2	5.7	3.9	3.8
Emerging and Developing Economies	2.7	7.3	6.5	6.5
Central and Eastern Europe	-3.6	4.2	3.7	4.0
Commonwealth of Independent States	-6.4	4.6	5.0	4.7
Russia	-7.8	4.0	4.8	4.5
Developing Asia	7.2	9.5	8.4	8.4
China	9.2	10.3	9.6	9.5
India	6.8	10.4	8.2	7.8
ASEAN-5	1.7	6.9	5.4	5.7
Brazil	-0.6	7.5	4.5	4.1
Mexico	-6.1	5.5	4.6	4.0
Middle East and North Africa	1.8	3.8	4.1	4.2
Sub-Saharan Africa	2.8	5.0	5.5	5.9

GDP and Oil products consumption

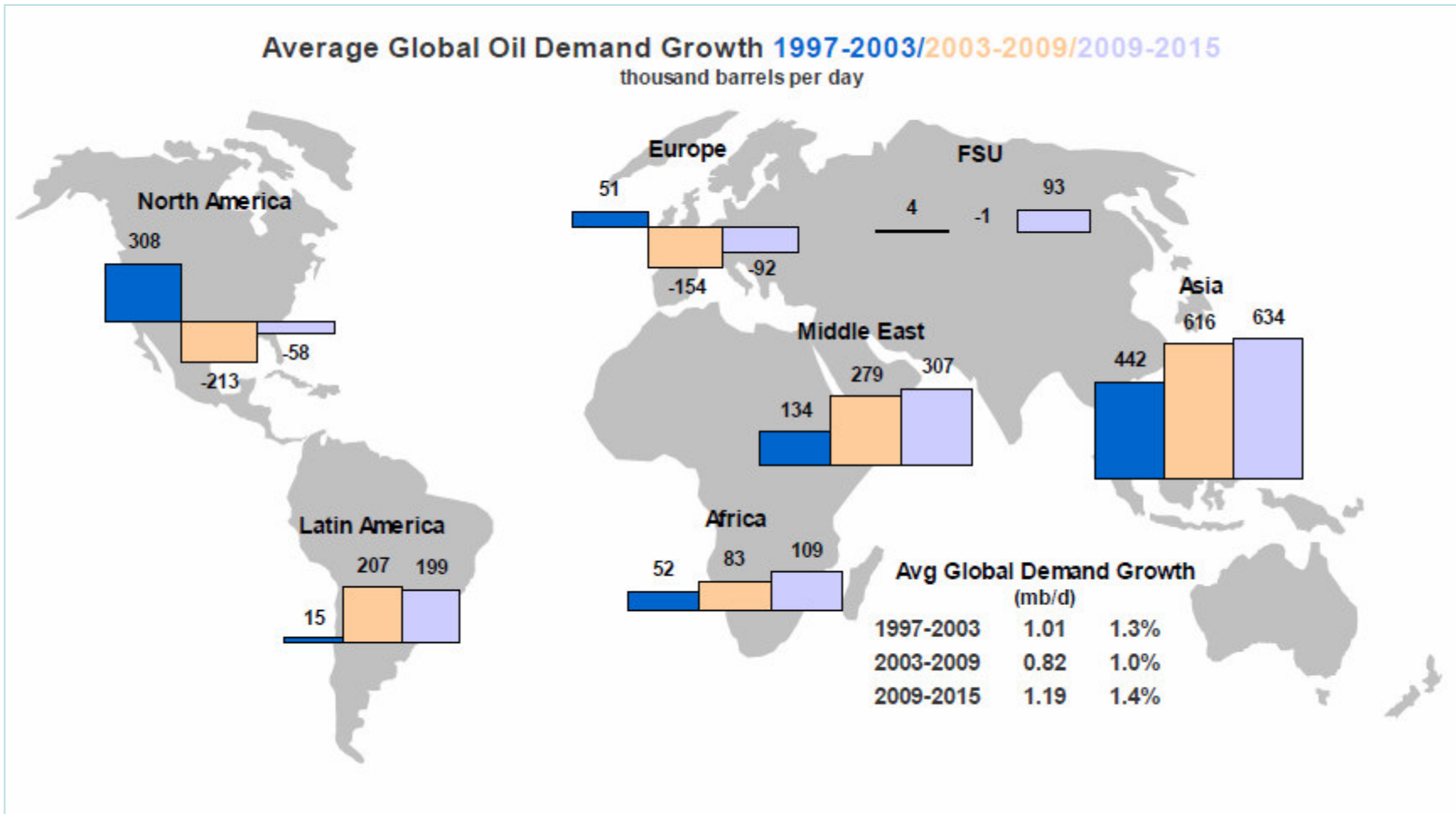


Sources: IMF, BP Statistical Review, Morgan Stanley Research

- The latest IMF's "World Economic Outlook" maintains an upbeat view on GDP growth, with 2011 expected at 4.4% (driven by both OECD and non-OECD)
- However, there are some downside risks to recovery, due to the profound debt crisis which shook Euro-Zone peripheral economies, and the still high unemployment
- Therefore, Governments are now called to put in place measures aimed at reducing public deficits, while also implementing fiscal and economic reforms
- There is an evident correlation between GDP growth and oil consumption, as demonstrated by various studies (middle distillates and gasoline display the closest links)
- Increased consumer efficiency, natural gas usage, biofuels and nuclear can all play a part in easing the planet's reliance on oil products...
- ...Nevertheless, for the next two decades, it is not possible to foresee any credible large-scale substitute for liquid hydrocarbons in their application as transport fuels



OIL PRODUCTS' GLOBAL DEMAND – MID TERM VIEW (2015)



Source: IEA "Medium Term Oil Market Report" (Jun10)



OIL PRODUCTS' GLOBAL DEMAND – MID TERM OUTLOOK (2015)

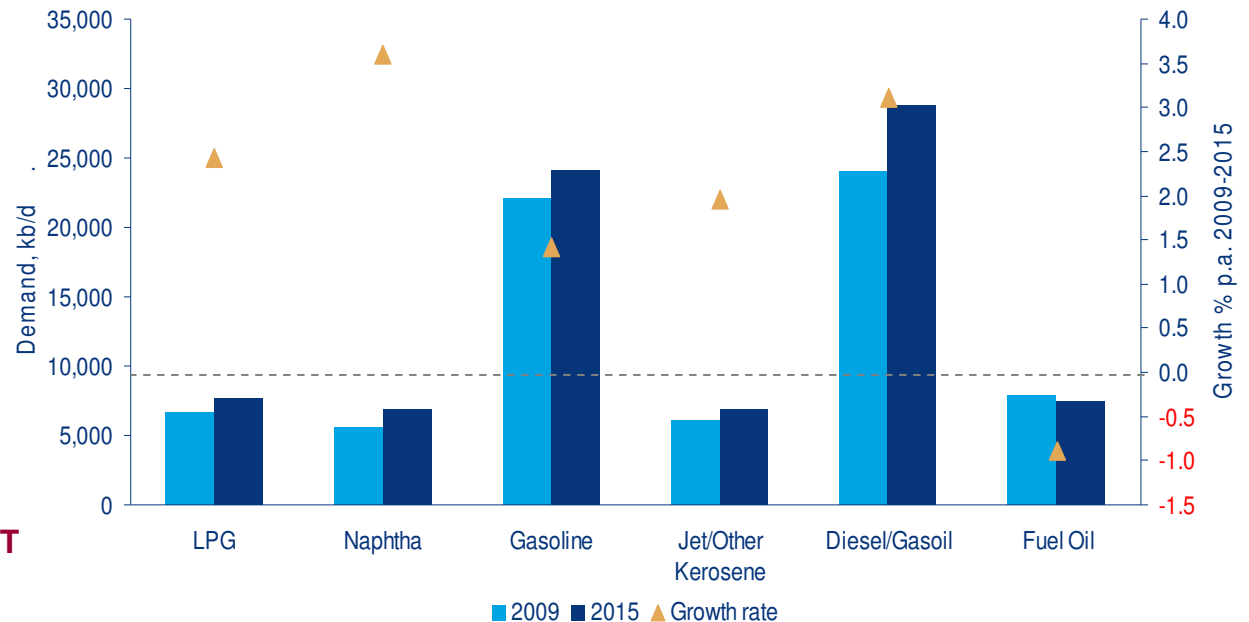
MIDDLE DISTILLATES AS LEADING FUELS

- Diesel is primary transportation fuel, with commercial use being the key driver for growth
- Heating oil, agricultural and industrial applications for gasoil
- Also an important power source in emerging economies
- Shipping industry will progressively switch from bunker fuel oil to gasoil

GASOLINE GROWTH COMES FROM EAST

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

Global Demand for Oil Products (2009 – 2015)



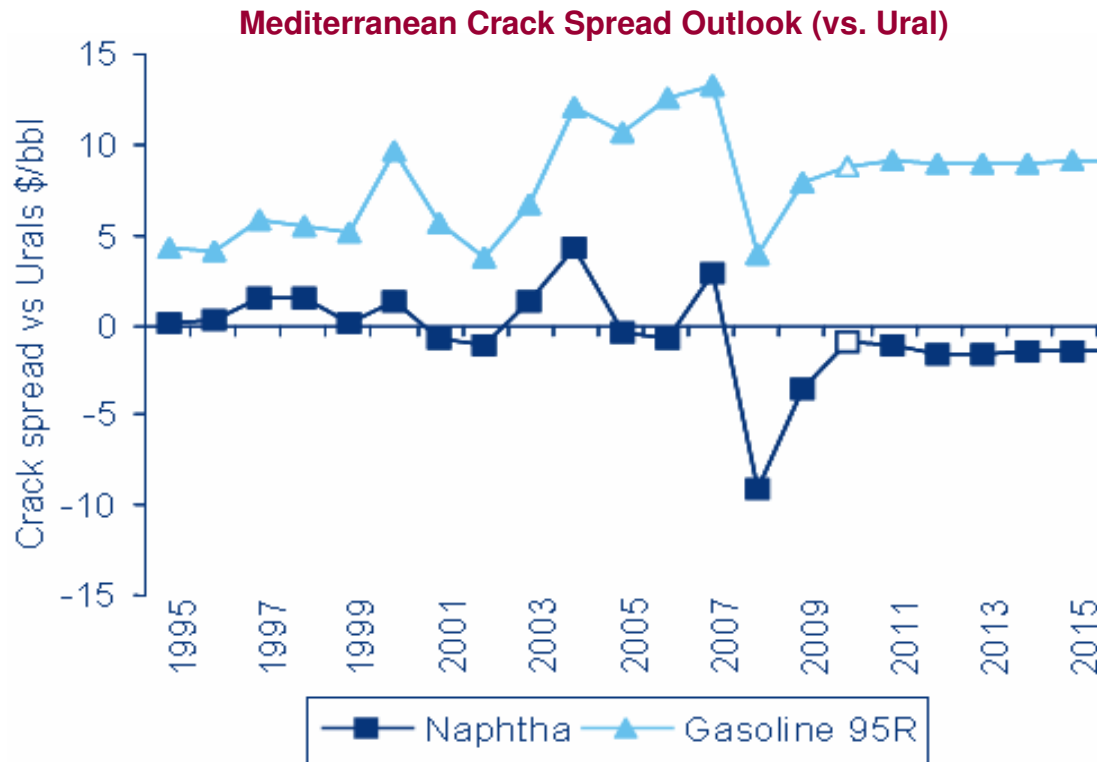
Source: Wood Mackenzie "European Refining in a Global Context" - (Nov10)

DECLINING DEMAND FOR FUEL OIL

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



LIGHT DISTILLATES – MEDITERRANEAN MID TERM OUTLOOK (2015)

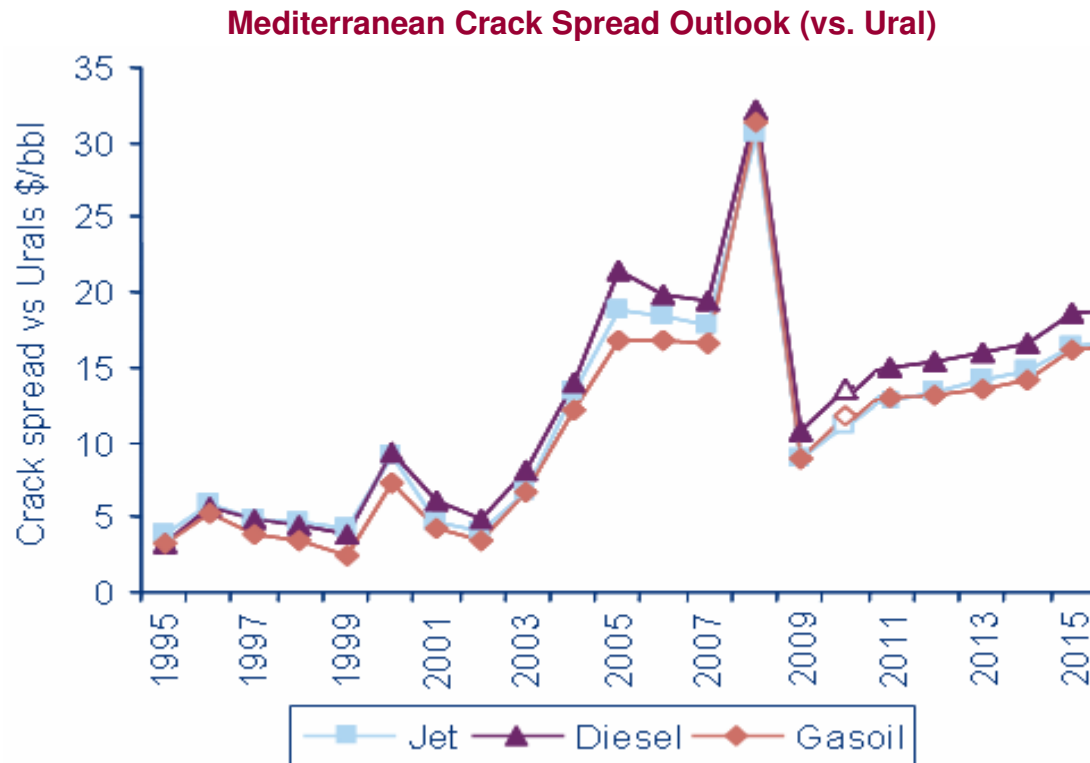


- Med gasoline crack spreads versus Urals strengthened slightly in 2010, supported by export opportunities outside of the region. However, recovery was limited as demand growth was weak (particularly in the US)
- From 2011 to 2015, the crack spread is forecast to marginally improve, even if supply from India and Middle East could partially offset the effects of demand growth in the wider Med region
- Naphtha crack posted a strong recovery in 2010 due to increased demand from the petrochemical steam crackers. However, naphtha could slightly weaken in the next couple of years, due to refiners shifting yields (from gasoline towards naphtha)

Source: Wood Mackenzie "European Refining in a Global Context" - (Nov10)



MIDDLE DISTILLATES – MEDITERRANEAN MID TERM OUTLOOK (2015)



- Gasoil crack spreads strengthened towards the end of 2010, thanks also to a very cold winter, which contributed to draw down stocks
- Crack spreads should continue to widen out to 2015, in line with global demand growth
- Moreover, in 2015 there should be a further step-increase, to represent the effects of marine bunker fuel switching to gasoil, in European and North American SECAs
- The diesel differential to gasoil is forecast to remain fairly strong throughout the period, reflecting the cost of desulphurisation, and the continued deficit of diesel within Europe

Source: Wood Mackenzie "European Refining in a Global Context" - (Nov10)

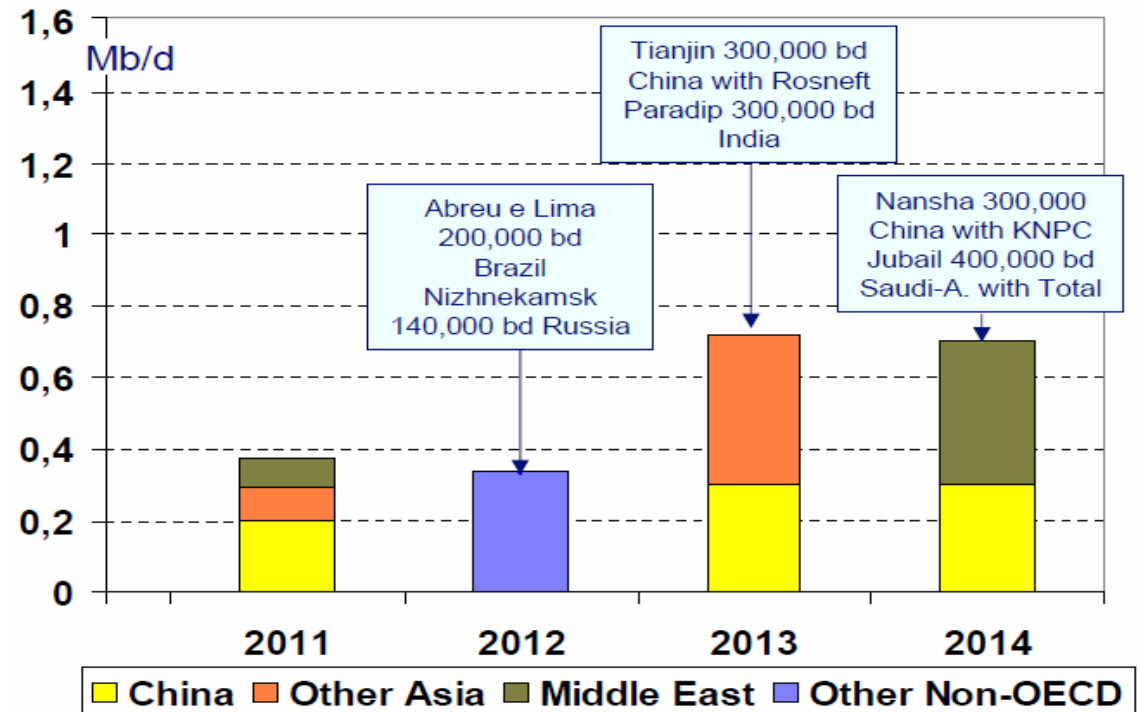


REFINING CAPACITY – ADDITIONS, DELAYS AND CANCELLATIONS

- 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 by 2015
- However, more than 80% of these projects have been delayed or cancelled in 2009 and 2010, due to:
 - ✓ limited availability of funds, as a consequence of 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

- As a result, much of the announced new capacity did not materialize
- Between 2009 and 2010, approx. 2.2 mb/d of new CDU capacity was actually added
- Moreover, expectations for new CDU additions in the period 2011 + 2014, currently stand at 2.1 mb/d:
 - ✓ The new refineries will be build primarily by National Oil Companies, in China, Middle East and other Asian countries

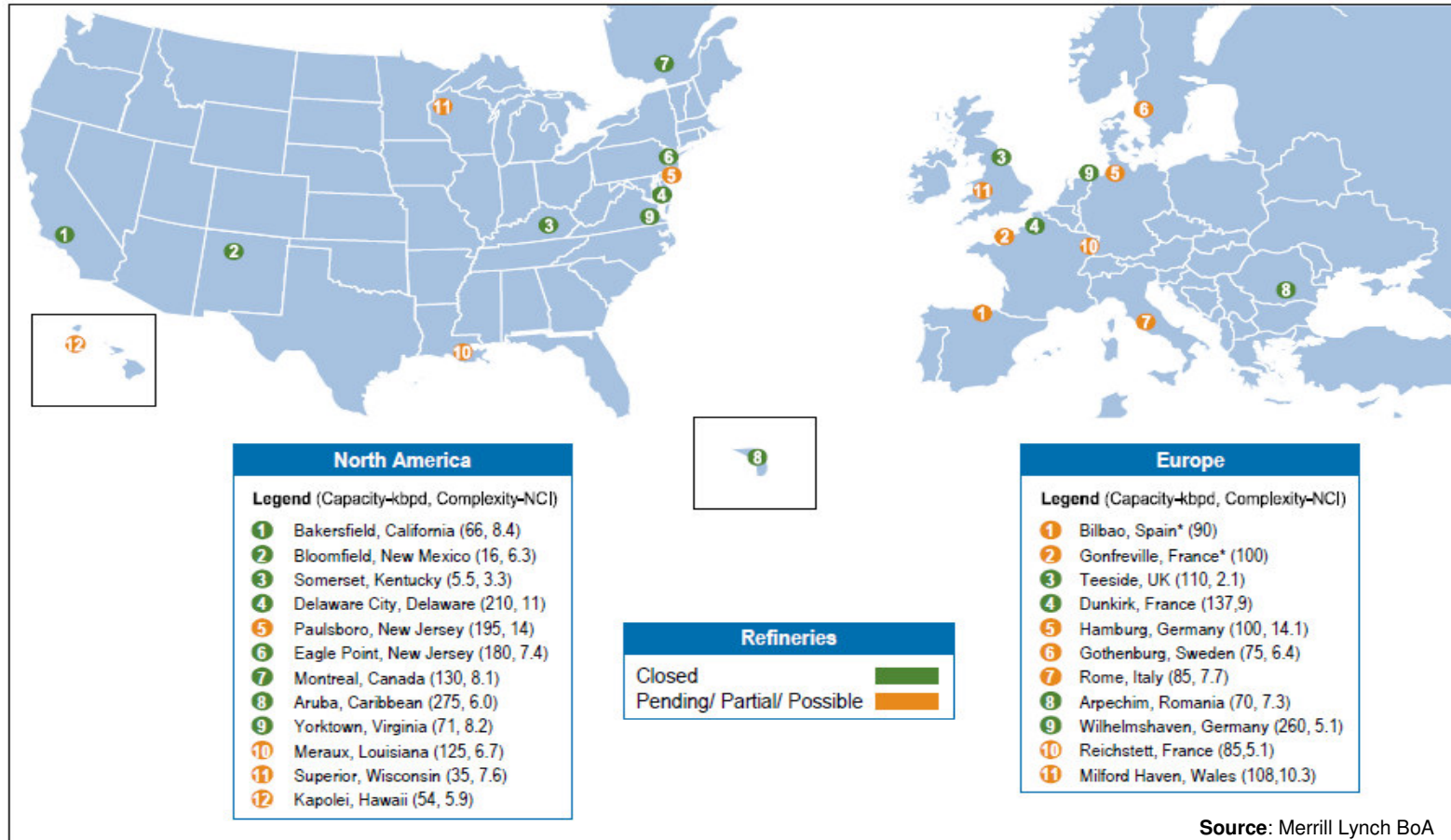
Crude Distillation Capacity Additions 2011 - 2014



Source: Saras elaborations of Company news, Reuters, Bloomberg and Wood MacKenzie



REFINING CAPACITY – CLOSURES AND MOTHBALLED



- In response to poor refining margins over the last two years, refiners have already closed approx. 2.0 mb/d of refining capacity globally, and earmarked another 0.7 mb/d for 2011 closure
- Closures provide support for the medium-term outlook and, coupled with sound demand growth, will drive improvements to refining margins



SUPPLY VS. DEMAND – MOVING TOWARDS A TIGHTER BALANCE

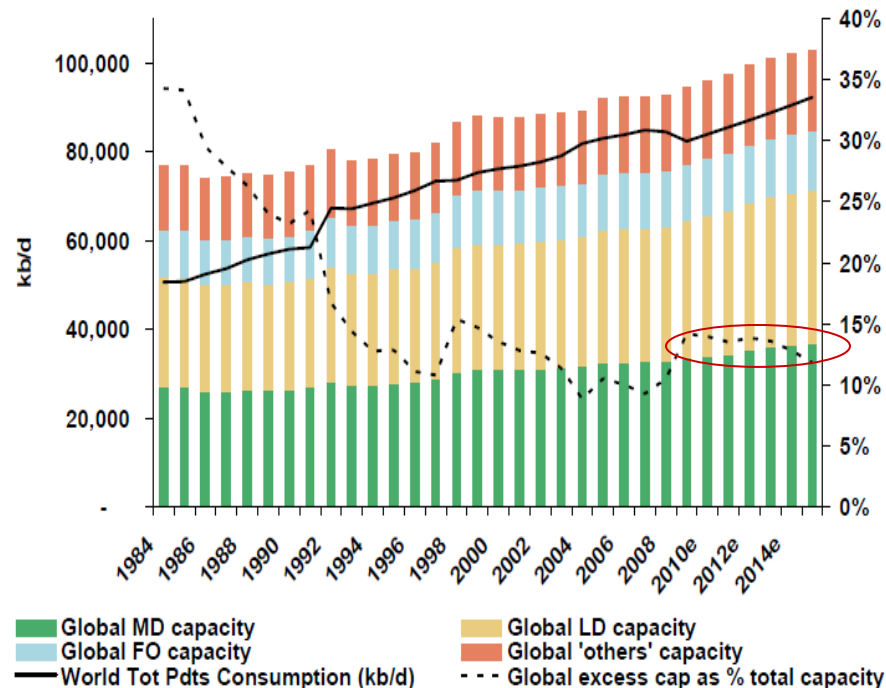
➤ Concerns over excess refining capacity appear to be misplaced:

- ✓ According to detailed supply/demand models, world excess oil products' capacity will remain relatively tight at c.14%
- ✓ This level is slightly above the 2005-08 'Golden Age' lows of 10%, but well below the 1980's peak of 35%

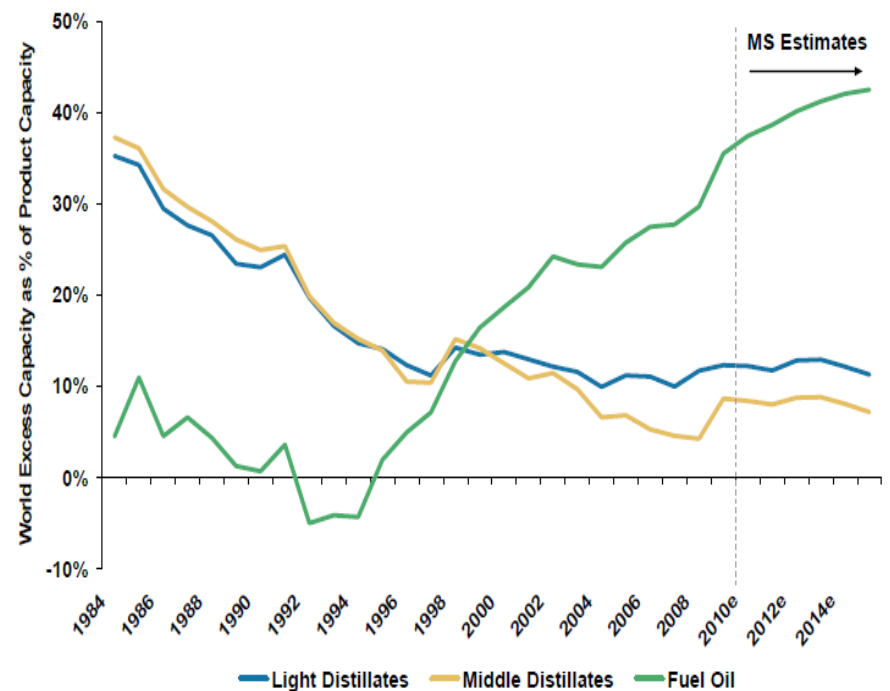
➤ Diesel and Gasoline excess capacity is expected to decline slightly, while Fuel Oil should grow:

- ✓ This is a supportive outlook for distillate cracks, but fuel oil cracks will be pushed downwards dramatically
- ✓ Consequently, the "conversion spread" will increase, and the weakness of the fuel oil crack should also widen the "heavy-light" crude differential

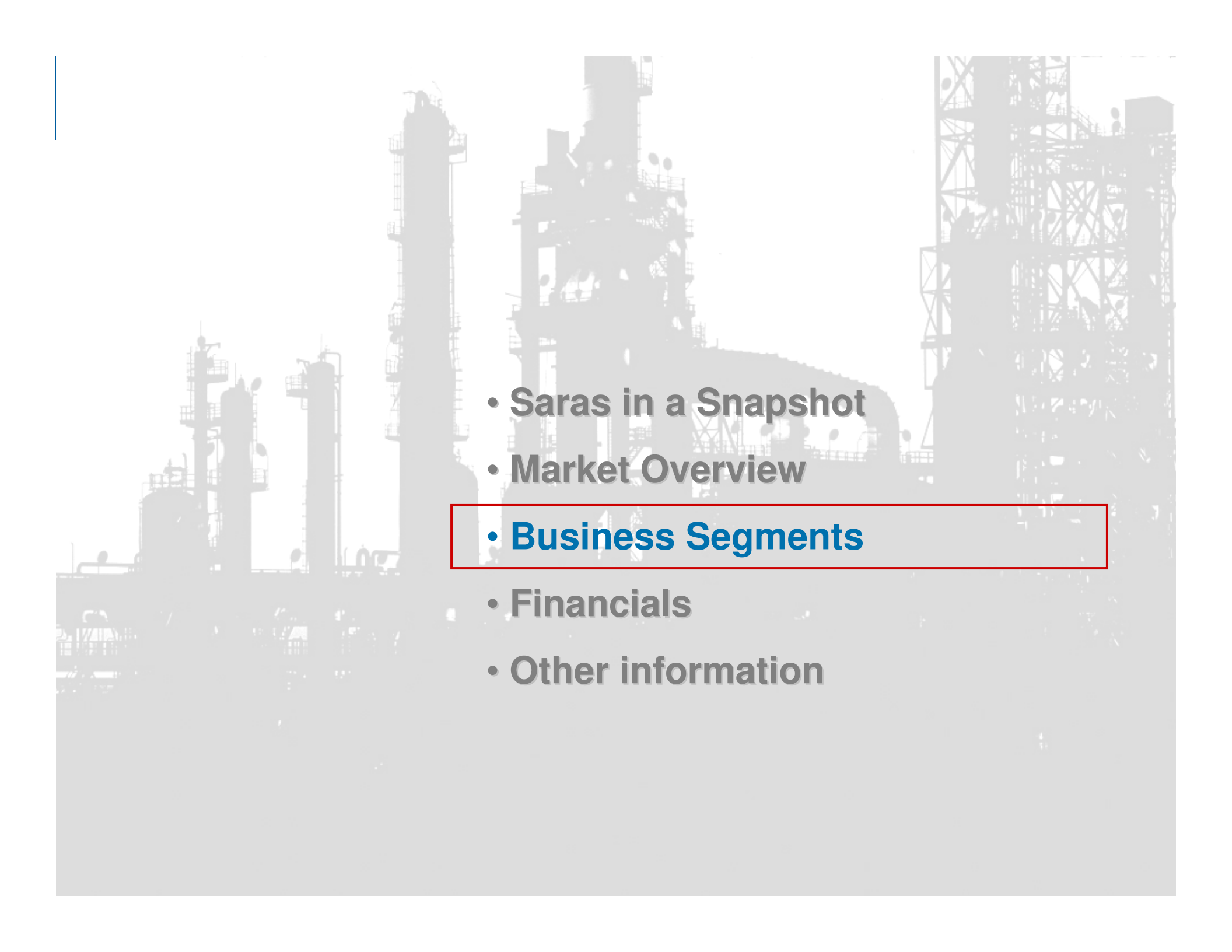
World total oil products' capacity vs. demand



World excess capacity by product

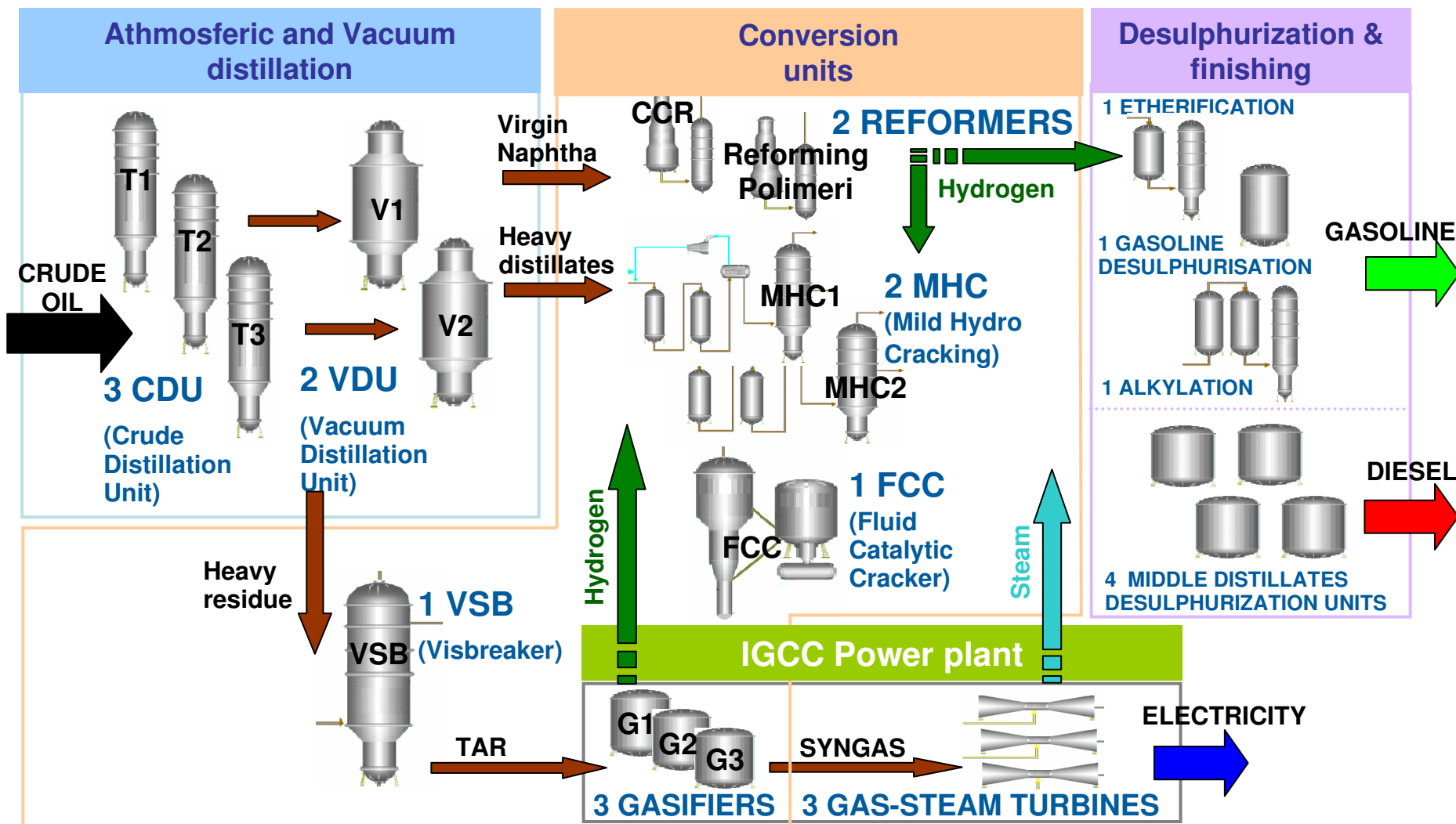


Sources: EIA, OGD, BP Stat Review, Morgan Stanley Research estimates

- 
- The background of the slide features a grayscale silhouette of an industrial facility, likely a refinery or chemical plant. It includes several tall distillation columns, a complex network of pipes, and large storage tanks. The structures are set against a light, hazy sky, creating a high-contrast, industrial aesthetic.
- **Saras in a Snapshot**
 - **Market Overview**
 - **Business Segments**
 - **Financials**
 - **Other information**



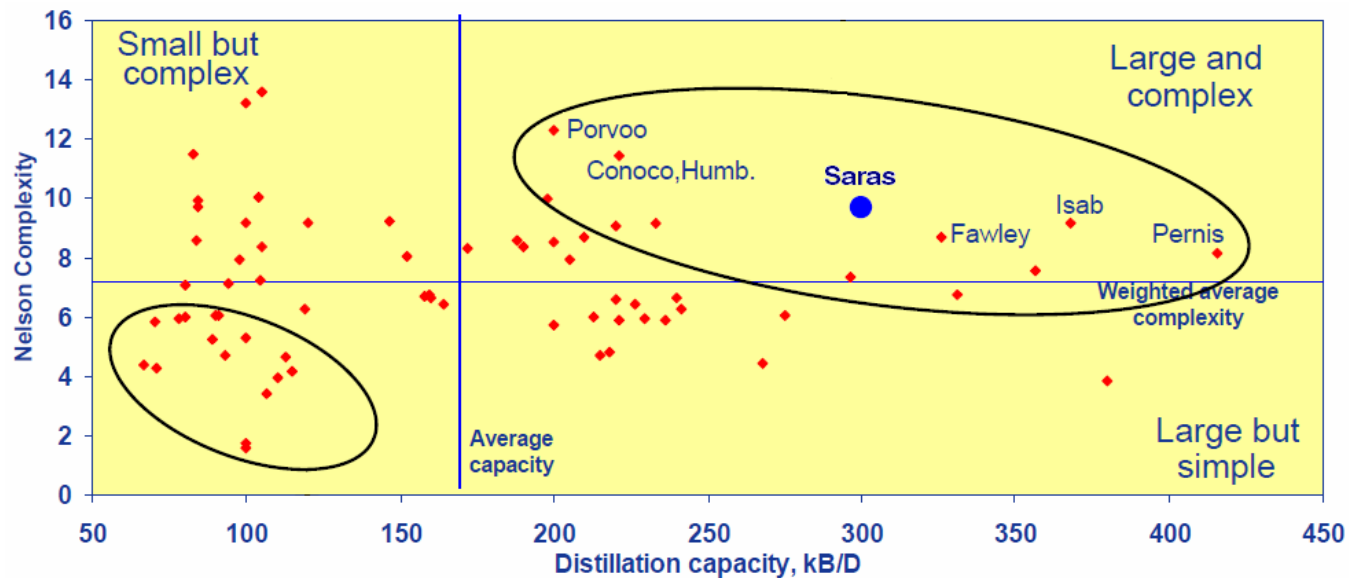
Refining Segment



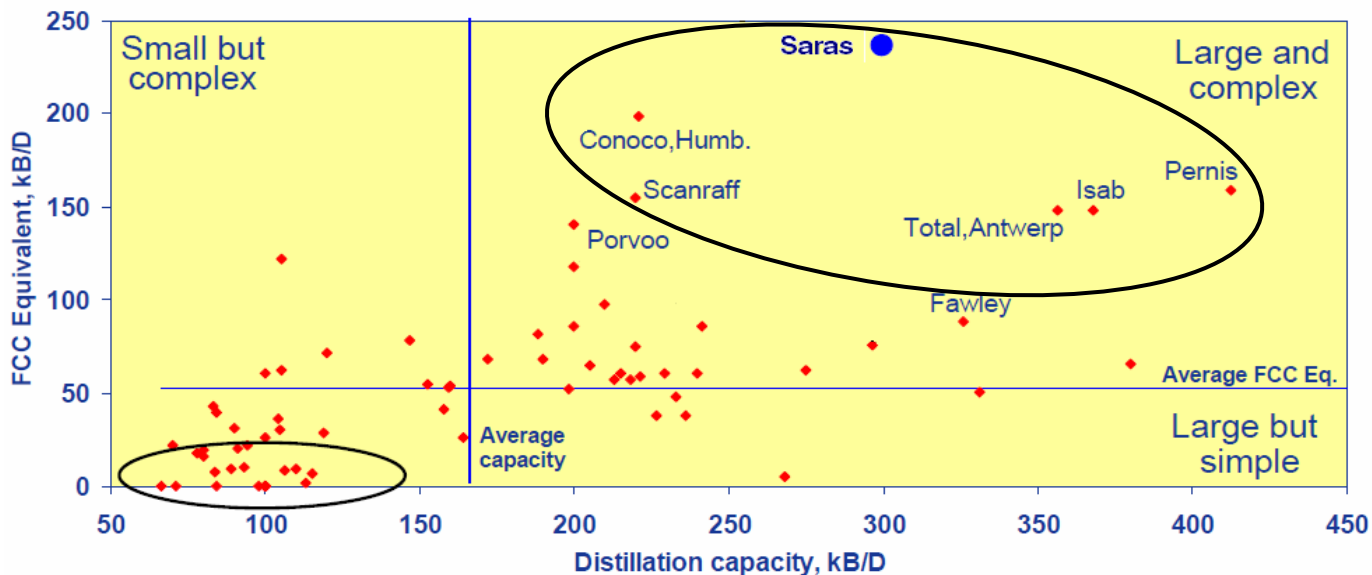
➤ Saras' competitive advantages: size (300 kbd), complexity (Nelson Index = 9.2), flexibility (crude slate optimisation), location (centre of Med), and integration (Pet-chem & IGCC Power plant)



COMPETITIVE POSITIONING: NELSON AND FCC EQUIVALENT COMPLEXITY



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

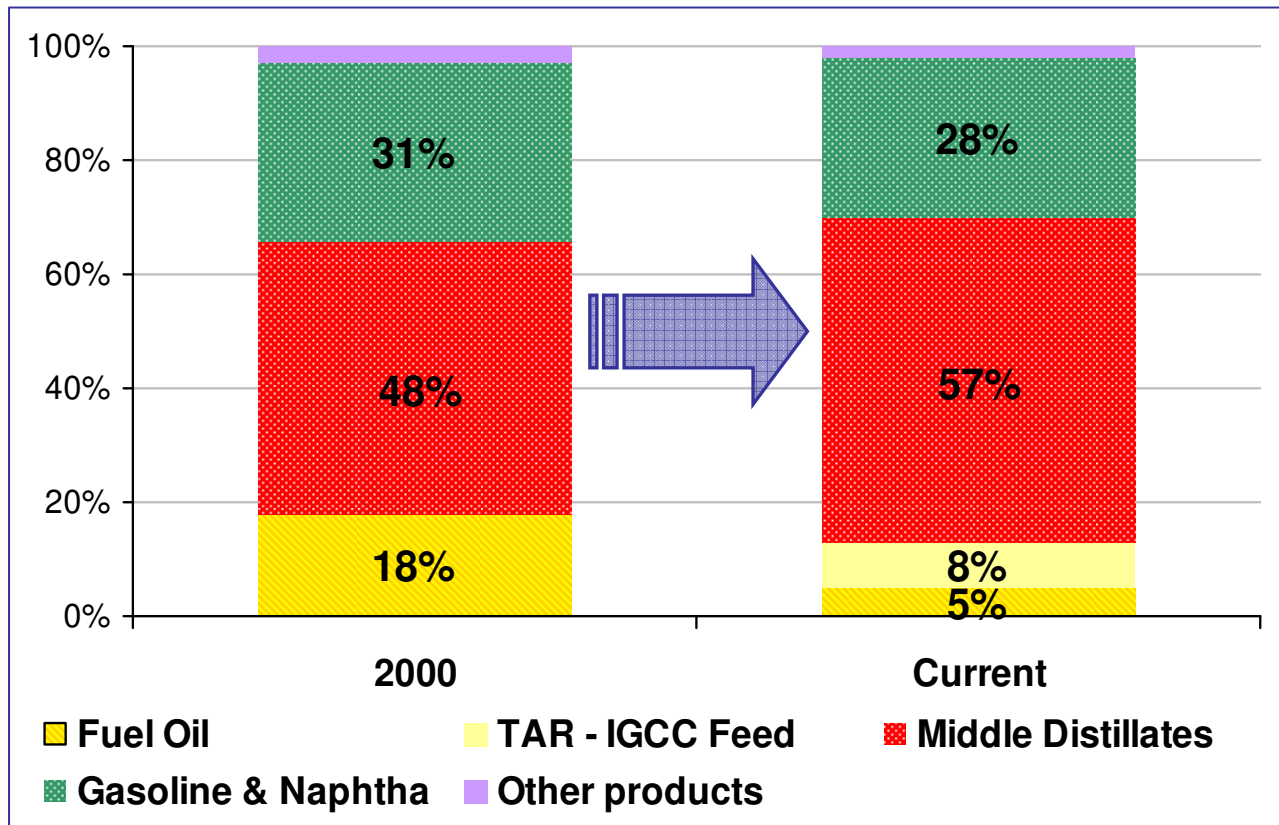


Highest FCC equivalent capacity amongst all EU refiners



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:

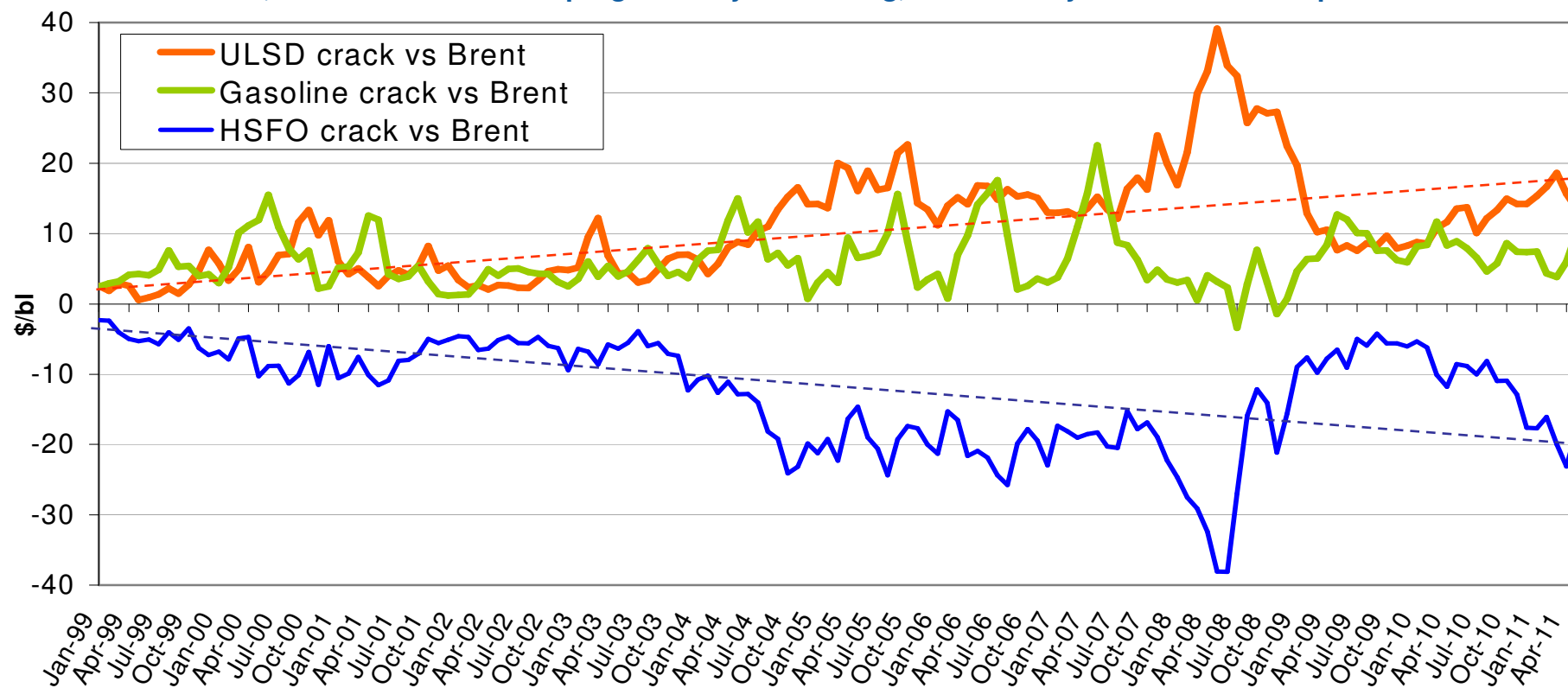
- ✓ IGCC plant (2001)
- ✓ MildHydroCracking2 (2001)
- ✓ TAME (2001)
- ✓ Revamping of the MildHydroCracking1 (2005)
- ✓ "Prime G+"® and U800 (2006 – 2008)
- ✓ Upgrading of the Continuous Catalytic Reforming (2006)
- ✓ Revamping of H2 separation unit of IGCC (2008)
- ✓ Tail Gas Treatment Unit (2008)
- ✓ 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 H2/2008 induced OPEC to cut production (primarily of heavy sour crude grades), hence creating an artificial shortage of this quality, which lasted for the entire 2009 and most of 2010
- This market distortion brought a contraction of the “light-heavy” price differential, and supported fuel oil prices. At the same time, middle distillates were extremely weak due to the reduction in industrial activity
- Sustained economic recovery in 2011 is boosting demand for middle distillates, supporting the ULSD crack spread. At the same time, demand for fuel oil is progressively decreasing, as shown by the HSFO crack spread

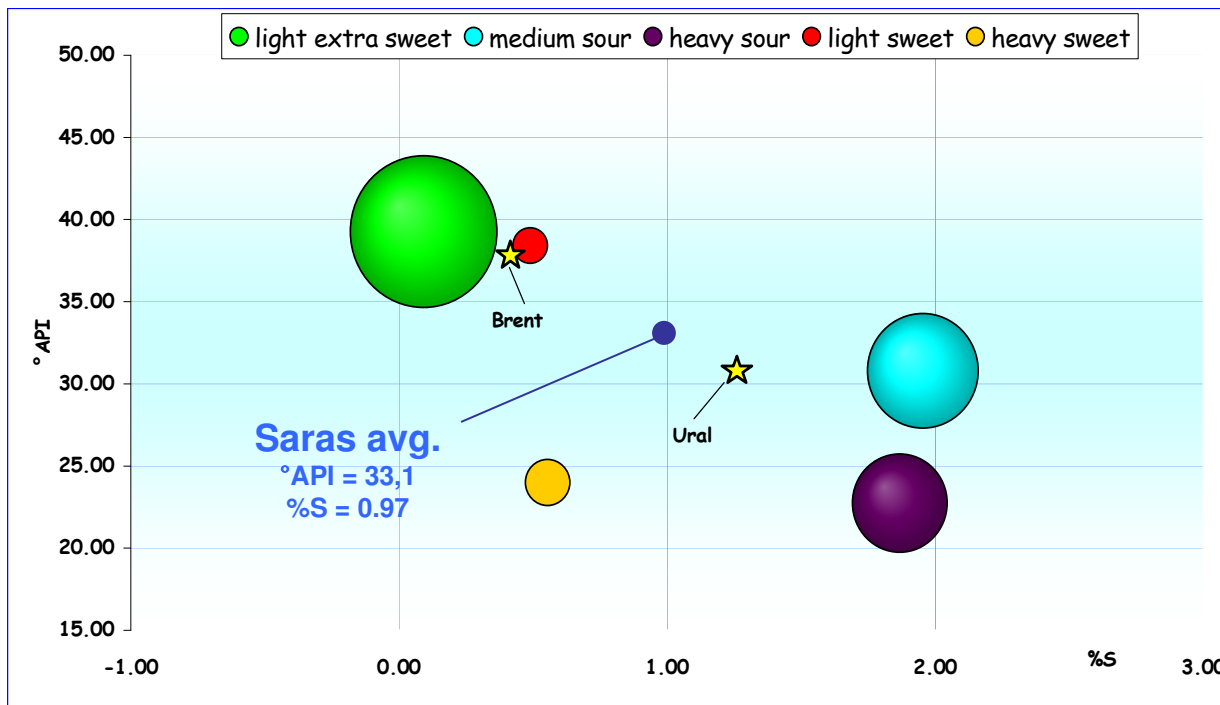




FLEXIBILITY OFFERS OPPORTUNITIES TO OPTIMISE FEEDSTOCK

- Flexible configuration (3 parallel and independent CDU) allows to run simultaneously up to 5 different grades of crude
- During 2010 Saras processed 20 grades of crude oils (including “unconventional” oils with higher margins)

Quality of Crude oils purchased (2010)



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

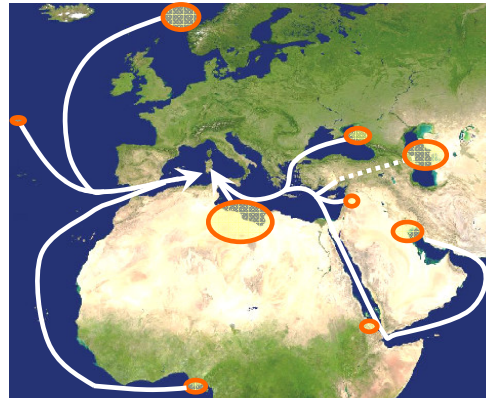
- ✓ Steam traced piping and heated storage tanks dedicated to waxy crude oils
- ✓ Integration with pet-chem plant to improve cold properties of middle distillates
- ✓ Internal lining in special alloys for heads of CDU columns, together chemical injections for acidic crude
- ✓ New Catalyst cooler for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



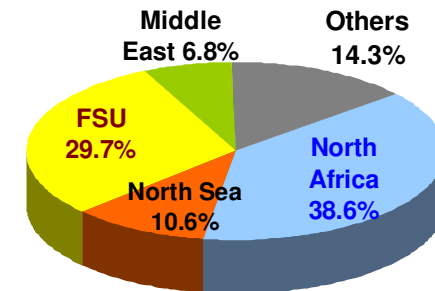
LOCATION AT THE HEART OF MAIN CRUDE OIL ROUTES...

➤ 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

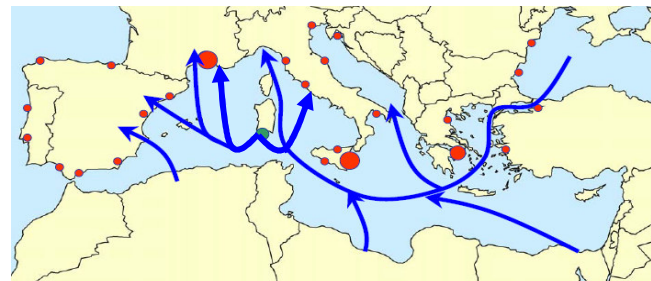
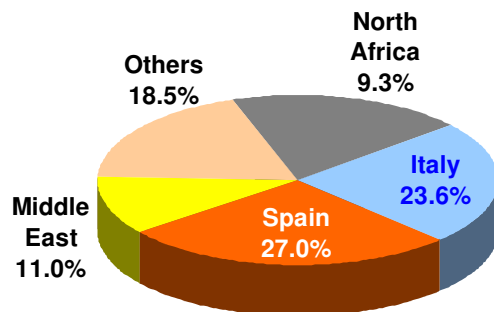


Origins of Crude purchased (2010)

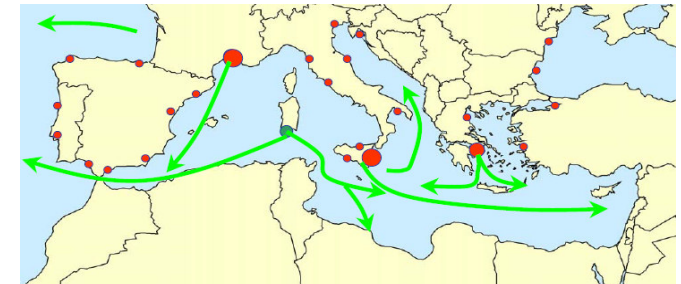


...AND CLOSE TO MAIN OIL PRODUCTS MARKETS

Total product Sales by geography (2010)



- 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

		2008	2009	2010	Q1/11
LPG	<i>Thousand tons</i>	337	221	323	71
	<i>Yield</i>	2.2%	1.7%	2.3%	1.9%
NAPHTHA+GASOLINE	<i>Thousand tons</i>	4,056	3,343	4,024	1,019
	<i>yield</i>	26.1%	25.1%	28.1%	27.5%
MIDDLE DISTILLATES	<i>Thousand tons</i>	8,275	6,769	7,517	1,996
	<i>yield</i>	53.3%	50.9%	52.4%	53.9%
FUEL OIL & OTHERS	<i>Thousand tons</i>	825	1,119	463	91
	<i>yield</i>	5.3%	8.4%	3.2%	2.5%
TAR	<i>Thousand tons</i>	1,121	1,077	1,166	314
	<i>yield</i>	7.2%	8.1%	8.1%	8.5%

Balance to 100% are Consumption & Losses

CRUDE OIL SLATE

		2008	2009	2010	Q1/11
Light extra sweet		51%	48%	47%	43%
Light sweet		0%	0%	3%	4%
Medium sweet		0%	0%	1%	0%
Light sour		0%	0%	0%	0%
Medium sour		22%	28%	27%	24%
Heavy sour		27%	24%	23%	29%
Average crude gravity	°API	32.7	32.4	32.4	32.2

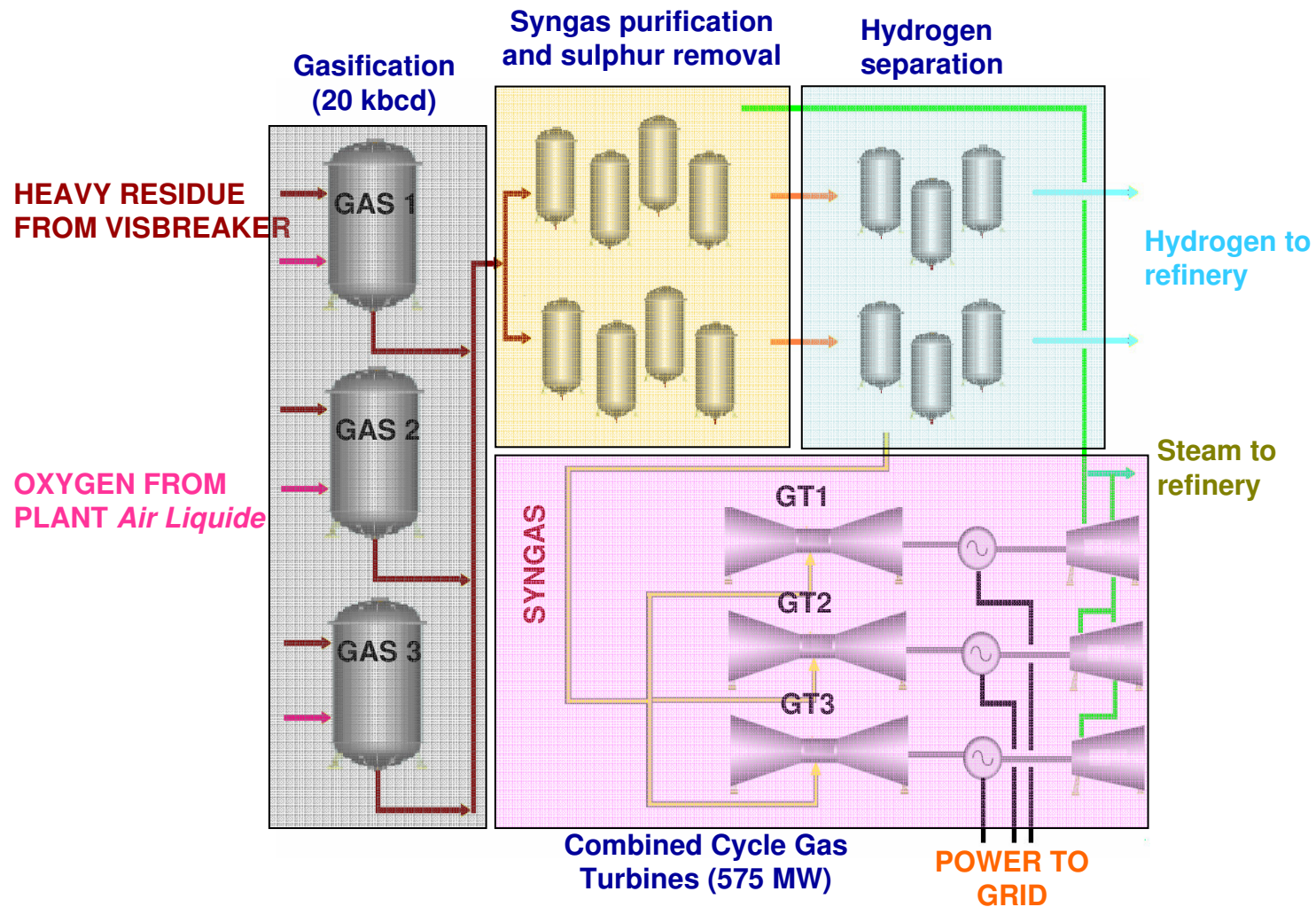


FIXED AND VARIABLE COSTS

		2008	2009	2010	Q1/11
Refinery RUNS	Million barrels	113.3	97.1	104.7	27.0
<i>Exchange rate</i>	<i>EUR/USD</i>	<i>1.47</i>	<i>1.40</i>	<i>1.33</i>	<i>1.37</i>
Fixed costs	EUR million	239	228	233	58.4
	\$/bl	3.1	3.3	2.9	3.0
Variable costs	EUR million	178	156	183	45.2
	\$/bl	2.3	2.2	2.3	2.3



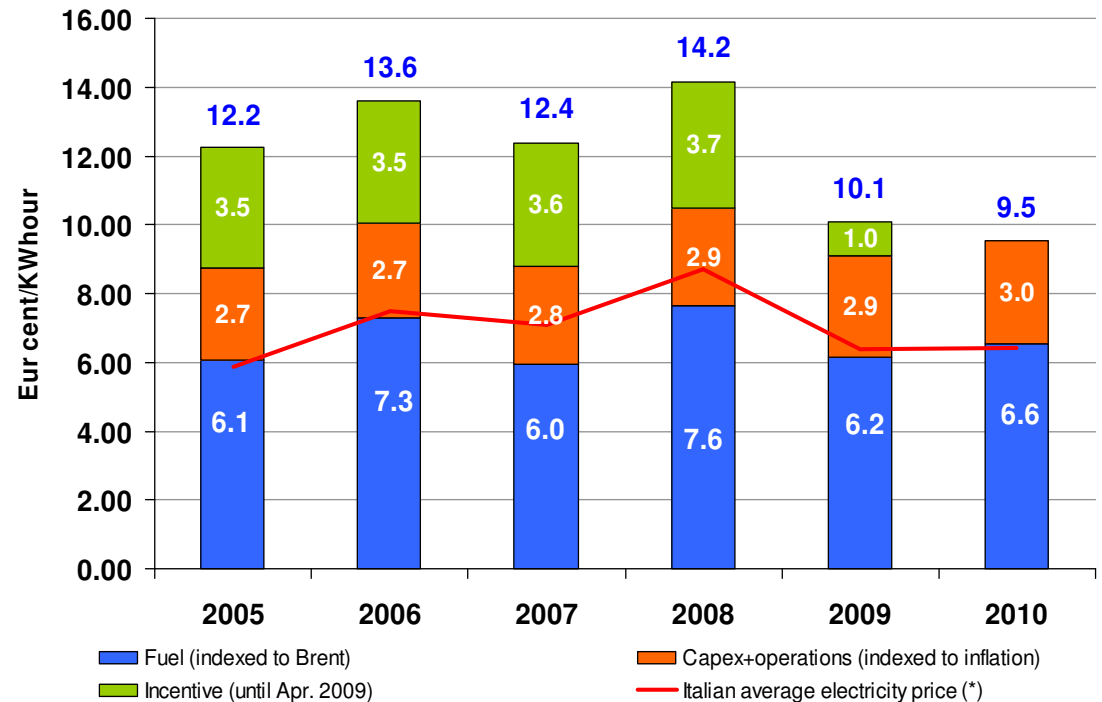
IGCC POWER PLANT CONFIGURATION





THE CIP6/92 POWER TARIFF

- **SARLUX economics based on regulated incentive scheme (CIP6/92 tariff). 20 year sale contract with National Grid operator (GSE) and priority of dispatching**
- **Originally, the tariff had 3 components:**
 - ✓ CAPEX+OPEX 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**
- **Moreover, Article 7bis of CIP6/92 states that “the sale price of electricity will be updated in case of changes of regulations implying higher or additional costs for producers”**
- **Accordingly, with Resolution 77/08 issued on 11th Jun 2008, the Energy Authority confirmed full reimbursement of CO2 costs for the entire duration of the CIP6 contract**



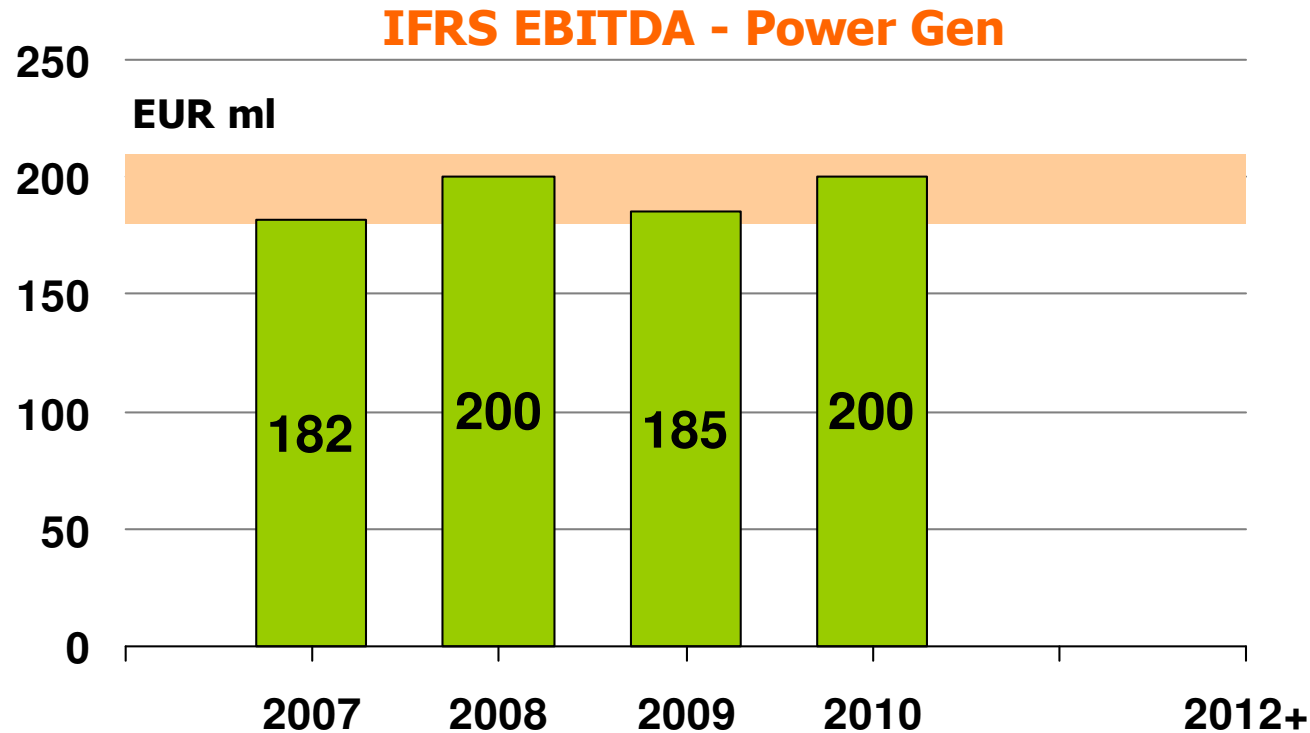
(*) = The Italian average electricity price (PUN) can be found on the GME website at: www.mercatoelettrico.org

	2005	2006	2007	2008	2009	2010
BRENT DTD	54.6	65.2	72.4	97.4	61.7	79.6
USD/EUR exchange rate	1.245	1.256	1.370	1.471	1.395	1.326



GUIDANCE FOR FUTURE YEARS

- Sarlux activities have been classified under IFRS as an operating lease. Results are “equalized” for the duration of the contract, and are therefore very steady. These results however do not reflect cash generation
- IFRS EBITDA shall be approx. EUR 200 ml until 2021, on the basis of a long term crude oil price of approx. 90 \$/bl
- Under the same assumptions for crude oil prices, the IT GAAP EBITDA should be approx. EUR 135 + 155 ml





FIXED AND VARIABLE COSTS (IT GAAP)

		2008	2009	2010	Q1/11
Refinery RUNS	Million barrels	113.3	97.1	104.7	27.0
Power production	MWh/1000	4,318	4,066	4,337	1,174
<i>Exchange rate</i>		<i>1.47</i>	<i>1.40</i>	<i>1.33</i>	<i>1.37</i>
Fixed costs	EUR million	102	103	103	27.5
	\$/bl	1.3	1.5	1.3	1.4
	EUR/MWh	24	25	24	23
Variable costs	EUR million	78	53	61	17.6
	\$/bl	1.0	0.8	0.8	0.9
	EUR/MWh	18	13	14	15



2011 MAINTENANCE SCHEDULE – REFINING & POWER

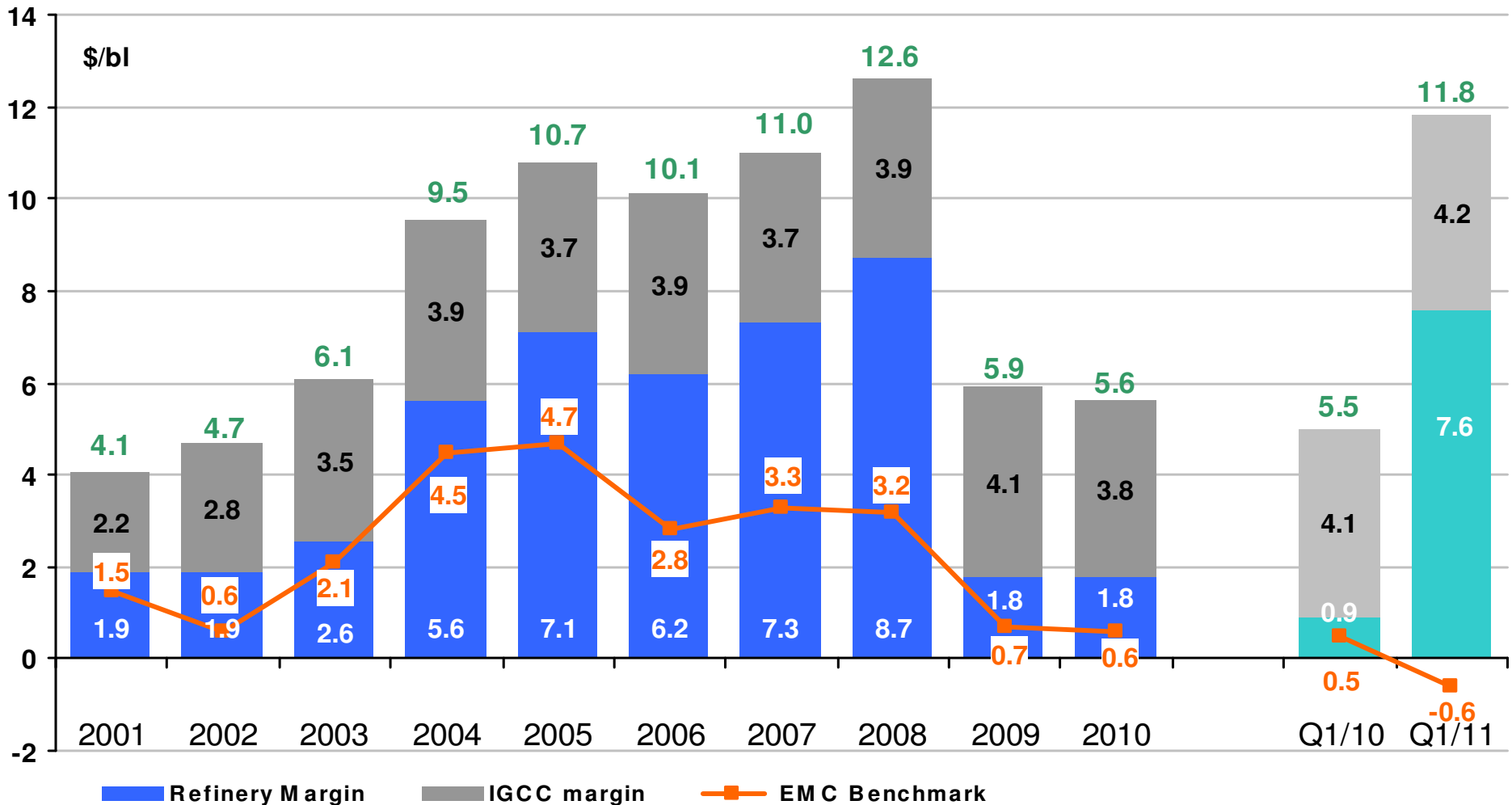
- Maintenance schedule for 2011, as per following table, includes one Topping unit (T1), one Vacuum unit (V1), the Visbreaker (VSB), both MildHydroCrackers (MHC1 and MHC2), and some other conversion units
- The cumulative loss of conversion capacity will be approx. 0.2 \$/bl, with only minor impact on refinery runs
- After 10 year of continuous operations, the IGCC plant will have a major turnaround in Q2/11, to perform full inspection and maintenance on all units which do not have a spare system
- Whilst production of electricity in Q2/11 will be lower (due to the 10-year turnaround), the total full year production in 2011 will not substantially differ from standard years

		Q1/11	Q2/11 expected	Q3/11 expected	Q4/11 expected	2011 expected
REFINERY						
PLANT		Alky	MHC1, MHC2, VSB, T1, V1	U700, U500	Slowdown CCR, VSB	
Refinery runs	Tons (ml) Bbls (ml)	3.70 27.0	3.20 ÷ 3.40 23.4 ÷ 24.8	3.70 ÷ 3.90 27.0 ÷ 28.5	3.70 ÷ 3.90 27.0 ÷ 28.5	14.3 ÷ 14.9 104 ÷ 109
Loss on EBITDA due to lower conversion capacity	USD (million)	0	13 ÷ 18	2 ÷ 4	3 ÷ 6	18 ÷ 28
IGCC						
PLANT			10-Year Turnaround		Slowdown 1 Train (G+T)	
Power production	MWh (ml)	1.17	0.75 ÷ 0.85	1.10 ÷ 1.20	1.05 ÷ 1.15	4.07 ÷ 4.37



Refining and Power Generation Segments

HISTORICAL SERIES: REFINING & POWER MARGINS



Refinery margins: (comparable Refining EBITDA + Fixed Costs) / Refinery Crude Runs in the period

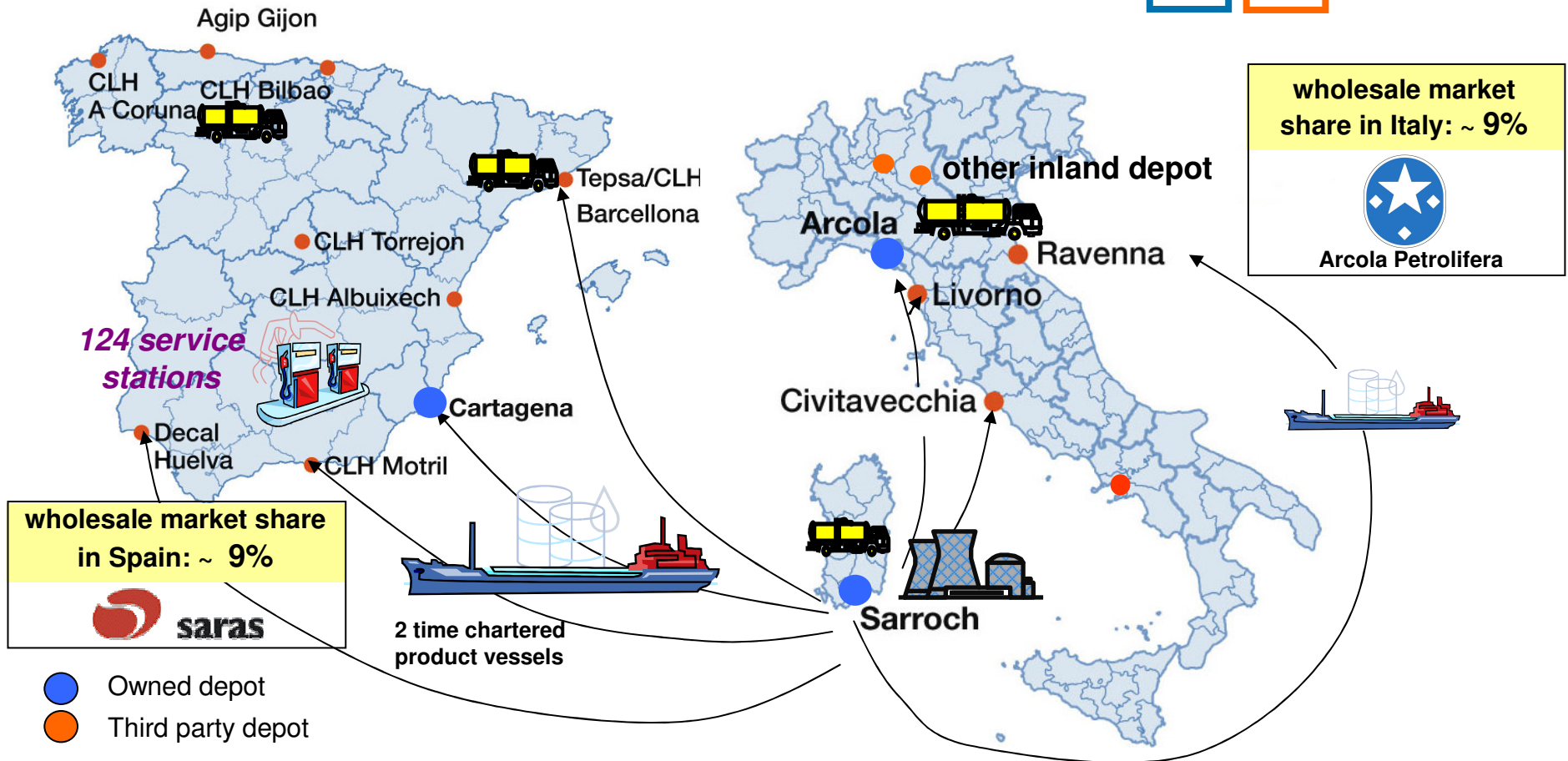
IGCC margin: (Power Gen. EBITDA + Fixed Costs) / Refinery Crude Runs in the period

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



WHOLESALE AND RETAIL OPERATIONS IN ITALY & SPAIN

Sales (ktons)	2006	2007	2008	2009	Q1/10	Q2/10	Q3/10	Q4/10	2010	Q1/11
SPAIN	2,206	2,804	2,845	2,733	670	650	616	600	2,535	564
ITALY	1,013	1,102	1,176	1,239	382	409	458	482	1,731	537
TOTAL	3,219	3,906	4,030	3,972	1,052	1,058	1,074	1,082	4,266	1,101





DEPOTS AND RETAIL NETWORK

Cartagena (Spain): 112,000 cubic meters

Arcola (Italy): 200,000 cubic meters



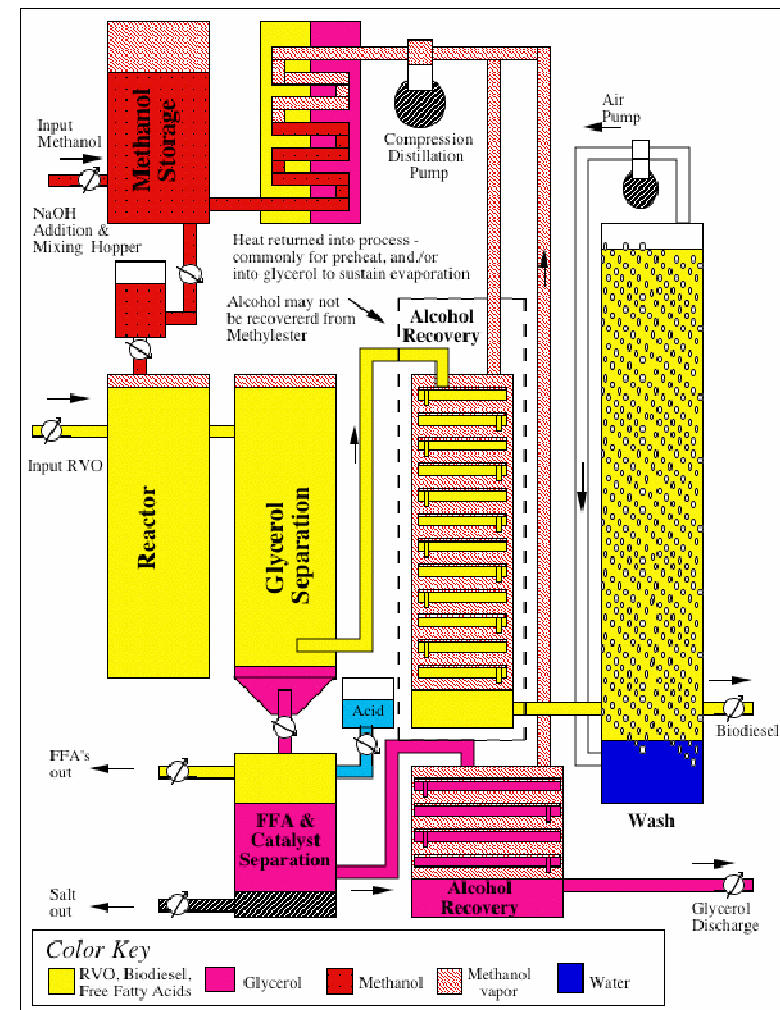
Retail network of 124 high throughput service stations: located in Spanish Med area (88 stations fully owned + 36 long term leased)





CARTAGENA BIODIESEL PLANT

- **Integrated with existing Group's depot in Cartagena**
 - ✓ favourable taxation in Spain
 - ✓ lower OPEX, due to integration with existing logistics
- **Capacity: 200 ktons/year (4,500 kbd)**
- **Feedstock: palm, rapeseed, soy**
- **Consistent to EU targets**
 - ✓ approx. 5% of bio-diesel into marketed diesel from 2010
 - ✓ possible further % increases in future years



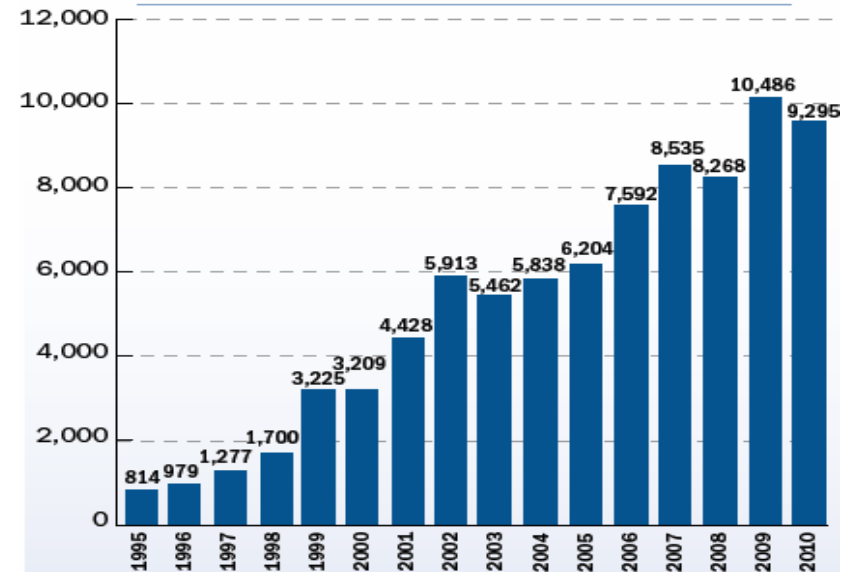
Schematic representation of a standard Biodiesel plant

WIND IN EUROPE

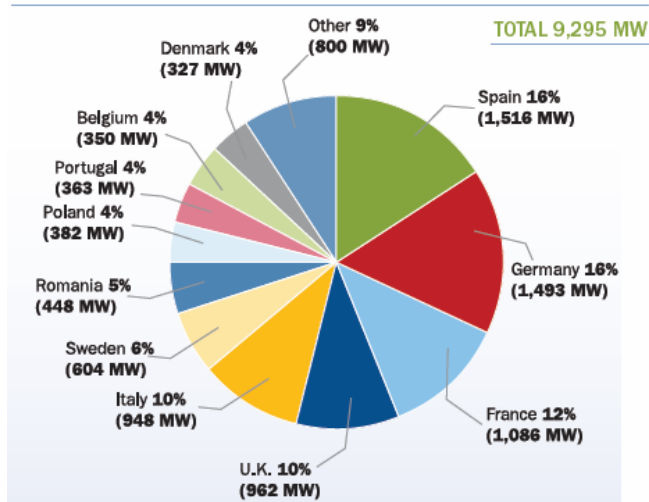
Installed Capacity at 31.12.2010	MW
GERMANY	27,214
SPAIN	20,676
ITALY	5,797
FRANCE	5,660
UNITED KINGDOM	5,204
PORTUGAL	3,898
DENMARK	3,752
NETHERLANDS	2,237
SWEDEN	2,163
IRELAND	1,428
TOTAL EUROPEAN UNION (27)	84,278



ANNUAL WIND POWER INSTALLATIONS IN EU IN MW



EU MEMBER STATE MARKET SHARES FOR NEW CAPACITY AT END 2010



Green Certificates

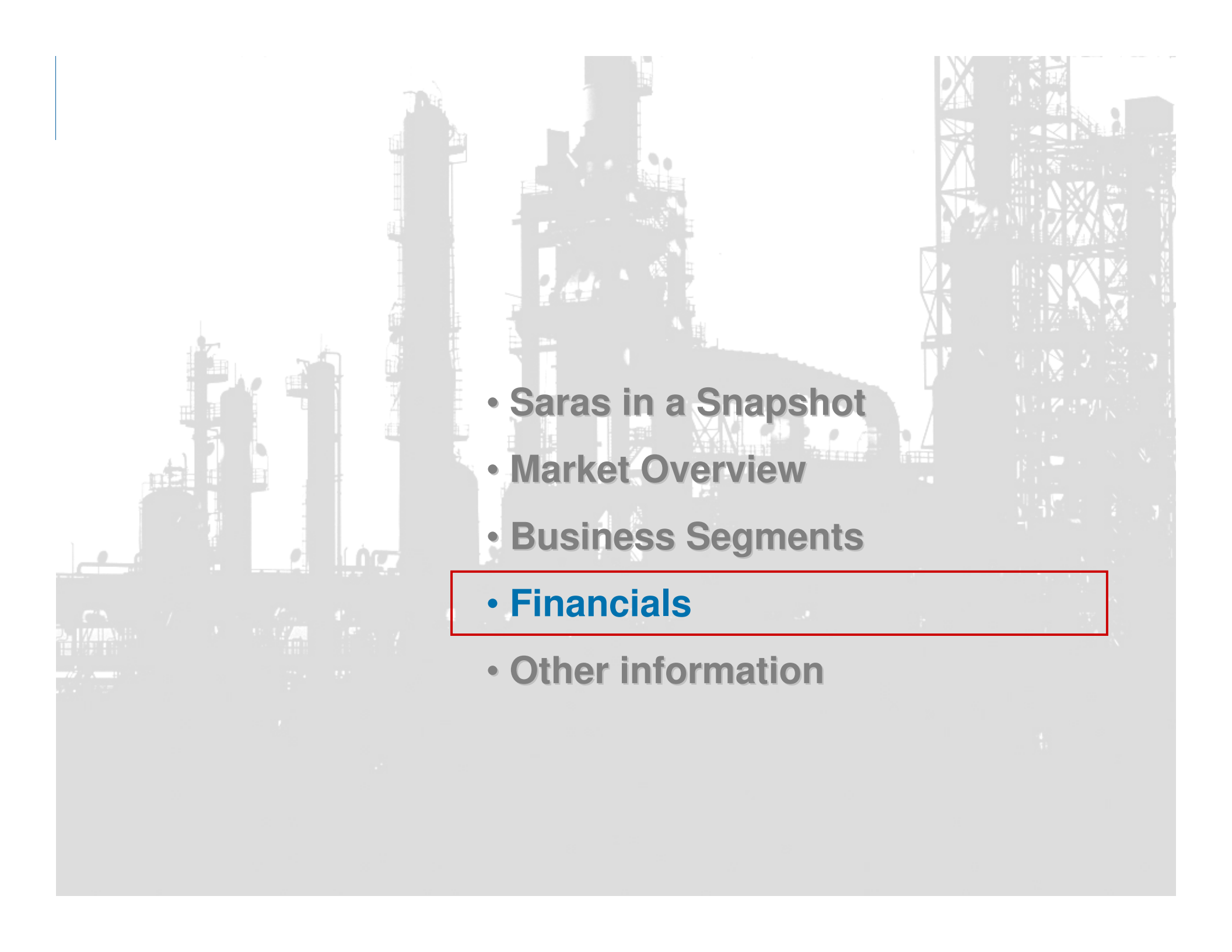
- Electric energy created by renewable energy plants are entitled to receive Green Certificates (GCs) related to the KWh produced, for the first 12 years of production since their last inspection. GCs are "securities" issued by the Administrator at the beginning of a given year, in accordance with the foreseeable quantity of energy that will be produced during that year by the requesting operator
- Specifically, all operators of the field (producers and traders), must possess and subsequently file a certain number of GCs equal to 2% of the energy used/produced in the course of the previous year. Noteworthy is the fact that the Administrator issues the GCs and is then required to annul them, thus entitling the operators to comply with the above indicated "Green Portfolio" requirements
- GCs may be traded independently from the related renewable energy. Further, there is no legal limitation on the possibility to freely and repeatedly trade GCs, before their annulment 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 2010, referring to energy that will be produced in the year 2010, its annulment must occur by March 31, 2012
- Throughout the entire period (running from the date of issuance to the date of annulment), operators are entitled to trade GCs, privately or within the Energy Stock Market, without any legal limitations whatsoever, except to the possibility of exporting them abroad. In particular, as mentioned above, **GCs do not have to be necessarily traded in connection with the energy they represent, as long as their trading takes place in Italy. Contrarily, GCs can be sold abroad only in conjunction with the sale of energy**

ULASSAI WIND FARM

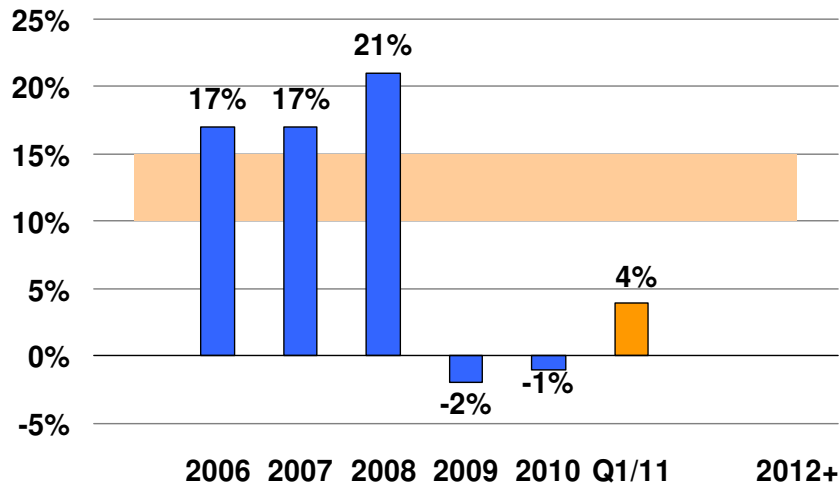
	2006	2007	2008	2009	Q1/10	Q2/10	Q3/10	Q4/10	2010	Q1/11
Electricity Production (MWh)	157,292	168,185	153,735	155,970	61,737	32,094	23,433	58,670	175,934	37,949
Power Tariff (€cent/KWh)	7.4	8.5	8.6	7.0	7.1	6.2	7.2	6.8	6.9	6.5
Green Certificates (€cent/KWh)	12.1	9.8	6.9	8.7	8.5	8.5	7.6	7.3	8.0	8.2



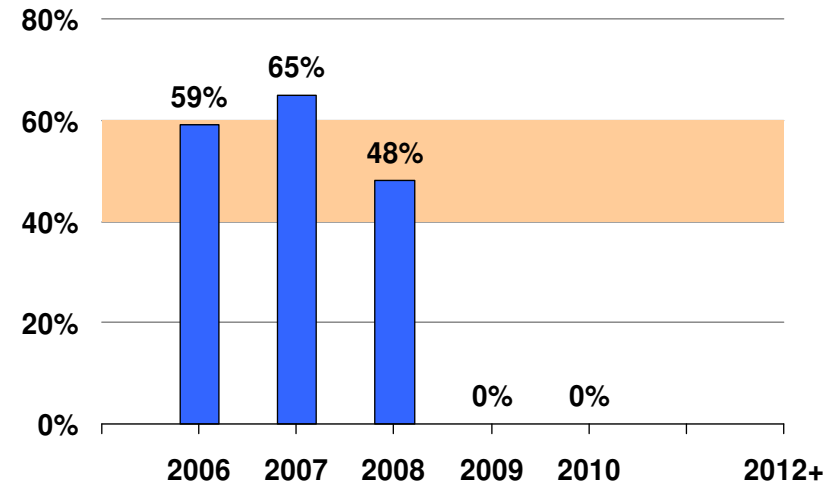
- Production started at the end of 2005
- GCs granted until 2016
- Fully owned from 30 Jun 2008
- Capacity 96 MW (48 aero generators, as of May 2011)

- 
- The background of the slide features a grayscale silhouette of an industrial facility, likely a refinery or chemical plant. It includes several tall distillation columns, a complex network of pipes, and large storage tanks. The structures are set against a light, hazy sky, creating a high-contrast, industrial aesthetic.
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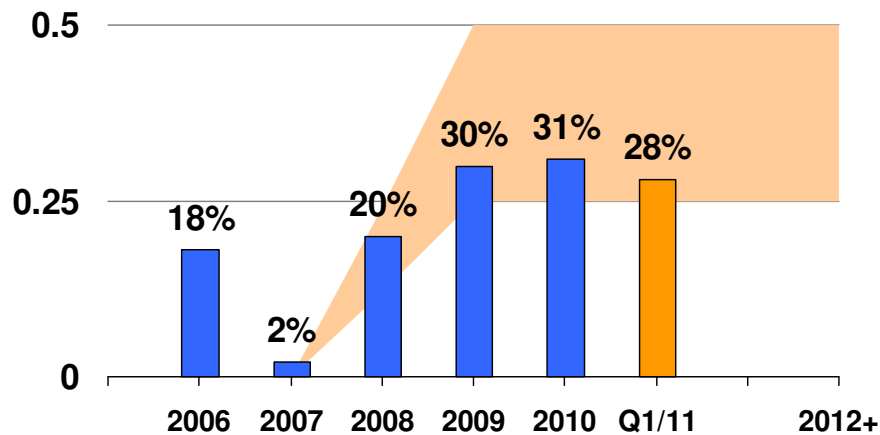
➔ ROACE – target 10% ÷ 15%



➔ Payout ratio – target 40% ÷ 60%



➔ Leverage – long term target 25 ÷ 50%



ROACE: return on average capital employed after tax

Leverage: Net debt / (net debt + equity)

Payout: calculated on adjusted net income

KEY INCOME STATEMENT FIGURES

(EUR million)	2008	2009	Q1/10	Q2/10	Q3/10	Q4/10	2010	Q1/11
EBITDA	256.6	345.5	50.7	51.0	36.0	85.8	223.5	310.4
Comparable EBITDA	673.3	141.2	13.8	27.9	27.0	80.5	149.2	154.3
D&A	(167.9)	(193.1)	(50.6)	(51.2)	(51.5)	(54.1)	(207.4)	(52.4)
EBIT	88.7	152.4	0.1	(0.2)	(15.5)	31.7	16.1	258.0
Comparable EBIT	505.4	(51.9)	(36.8)	(23.3)	(24.5)	26.5	(58.1)	101.9
Interest expense	(12.6)	(17.4)	(4.3)	(3.9)	(6.2)	(7.5)	(22.0)	(7.7)
Other	14.0	(16.3)	(8.5)	28.2	10.1	(37.9)	(7.9)	(47.9)
Financial Income/Expense	1.4	(33.7)	(12.8)	24.3	3.9	(45.4)	(29.9)	(55.6)
Equity interest	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit Before Taxes	90.6	118.7	(12.7)	24.1	(11.7)	(13.6)	(13.8)	202.4
Taxes	(28.7)	(46.1)	3.4	(3.1)	0.7	3.3	4.3	(79.6)
Net Result	61.8	72.6	(9.3)	21.1	(11.0)	(10.3)	(9.5)	122.8
Adjustments	265.3	(127.1)	(20.6)	(18.6)	(2.0)	6.8	(34.4)	(83.3)
Adjusted Net Result	327.1	(54.5)	(29.9)	2.4	(13.0)	(3.5)	(43.9)	39.5

KEY CASHFLOW FIGURES AND NET FINANCIAL POSITION

(EUR million)	2008	2009	Q1/10	Q2/10	Q3/10	Q4/10	2010	Q1/11
Initial Net Financial Position	(27)	(333)	(533)	(643)	(567)	(644)	(533)	(560)
CF FROM OPERATIONS	275	274	(87)	136	(57)	110	102	56
of which working capital	203	(62)	(138)	45	(114)	88	(119)	(260)
CF FROM INVESTMENTS	(289)	(317)	(23)	(60)	(20)	(26)	(129)	(20)
tangible & intangible assets	(257)	(317)	(23)	(60)	(20)	(26)	(129)	(20)
acquisitions	(32)	0	0	0	0	0	0	0
CF FROM FINANCING	(231)	(158)	0	0	0	0	0	0
capital increase	0	0	0	0	0	0	0	0
buyback own shares	(70)	0	0	0	0	0	0	0
dividends	(161)	(158)	0	0	0	0	0	0
TOTAL CASHFLOW	(245)	(201)	(110)	76	(77)	84	(27)	36
Wind net debt @ 30.06.2008	(61)							
Final Net Financial Position	(333)	(533)	(643)	(567)	(644)	(560)	(560)	(524)

CAPEX BY SEGMENT

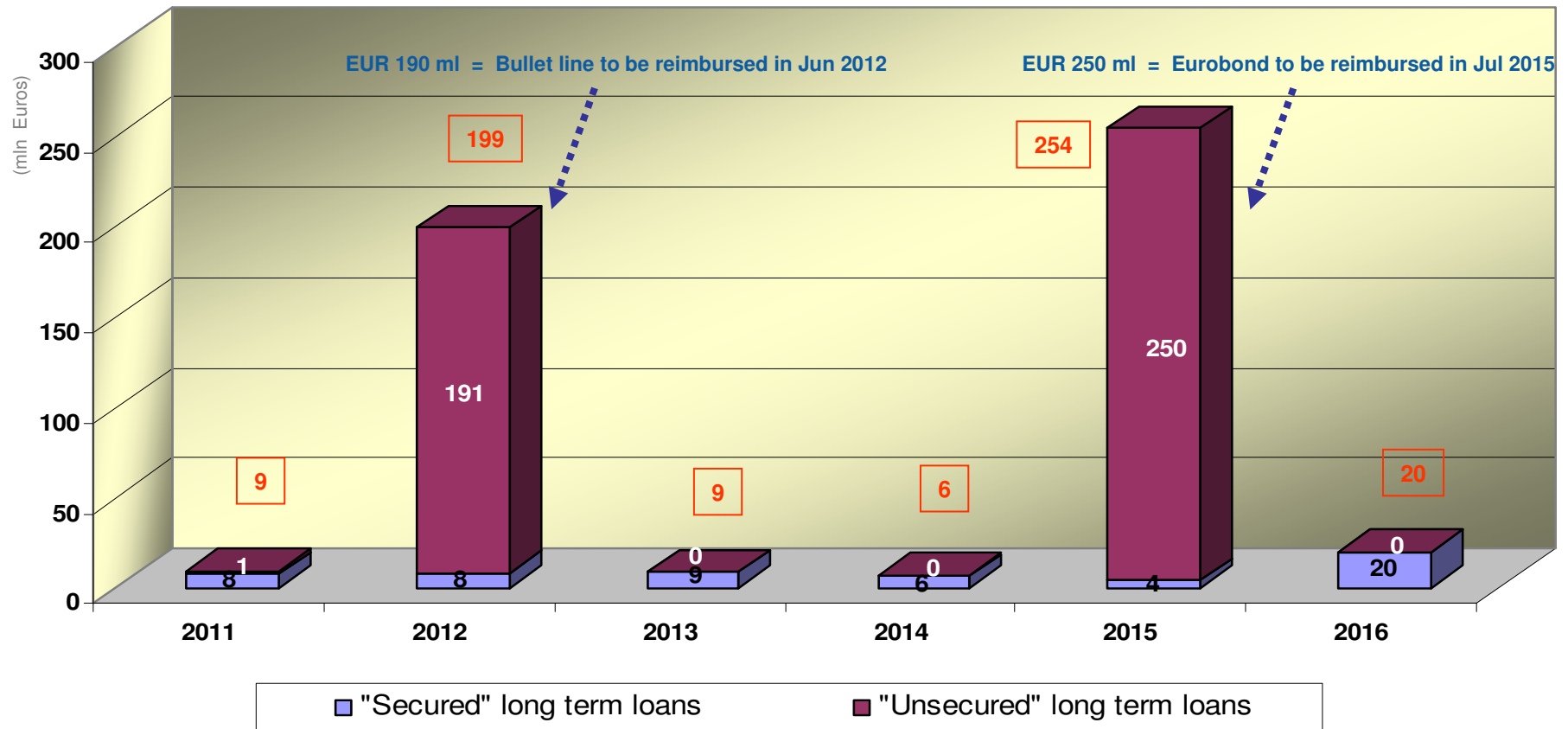
(EUR million)	2008	2009	Q1/10	Q2/10	Q3/10	Q4/10	2010	Q1/11
REFINING	182.3	244.4	19.9	42.8	12.9	16.9	92.5	12.9
POWER GENERATION	26.5	12.4	1.8	2.7	2.9	2.9	10.3	5.6
MARKETING	45.9	56.6	0.8	2.8	0.9	0.5	5.1	0.5
WIND	0.0	0.3	0.1	10.7	3.5	0.6	14.9	0.0
OTHER ACTIVITIES	1.8	3.3	0.5	0.6	0.1	4.9	6.2	1.0
TOTAL CAPEX	256.5	317.0	23.1	59.7	20.4	25.8	129.0	19.9



KEY BALANCE SHEET FIGURES

(EUR million)	2008	2009	Q1/10	Q2/10	Q3/10	2010	Q1/11
Current assets	1,311	1,406	1,696	1,650	1,652	1,937	2,248
Cash and other cash equivalents	86	133	114	122	57	110	149
Other current assets	1,225	1,273	1,582	1,528	1,595	1,827	2,099
Non current assets	1,925	2,020	2,001	2,016	1,983	1,956	1,887
TOTAL ASSETS	3,236	3,426	3,697	3,666	3,635	3,893	4,135
Non interest bear liabilities	1,507	1,532	1,721	1,737	1,704	2,003	2,119
Interest bear liabilities	418	666	757	689	701	670	672
Equity	1,311	1,228	1,219	1,240	1,230	1,220	1,344
TOTAL LIABILITIES	3,236	3,426	3,697	3,666	3,635	3,893	4,135

SARAS GROUP: LONG TERM DEBT MATURITY PROFILE



- **Total long term debt as of 31st Dec 2010: EUR 499 ml** (of which EUR 54 ml in Project Finance)
- **Total credit lines: EUR 2.280 ml** (of which EUR 869 ml in Committed credit lines)
- **Weighted average interest rate: 3.38% in 2010** (vs. 3.17% in 2009)
- **Covenants on EUR 190 ml bullet line:** NFP/EBITDA reported < 3.5 and NFP/Equity < 1.5
- **Covenants on Project Finance (Sardaeolica):** liquidity, operational parameters, and insurance

REFINING

(EUR million)	2008	2009	Q1/10	Q2/10	Q3/10	Q4/10	2010	Q1/11
EBITDA	109.6	78.5	(18.5)	(20.9)	(22.3)	7.3	(54.4)	235.8
Comparable EBITDA	433.6	(103.3)	(39.0)	(40.7)	(33.7)	26.6	(86.8)	91.2
EBIT	30.0	(17.4)	(44.1)	(47.1)	(48.8)	(21.4)	(161.4)	208.6
Comparable EBIT	354.0	(199.2)	(64.6)	(66.9)	(60.2)	(2.0)	(193.7)	64.0
CAPEX	182	244.4	19.9	42.8	12.9	16.9	92.5	12.9
REFINERY RUNS								
Thousand tons	15,517	13,305	3,469	3,330	3,668	3,873	14,340	3,704
Million barrels	113.3	97.1	25.3	24.3	26.8	28.3	104.7	27.0
Barrels/day	310	266	281	267	291	307	287	300
<i>Of which for third parties</i>	35%	30%	7%	13%	8%	2%	7%	0%
EMC benchmark	3.2	0.7	0.5	1.2	(0.2)	0.7	0.6	(0.6)
Saras refining margin	8.7	1.8	0.9	1.2	1.0	4.1	1.8	7.6

POWER GENERATION

(EUR million)	2008	2009	Q1/10	Q2/10	Q3/10	Q4/10	2010	Q1/11
Comparable EBITDA	200.0	184.5	47.0	49.7	51.8	51.9	200.4	54.6
Comparable EBIT	124.0	107.7	27.7	30.5	32.5	32.6	123.3	35.3
EBITDA IT GAAP	294.6	152.5	20.6	50.8	33.8	38.2	143.5	34.8
EBIT IT GAAP	239.5	95.9	6.4	36.5	1.9	27.5	72.4	24.1
NET INCOME IT GAAP	133.9	54.2	3.1	23.0	0.1	17.2	43.4	15.1
CAPEX	27	12.4	1.8	2.7	2.9	2.9	10.3	5.6
ELECTRICITY								
PRODUCTION <small>MWh/1000</small>	4,318	4,066	939	1,075	1,122	1,201	4,337	1,174
POWER TARIFF <small>€cent/KWh</small>	14.2	10.1	9.2	9.6	9.8	10.2	9.5	9.8
IGCC MARGIN <small>\$/bl</small>	3.9	4.1	4.1	4.0	3.6	3.8	3.8	4.2



MARKETING

(EUR million)	2008	2009	Q1/10	Q2/10	Q3/10	Q4/10	2010	Q1/11
EBITDA	(57.8)	57.6	14.0	18.4	4.3	18.1	54.8	15.2
Comparable EBITDA	34.9	35.1	(2.4)	15.1	6.7	(6.5)	12.9	3.8
EBIT	(63.2)	48.5	11.0	15.3	1.3	15.0	42.6	12.3
Comparable EBIT	29.5	26.0	(5.4)	12.0	3.7	(9.6)	0.7	0.9
CAPEX	46	56.6	0.8	2.8	0.9	0.5	5.1	0.5
SALES (Ktons)								
ITALY	1,176	1,239	382	409	458	482	1,731	537
SPAIN	2,854	2,733	670	650	616	600	2,535	564
TOTAL	4,030	3,972	1,052	1,058	1,074	1,082	4,266	1,101



WIND

(EUR million)	2008	2009	Q1/10	Q2/10	Q3/10	Q4/10	2010	Q1/11
Comparable EBITDA	14.1	21.0	8.4	3.5	2.1	7.2	21.2	5.0
Comparable EBIT	5.0	12.1	6.1	1.3	(0.3)	4.7	11.8	2.4
ELECTRICITY PRODUCTION								
<small>MWh</small>	153,735	155,970	61,737	32,094	23,433	58,670	175,934	37,949
<small>€/cent/KWh</small> POWER TARIFF	8.6	7.0	7.1	6.2	7.2	6.8	6.9	6.5
<small>€/cent/KWh</small> GREEN CERTIFICATES	6.9	8.7	8.5	8.5	7.6	7.3	8.0	8.2
CAPEX	21.1	0.3	0.1	10.7	3.5	0.6	14.9	0.0

OTHER

(EUR million)	2008	2009	Q1/10	Q2/10	Q3/10	Q4/10	2010	Q1/11
Comparable EBITDA	0.2	3.9	(0.2)	0.3	0.1	1.3	1.5	(0.2)
Comparable EBIT	(2.0)	1.5	(0.6)	(0.2)	(0.2)	0.8	(0.2)	(0.6)
CAPEX	2	3.3	0.5	0.6	0.1	4.9	6.2	1.0

ANALYST RECOMMENDATIONS AND 2011 / 2012 / 2013 ESTIMATES

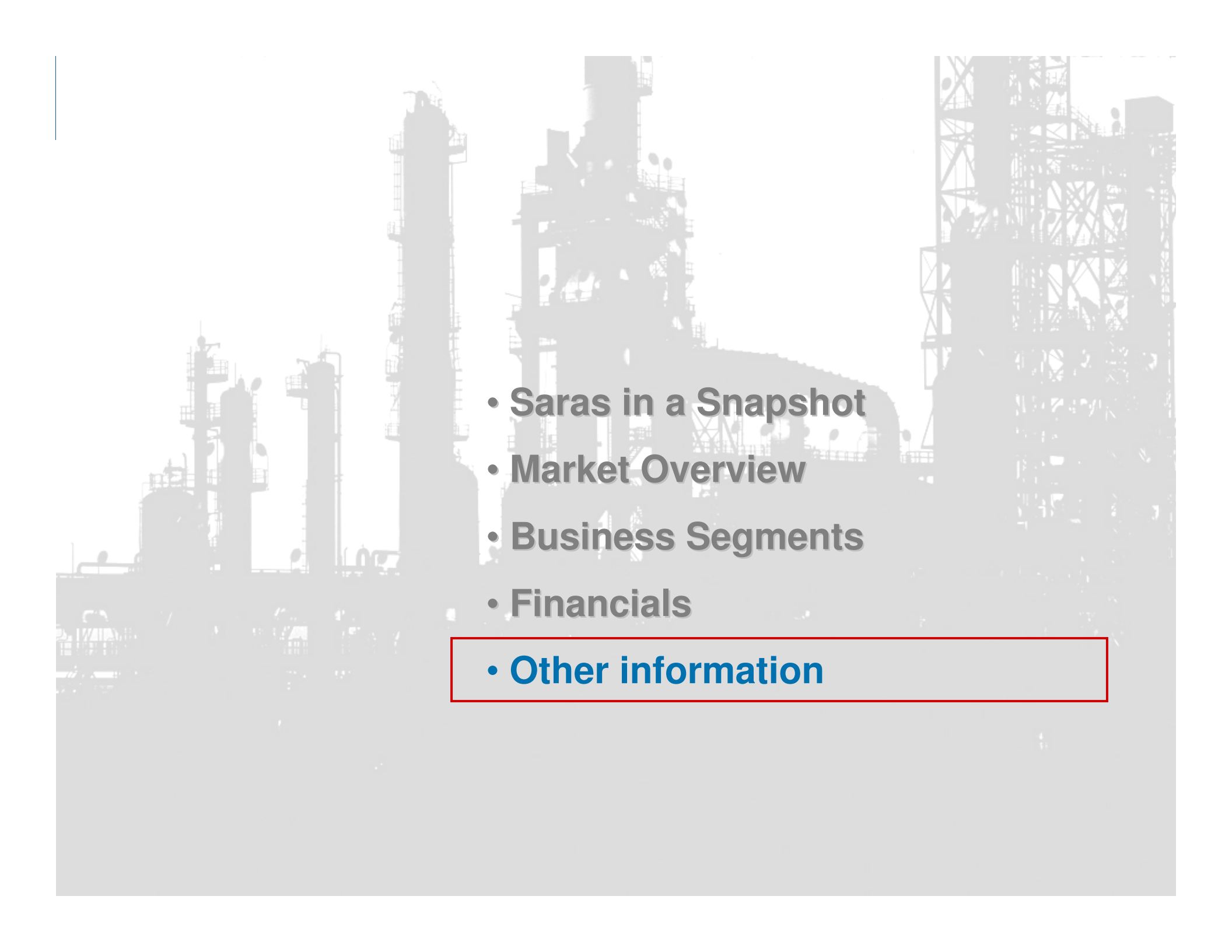
Last update: 18th May 2011

LAST UPDATE	BROKER	ANALYST	REC	Target Price	EBITDA 2011	EBITDA 2012	EBITDA 2013	EBIT 2011	EBIT 2012	EBIT 2013	NET INCOME 2011	NET INCOME 2012	NET INCOME 2013
16/05/11	MORGAN STANLEY	Matthew Lofting	BUY	2.00	378	478	484	167	260	274	92	150	161
16/05/11	MERRILL LYNCH	Hootan Yazhari	SELL	1.50	438	452	497	240	242	269	104	138	153
28/02/11	GOLDMAN SACHS	Henry Morris	NEUT	2.04	380	516	584	185	324	394	102	189	237
16/05/11	BANCA IMI	Roberto Ranieri	BUY	2.00	426	578	573	221	376	364	104	215	200
16/05/11	INTERMONTE	Paolo Citi	BUY	2.60	360	457	460	154	255	263	71	154	160
18/05/11	EQUITA SIM	Domenico Ghilotti	NEUT	1.79	349	437	467	161	214	243	80	114	136
28/02/11	UNICREDIT	Sergio Molisani	NEUT	1.70	270	379	420	68	170	209	28	94	121
17/05/10	EXANE BNP	Alexandre Marie	SELL	1.80	542	564		334	355		212	229	
16/05/11	CREDIT SUISSE	Thomas Y. Adolff	NEUT	1.90	418	427	444	212	222	240	98	110	167
25/03/11	BARCLAYS CAPITAL	Lydia Rainforth	SELL	1.80	360	397	393	151	199	195	70	101	99
24/03/11	JEFFERIES	Dan Ekstein	BUY	2.50	483	252	221	254	41	19	182	13	-7
			MIN	1.5	270	252	221	68	41	19	28	13	-7
			AVG	2.0	400	449	454	195	242	247	104	137	143
			MAX	2.6	542	578	584	334	376	394	212	229	237

EUR million

EUR million

EUR million

- 
- The background of the slide features a grayscale silhouette of an industrial facility, likely a refinery or chemical plant. It includes several tall distillation columns, a complex network of pipes, and large storage tanks. The structures are set against a light, hazy sky, creating a high-contrast, industrial aesthetic.
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Project “Focus” and Mid-Term Investment Plan

MOVING TOWARDS MAXIMUM EFFICIENCY AND EFFECTIVENESS

- In order to achieve maximum efficiency in production and effectiveness in operations, Saras launched in 2010 an ambitious asset management programme, in cooperation with world-class consultants, named “Project Focus”
- Industrial operations have been divided in three main areas, each headed by a senior manager. Overall, the programme involves directly the vast majority of Saras personnel, with specific targets to be achieved within the following aspects of refinery operations:
 - ✓ “Asset Integrity” (enhancing both routine and turn-around maintenance procedures)
 - ✓ “Asset Efficiency” (addressing consumption and losses)
 - ✓ “Asset Effectiveness” (addressing productivity and availability)
- In 2011, the programme is expected to deliver savings for approx. EUR 20 + 30 ml from efficiency gains and asset productivity, and further EUR 10 ÷ 15 ml from cost reductions

MID TERM INVESTMENT PLAN

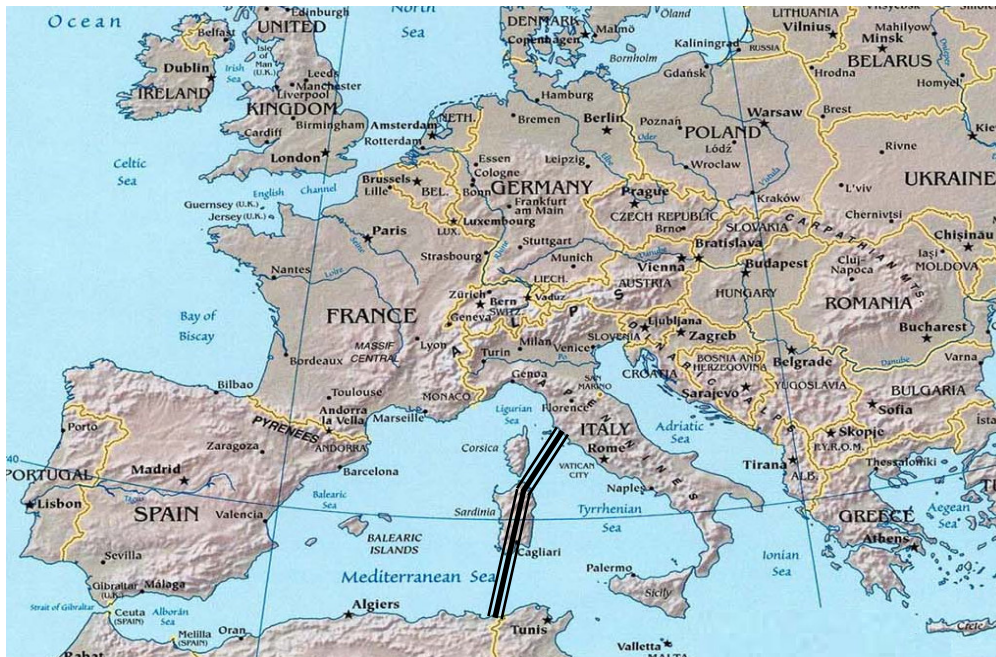
- In Q1/11 Saras decided to resume part of the investment plan launched in 2008, aimed at increasing conversion capacity and improving efficiency:
 - ✓ In particular, a total investment of approx. EUR 60 ml has been approved, in order to complete the project for the revamping of the MildHydroCracking2 unit
 - ✓ The revamping will come to fruition in the first half of 2013, bringing benefits quantifiable in approx. 600 ktons of additional diesel production (in exchange of heating oil), and increased refinery runs for approx. 650 ktons



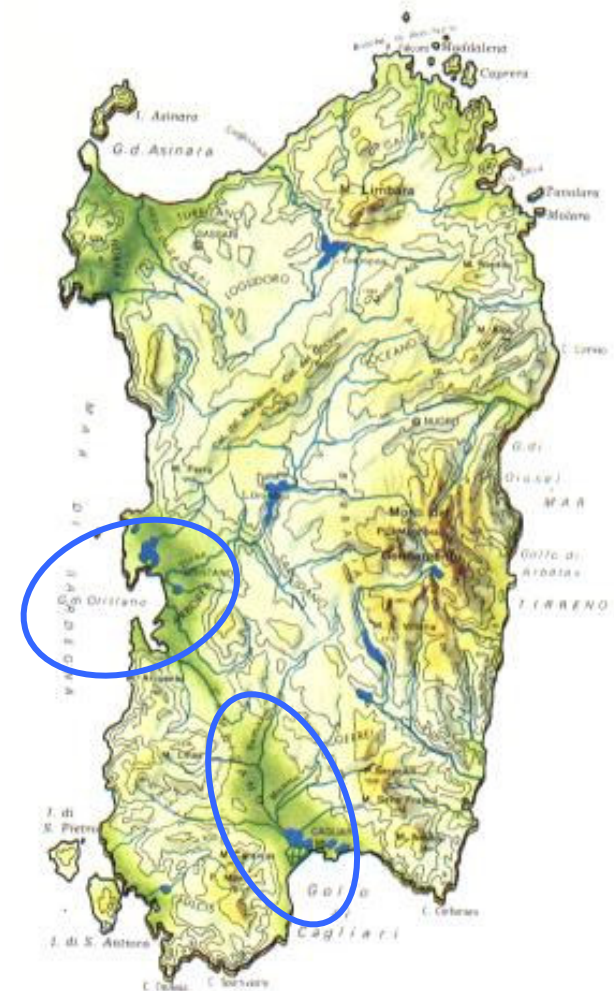


GAS EXPLORATION

- On shore seismic tests completed
- Data analysis showed geological formations usually associated with hydrocarbons
- Optimal locations for the first exploration wells now determined
- Now taking steps towards starting drilling activities
- Off-shore seismic tests still in the permitting phase



=== **GALSI Pipeline:** new infrastructure connecting Algeria (near Skikda) with Italy (Piombino) through Sardinia, total capacity of 8 Bcm/y with start-up in 2014





Group Board of Directors and Top Executives

Gian Marco Moratti
Chairman



Massimo Moratti
CEO



Angelo Moratti
Vice Chairman



Angelomario Moratti
Saras Energia Chairman



Gabriele Moratti
Director



Gabriele Previati
Director



Gilberto Callera
Independent Director



Mario Greco
Independent Director



Giancarlo Cerutti
Independent Director



Dario Scaffardi
General Manager



Corrado Costanzo
Chief Financial Officer





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

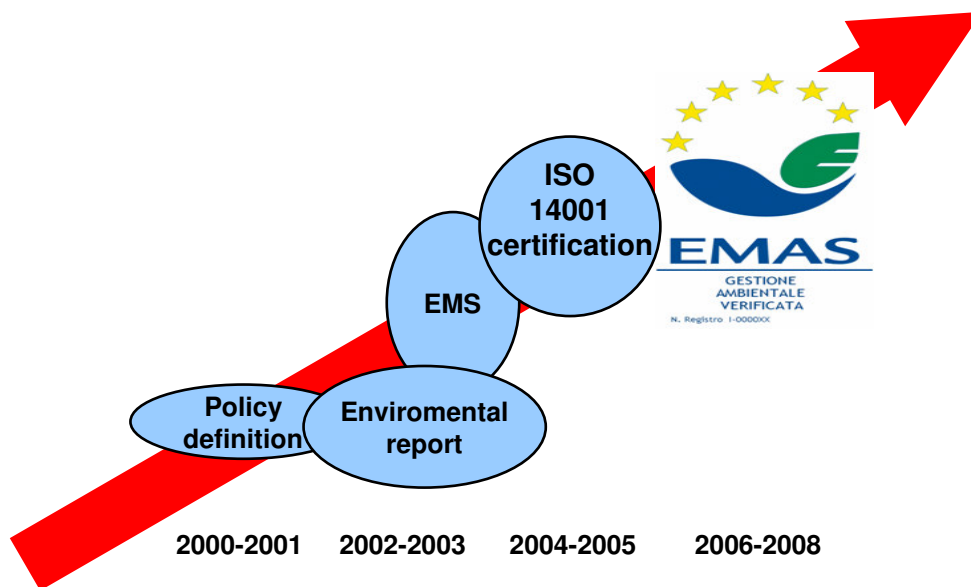
The Board of Directors includes three independent non-executive directors (Mr. Mario Greco, Mr. Gilberto Callera and Mr. Giancarlo Cerutti) who, together with another non-executive director (Mr Gabriele Previati), make up the above mentioned remuneration committee and the internal control committee

- **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 and administrative system
 - ✓ The Board of Statutory Auditors has nominated the Chairman of the Board of Directors as the executive in charge of surveying internal control system functions

HUMAN RESOURCES

- The Saras Group has approx. 2,200 staff, with average age of 40 years and an average employment with the company of more than 15 years. Furthermore, 78% of the employees are located in Sardinia, mostly at the Sarroch refinery, while approx. 490 people work in Spain, in the Marketing segment
- In almost 50 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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