Investor Presentation

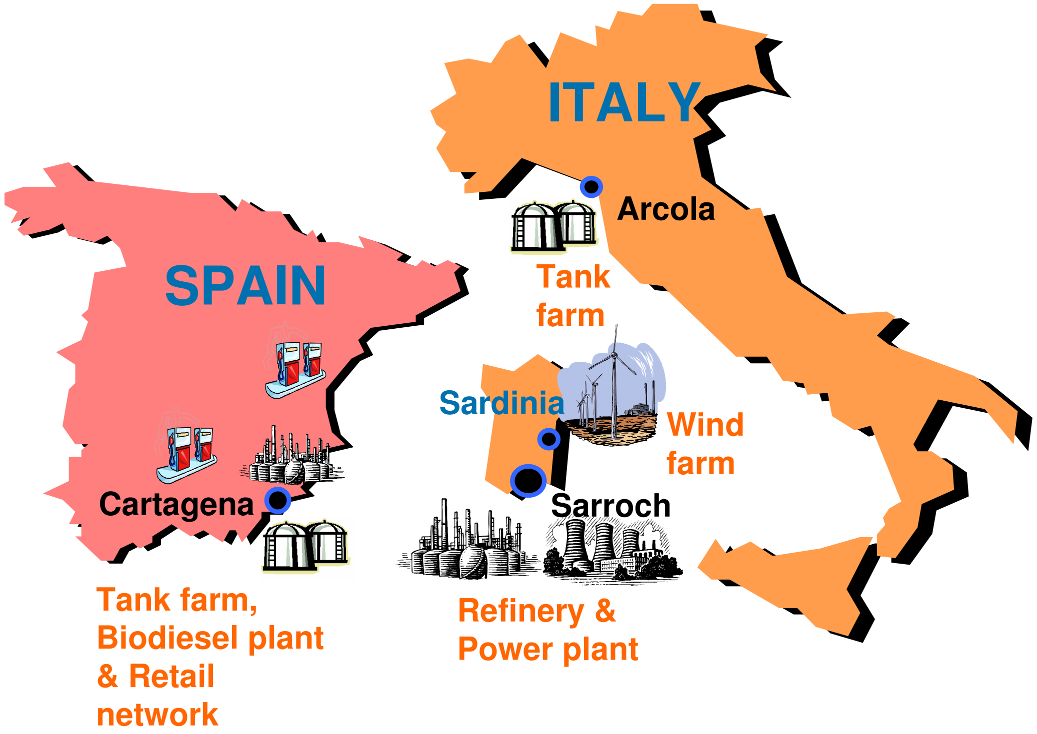
Last update: 29th Nov 2011

Contents

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



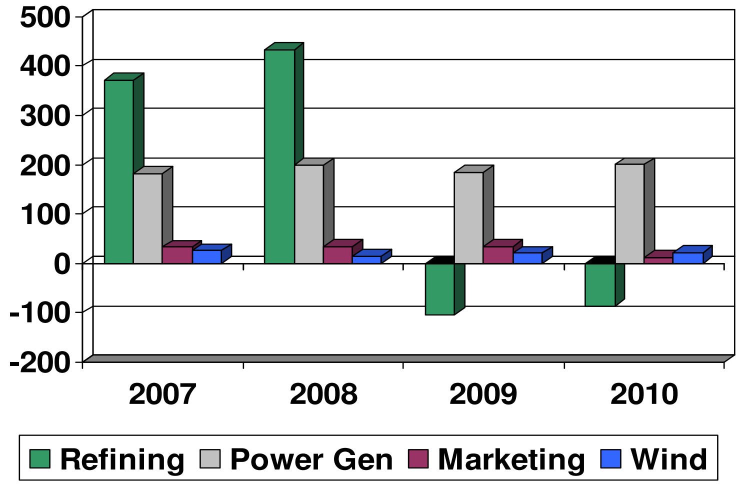
HISTORY:

- 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
- Grow selectively in marketing & renewables

- Saras in a Snapshot
- **Market Overview**
- Business Segments
- Financials
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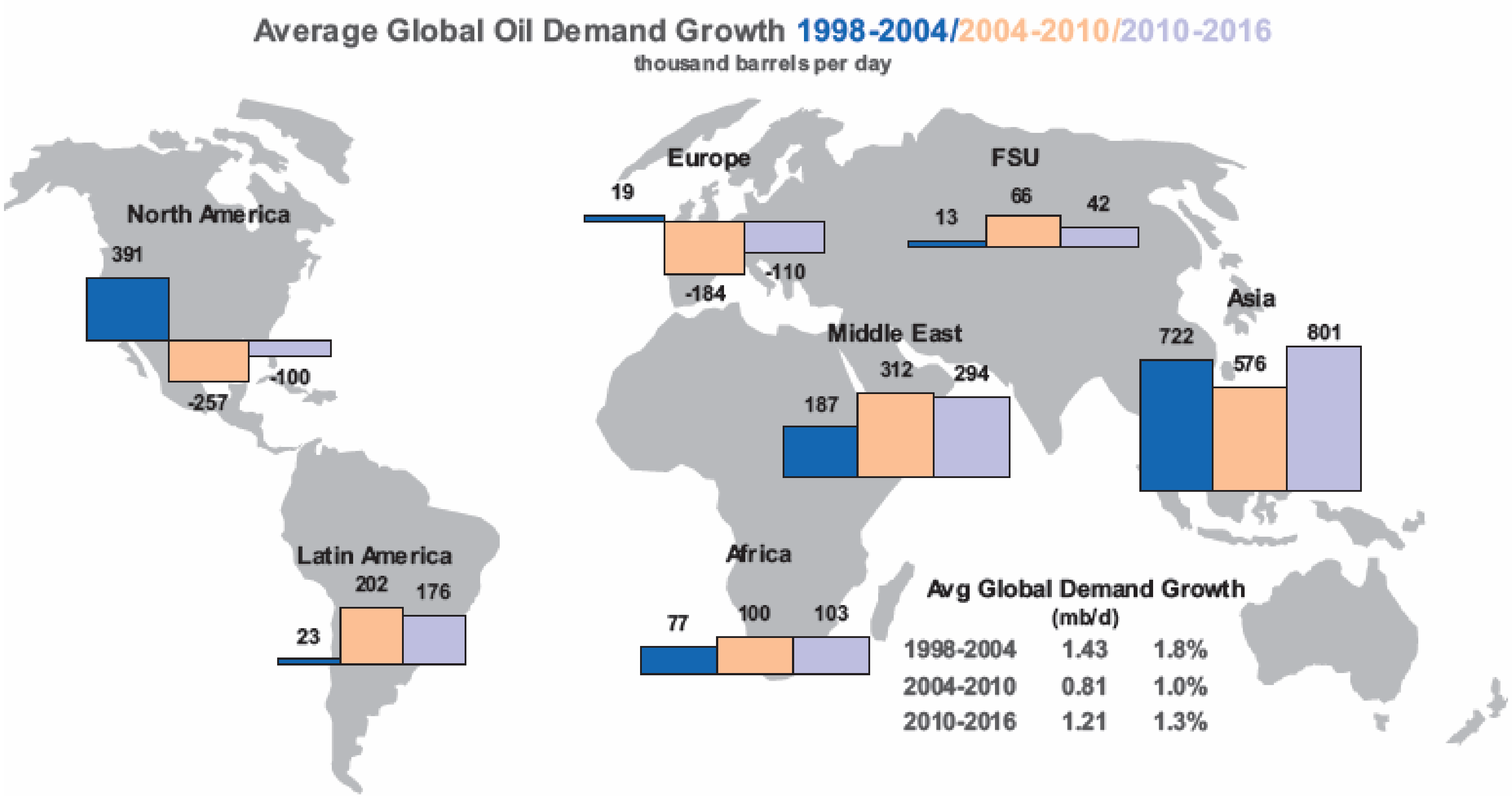
GLOBAL OIL DEMAND GROWTH – MID TERM VIEW (2016)



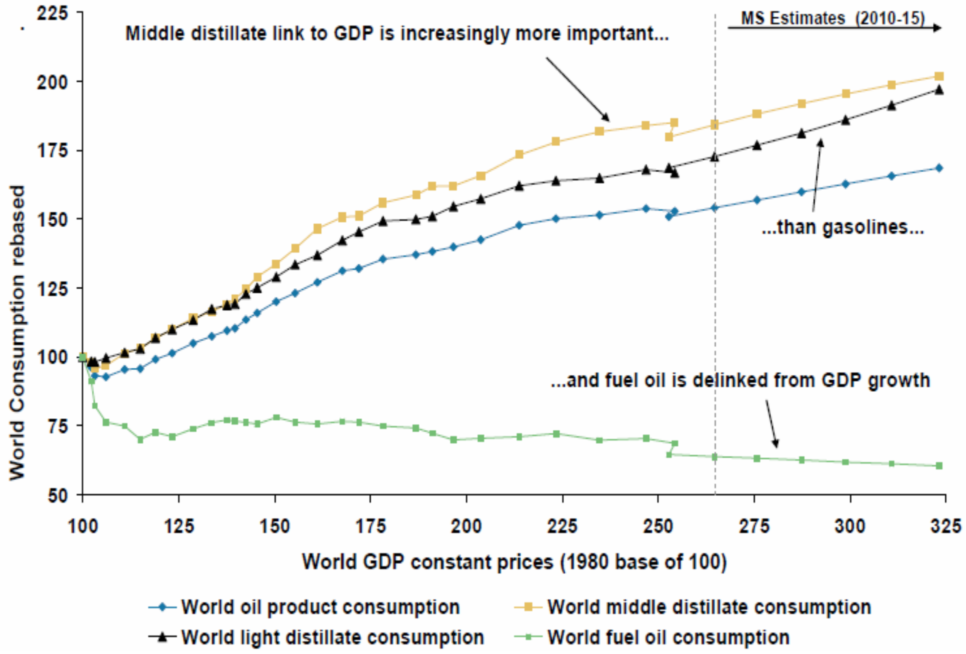
Source: IEA "Medium Term Oil Market Report" (Jun11)

LONG TERM CORRELATIONS BETWEEN OIL DEMAND GROWTH AND GDP

IMF "World Economic Outlook" projections (Sep 2011)

	Year over Year		Projections	
	2009	2010	2011	2012
World Output	**–0.7**	**5.1**	**4.0**	**4.0**
Advanced Economies	**–3.7**	**3.1**	**1.6**	**1.9**
United States	–3.5	3.0	1.5	1.8
Euro Area	–4.3	1.8	1.6	1.1
Germany	–5.1	3.6	2.7	1.3
France	–2.6	1.4	1.7	1.4
Italy	–5.2	1.3	0.6	0.3
Spain	–3.7	–0.1	0.8	1.1
Japan	–6.3	4.0	–0.5	2.3
United Kingdom	–4.9	1.4	1.1	1.6
Canada	–2.8	3.2	2.1	1.9
Other Advanced Economies	–1.1	5.8	3.6	3.7
Emerging and Developing Economies	**2.8**	**7.3**	**6.4**	**6.1**
Central and Eastern Europe	–3.6	4.5	4.3	2.7
Commonwealth of Independent States	–6.4	4.6	4.6	4.4
Russia	–7.8	4.0	4.3	4.1
Developing Asia	7.2	9.5	8.2	8.0
China	9.2	10.3	9.5	9.0
India	6.8	10.1	7.8	7.5
ASEAN-5	1.7	6.9	5.3	5.6
Latin America and the Caribbean	–1.7	6.1	4.5	4.0
Brazil	–0.6	7.5	3.8	3.6
Mexico	–6.2	5.4	3.8	3.6
Middle East and North Africa	2.6	4.4	4.0	3.6
Sub-Saharan Africa	2.8	5.4	5.2	5.8

GDP and Oil products consumption



Sources: IMF, BP Statistical Review, Morgan Stanley Research

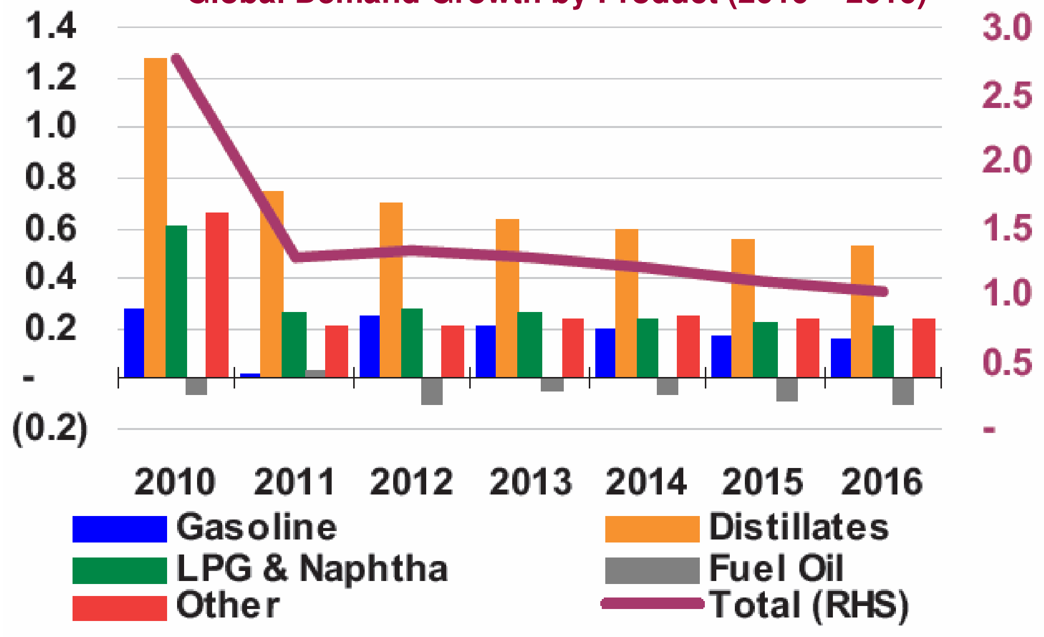
- **Despite current upsurge in fiscal and financial uncertainty (especially in the Euro Zone), the IMF continues to predict GDP growth at 4.0% in its latest "World Economic Outlook"**
- **In order to avoid further deterioration of the macro-outlook, Governments should urgently put in place measures aimed 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**

GROWTH BY PRODUCT – MID TERM OUTLOOK (2016)

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**

Global Demand Growth by Product (2010 ÷ 2016)



Source: IEA "Medium Term Oil Market Report" (Jun11)

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

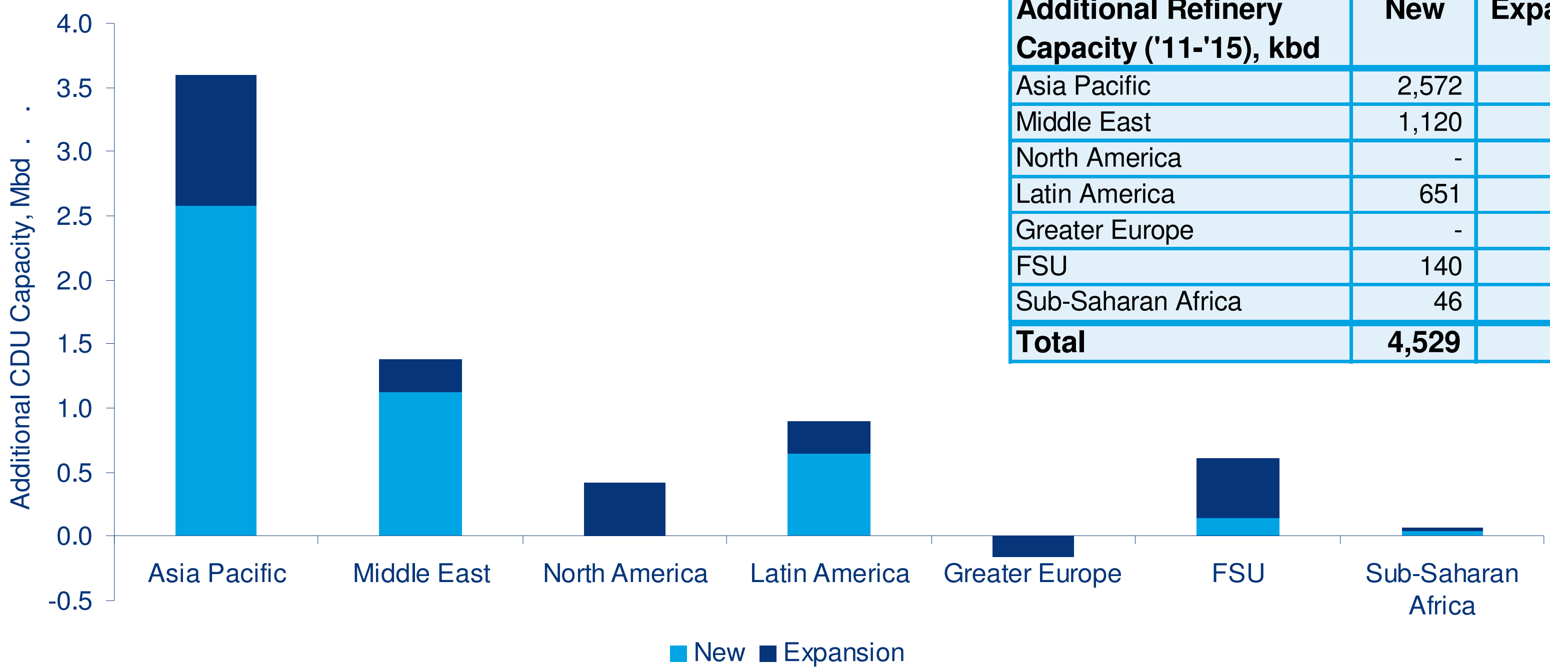
DECLINING DEMAND FOR FUEL OIL

- **Declining demand for power generation due to fuel switch (gas, coal), 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 Emission Control Areas (SECA) current 1% cap down to 0.1% from 2015

REFINING CAPACITY – ADDITIONS, DELAYS AND CANCELLATIONS

- **New refining projects (grassroots and expansions) are regularly announced. However, most of these projects are often delayed or cancelled due to:**
  - ✓ limited availability of funds, as a consequence of financial crisis and credit crunch
  - ✓ contracts renegotiations to take advantage of drop in materials, engineering and constructions costs
  - ✓ opposition by environmental organizations to the identification of new sites (especially in OECD countries)

- **Between 2009 and 2010, approx. 2.2 mb/d of new CDU capacity was actually added, and in the period 2011÷2015, Wood Mackenzie estimates further additions for 4.5 mb/d:**
  - ✓ The new refineries will be build primarily by National Oil Companies, in China, Middle East and other Asian countries

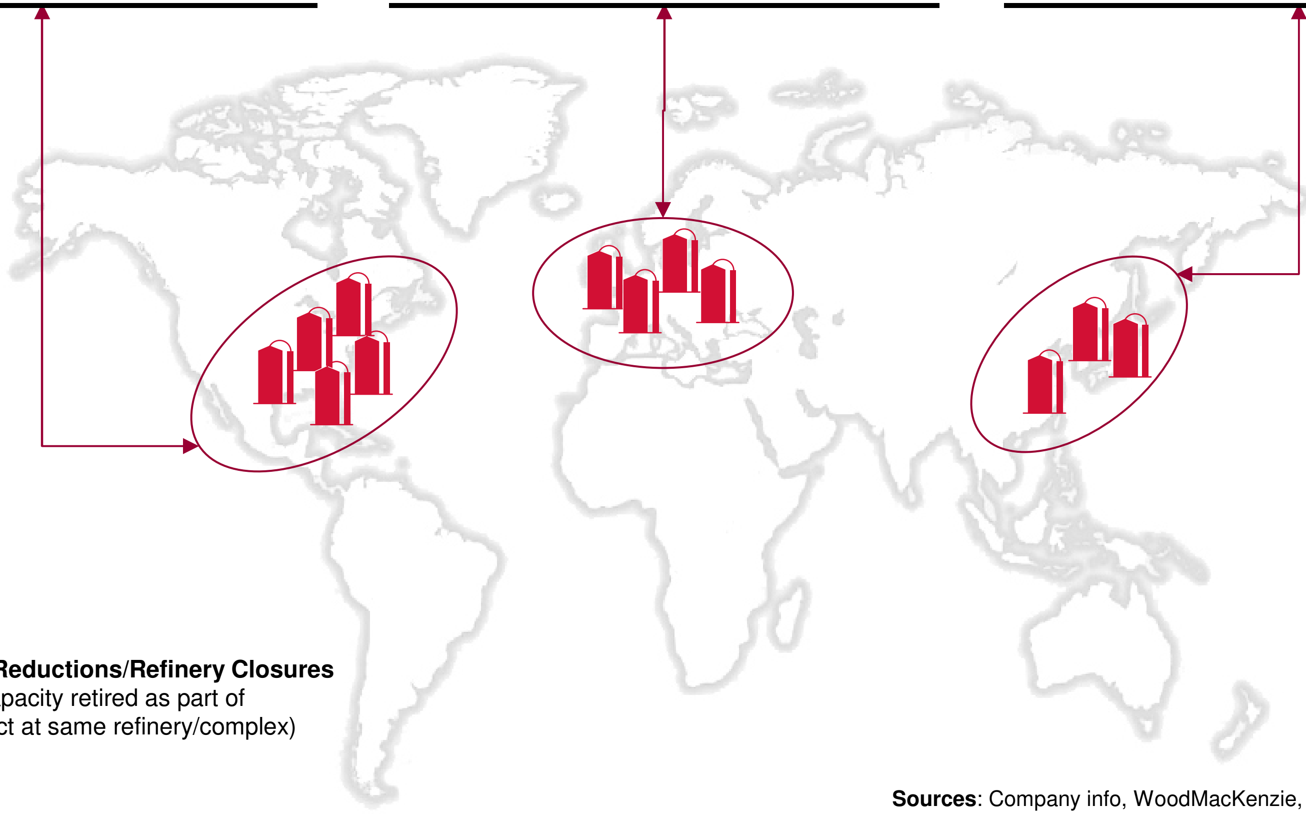


Additional Refinery Capacity ('11-'15), kbd	New	Expansion	Total
Asia Pacific	2,572	1,028	3,600
Middle East	1,120	256	1,376
North America	-	422	422
Latin America	651	252	903
Greater Europe	-	-163	-163
FSU	140	472	612
Sub-Saharan Africa	46	24	70
Total	**4,529**	**2,290**	**6,819**

Source: Wood Mackenzie

REFINING CAPACITY – CLOSURES AND MOTHBALLED

North America	Europe	Asia Pacific
approx. 1.5 mb/d (12 refineries)	approx. 1.2 mb/d (11 refineries)	approx. 0.7 mb/d (9 refineries + teapots)

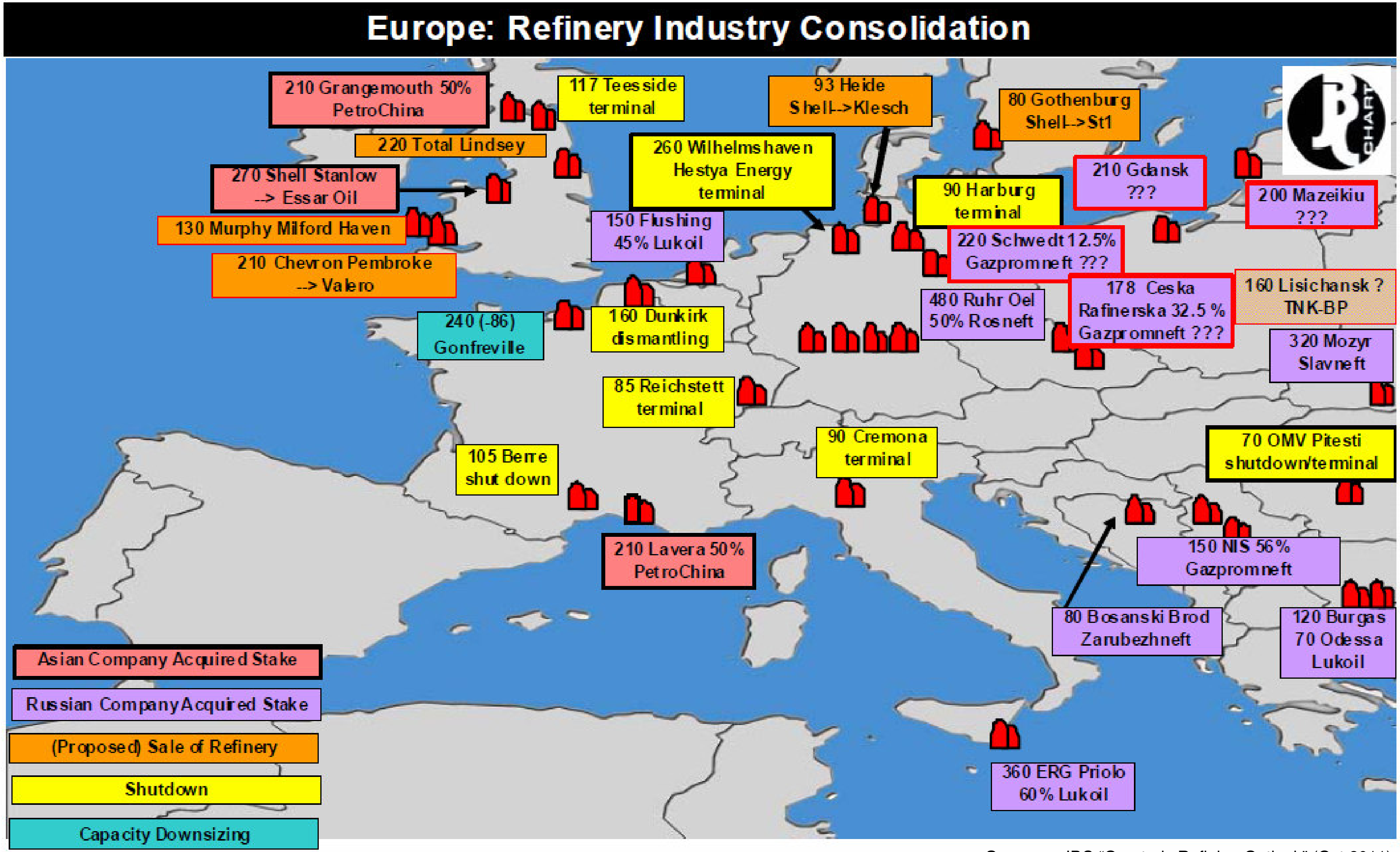


Firm Capacity Reductions/Refinery Closures
(not including capacity retired as part of expansion project at same refinery/complex)

Sources: Company info, WoodMacKenzie, Merrill Lynch BoA, EMC

- **In response to poor refining margins over the last three years, refiners have already closed approx. 3.4 mb/d of refining capacity globally**

REFINING CAPACITY – INDUSTRY CONSOLIDATION



Sources: JBC "Quarterly Refining Outlook" (Oct 2011)

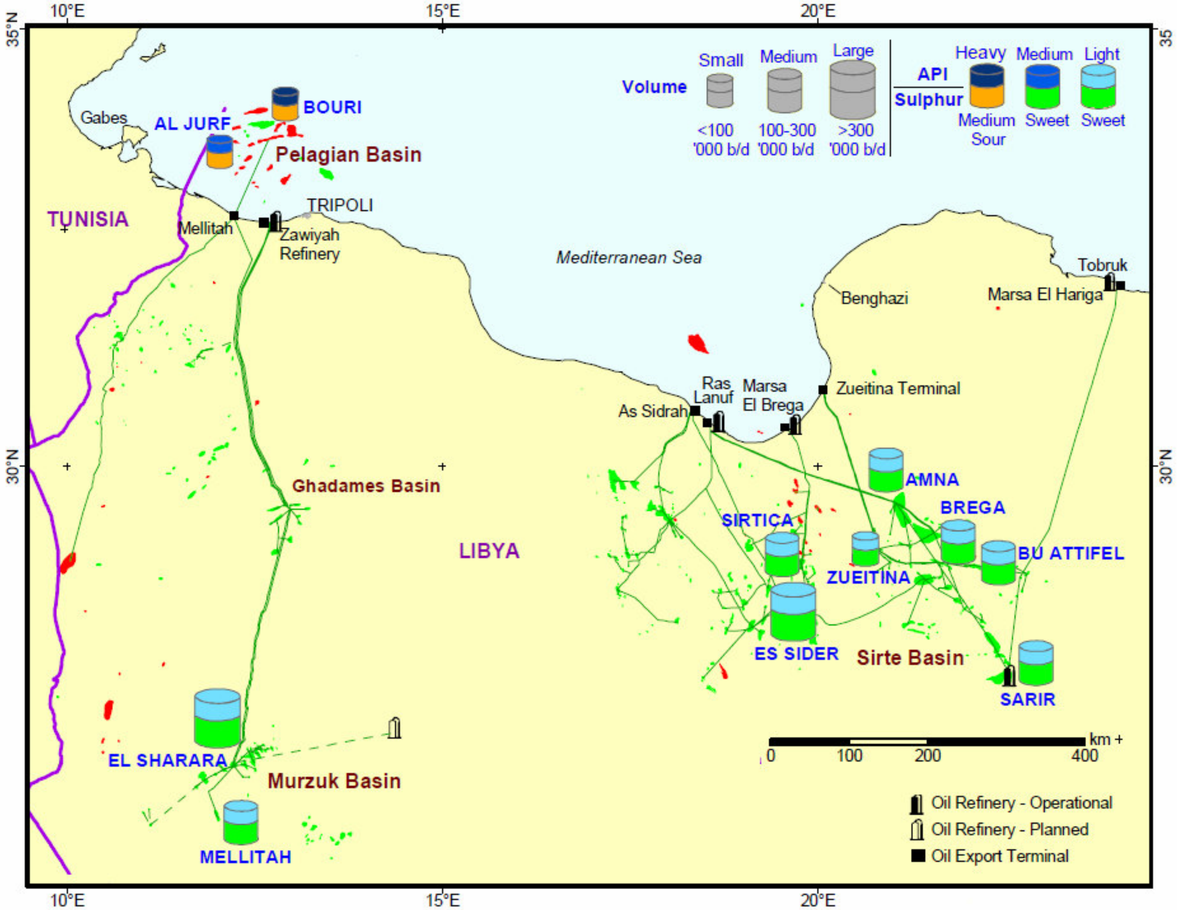
RECENT MARKET TRENDS – LIBYA'S RETURN TO PRODUCTION

- **Restoration of Libyan production is on a far faster track than initially anticipated**
- **Crude oil supplies rose sharply**
  - ✓ average 350 kb/d in October
  - ✓ 550 kb/d by mid November
- **Year-end levels are now expected to exceed 700 kb/d**
- **The renewed availability of Libyan crude oils favours SARAS**

Estimated Libyan Production
Thousand barrels per day

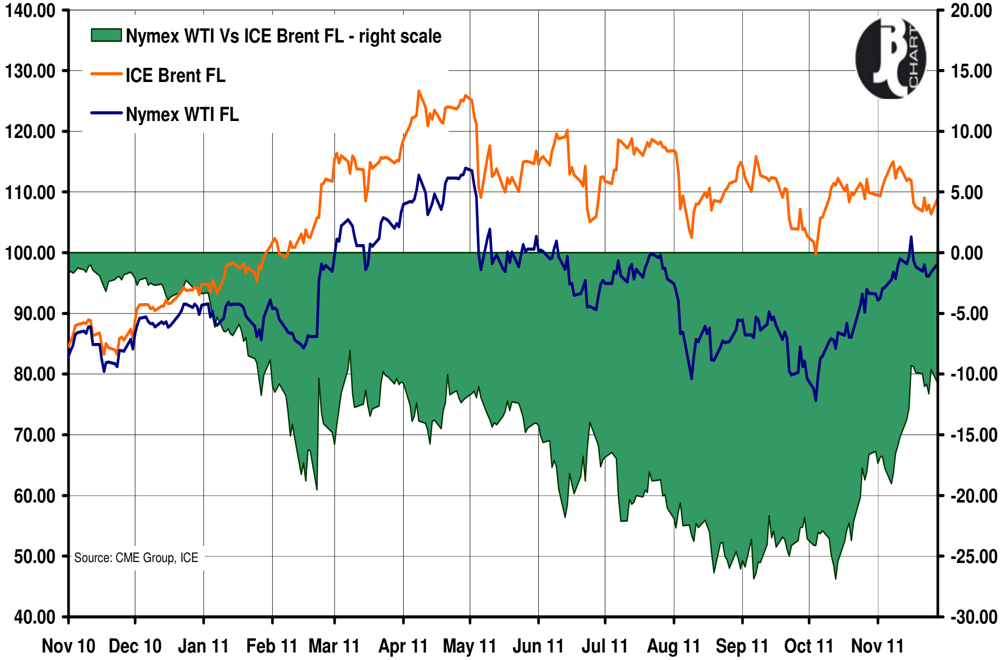
Selected Oil Fields	October Output	Current Output	Pre-War Capacity
Bu Attifel	30	60	80
Sarir	150	150	200
Mesla	50	60	60
Nafoora	20	20	130
Hamadi/Beida	5	30	30
Zuetina	28	34	60
As Sarah/NC 96-97	11	20	105
Amal	7	45	100
Waha	0	0	400
Eastern Region	**301**	**419**	**1,165**
Al Jurf	40	41	45
Bouri	0	0	50
El Shahara	11	70	200
Elephant	0	0	150
Western Region	**51**	**111**	**445**
TOTAL CRUDE	**352**	**530**	**1,610**

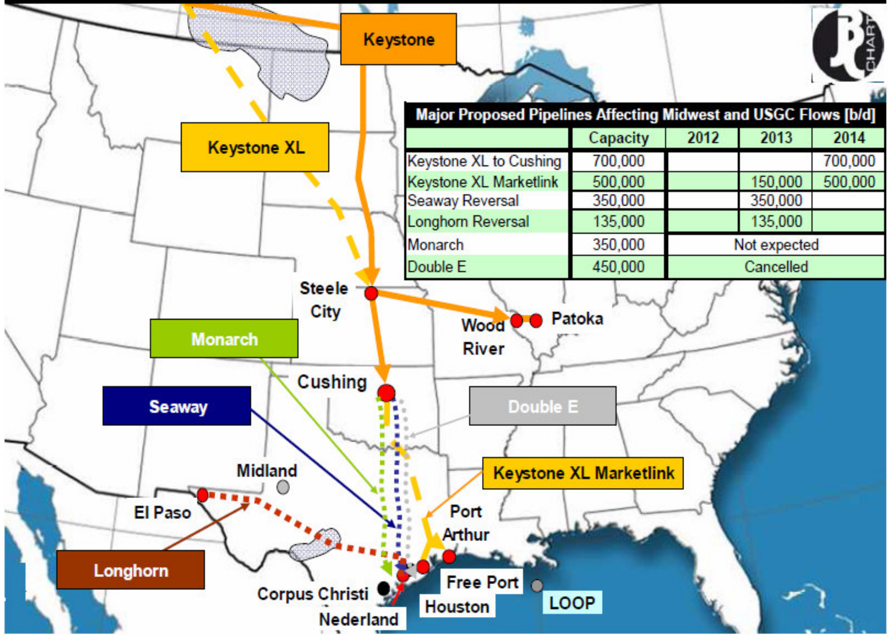
Source: IEA "Oil Market Report" (Nov11)



Source: Wood Mackenzie

RECENT MARKET TRENDS – SPREAD WTI vs. BRENT





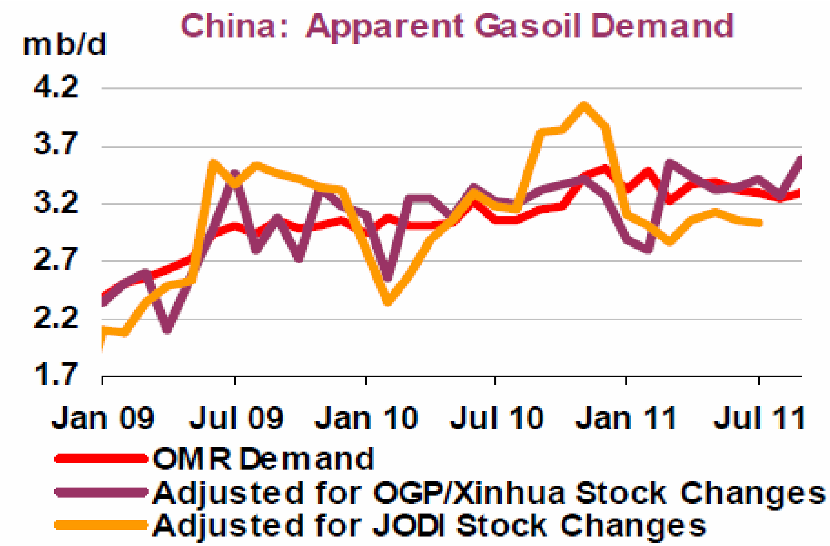
Major Proposed Pipelines Affecting Midwest and USGC Flows [b/d]

	Capacity	2012	2013	2014
Keystone XL to Cushing	700,000			700,000
Keystone XL Marketlink	500,000		150,000	500,000
Seaway Reversal	350,000		350,000	
Longhorn Reversal	135,000		135,000	
Monarch	350,000	Not expected		
Double E	450,000	Cancelled		

Source: JBC

- **WTI traded at wide discounts to Brent for most of 2011 ("Cushing Syndrome") favouring exports of US refiners**
- **In mid October however, the outlook has radically changed:**
  - ConocoPhillips announced its sale to Enbridge of its interest in the Seaway pipeline, which currently transports crude from Houston to Cushing. This line will be reversed, moving approx. 400 kb/d of crude from Cushing to Houston by H2/2012
  - Additionally, TransCanada has just floated the idea of starting construction of the southern section of the Keystone XL pipeline from Cushing to the US Gulf early in 2012, subject to support from the US State Department
- **Markets reacted strongly to these announcements and the WTI discount to Brent narrowed sharply in anticipation that current crude surplus in Cushing will be moved out to refineries in the US Gulf starting in 2012**

RECENT MARKET TRENDS – CHINA IS AGAIN A NET IMPORTER OF DIESEL



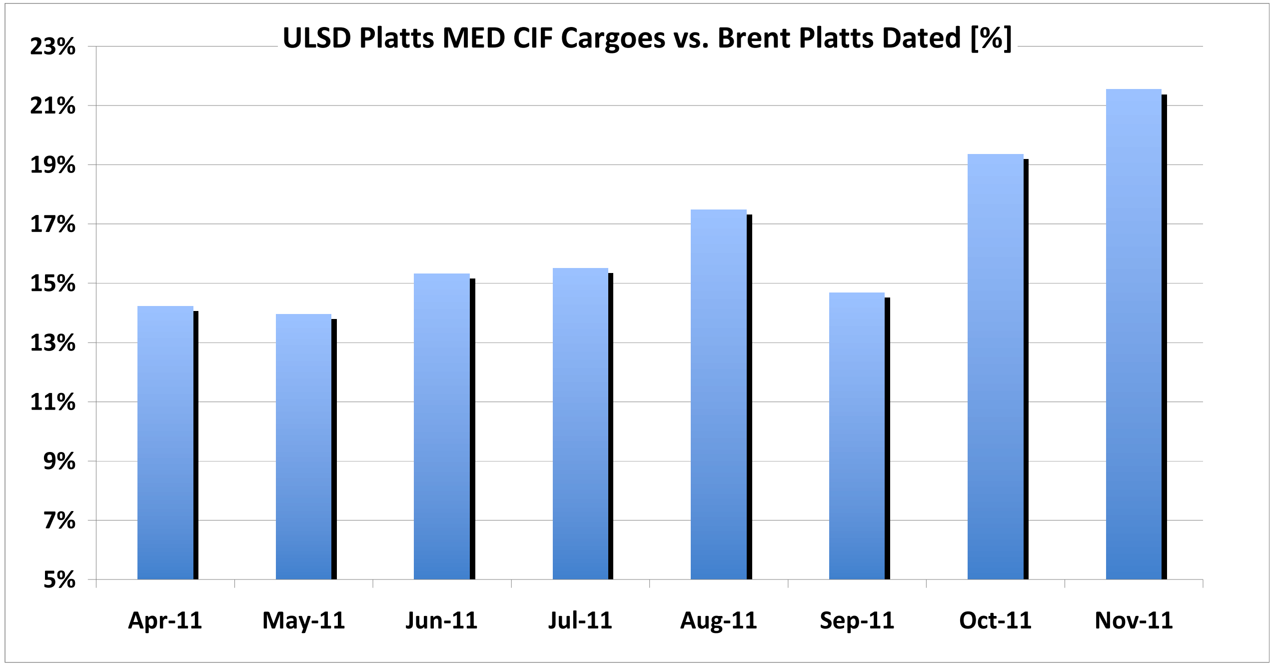
China: Demand by Product
(thousand barrels per day)

	Demand			Annual Chg (kb/d)		Annual Chg (%)	
	2010	2011	2012	2011	2012	2011	2012
LPG & Ethane	668	680	699	13	18	1.9	2.7
Naphtha	1,129	1,184	1,241	56	56	4.9	4.8
Motor Gasoline	1,546	1,657	1,736	112	78	7.2	4.7
Jet Fuel & Kerosene	368	400	419	32	19	8.6	4.8
Gas/Diesel Oil	3,142	3,335	3,498	193	163	6.1	4.9
Residual Fuel Oil	531	532	539	0	8	0.1	1.5
Other Products	1,685	1,756	1,915	71	159	4.2	9.1
Total Products	**9,069**	**9,544**	**10,047**	**476**	**502**	**5.2**	**5.3**

Source: IEA "Oil Market Report" (Nov11)

- **Chinese consumption indicators continue to show demand growth for all product classes, with middle distillates accounting for the most sizeable increases (+193 kb/d in 2011 vs. 2010)**
- **Shortfalls in traditional power generation led to a ramp-up in the use of gasoil-powered alternative generators, with October and November demand outpacing internal production, and turning China again into a net gasoil importer**
- **Tightness in the Chinese diesel and gasoil market reduces export flows of gasoil towards Europe**

DIESEL MARGIN ARE REBOUNDING



- **The factors which were previously depressing diesel crack spreads seem to be reversing**
  - ✓ Arbitrage from USA is now closing (due to the developments in the “WTI vs. Brent” spread)
  - ✓ Export flows from Asia have also disappeared (China is net importer, and Indian diesel is going to China)

- **The premium of ULSD vs. Brent in the MED has gone up significantly in Oct (19.4%) and Nov (21.5%)**
- **Current conditions are supportive for complex refineries like SARAS, highly oriented towards production of gasoils**

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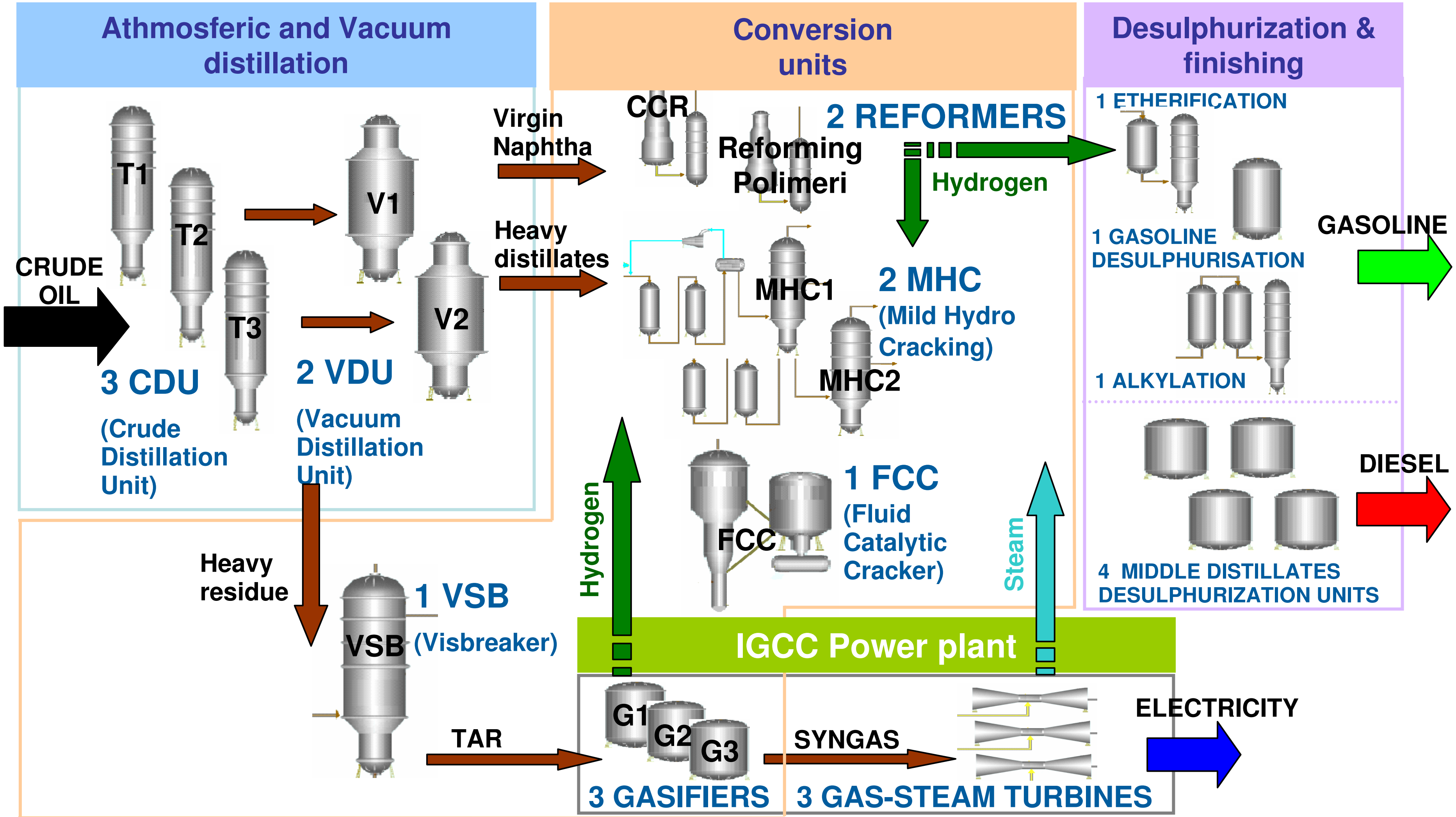
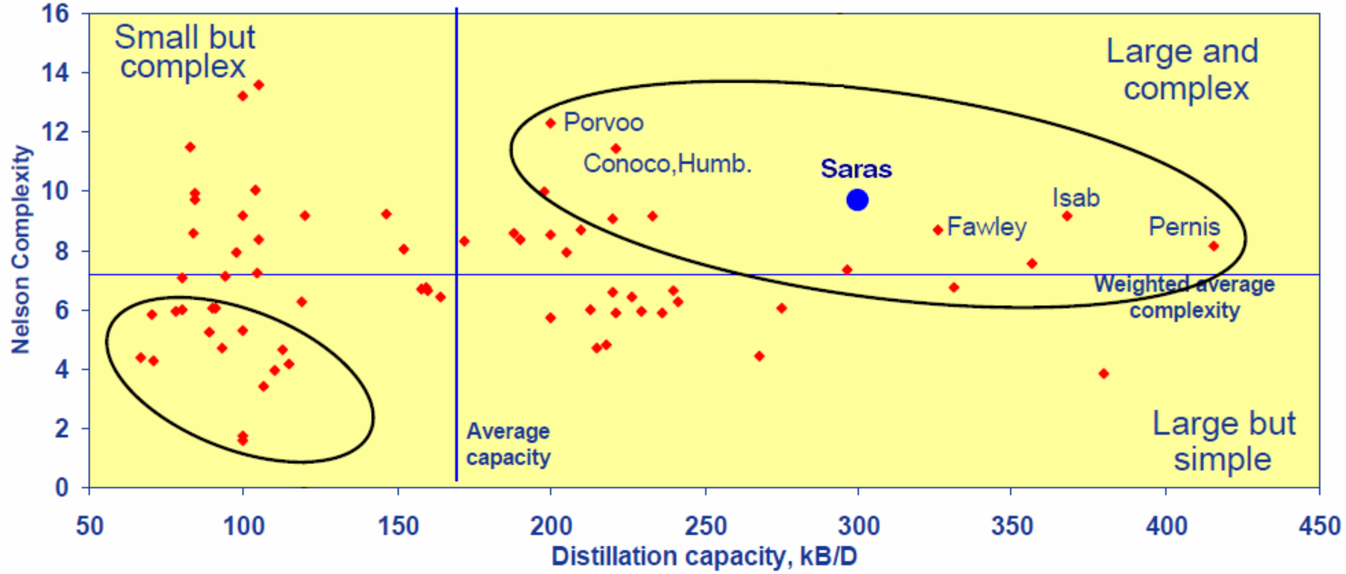
Refining Segment

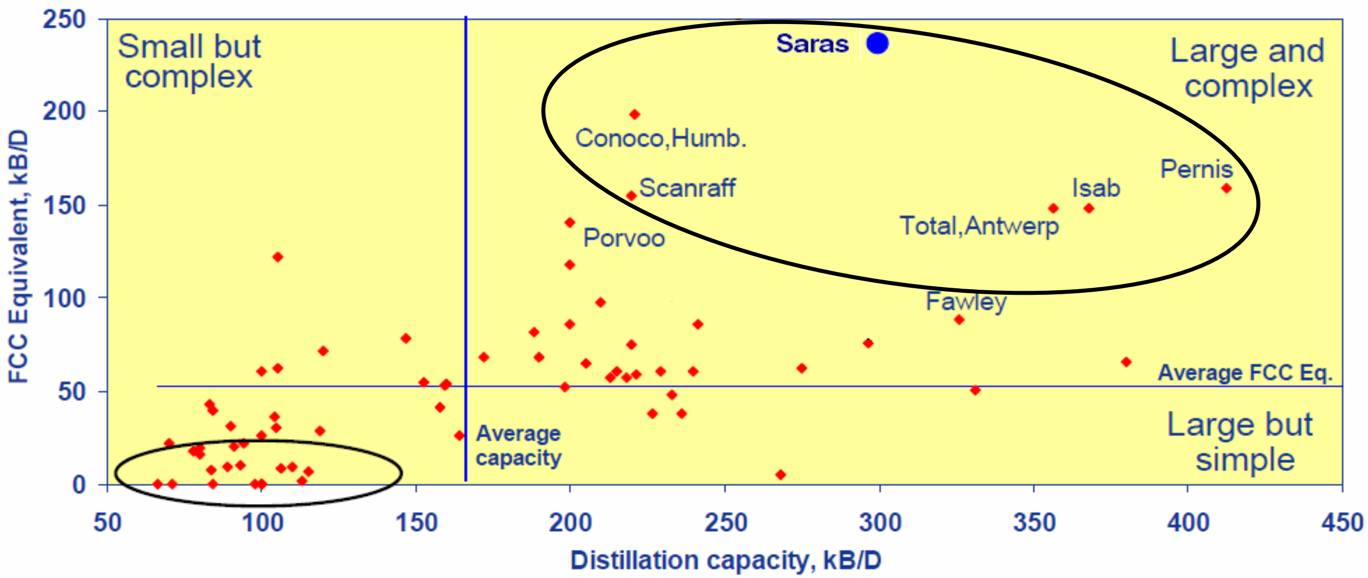


- Saras' competitive advantages: size (300 kbd), complexity (Nelson Index = 9.2), flexibility (crude slate optimisation), location (centre of Med), and integration (Pet-chem & IGCC Power plant)

COMPETITIVE POSITIONING: NELSON AND FCC EQUIVALENT COMPLEXITY



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

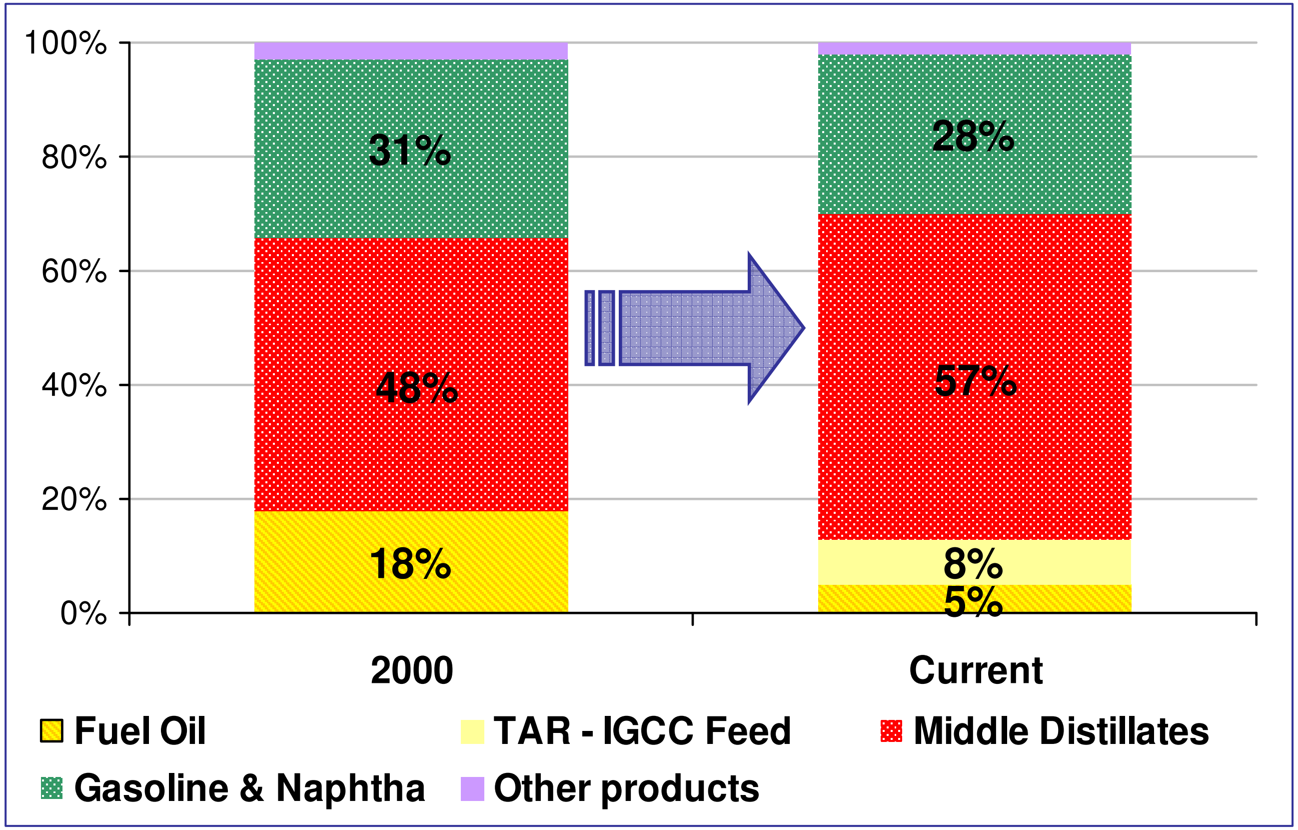


Highest FCC equivalent capacity amongst all EU refiners

Sources: Sector studies from "WoodMacKenzie" and "Purvin & Gertz"

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**



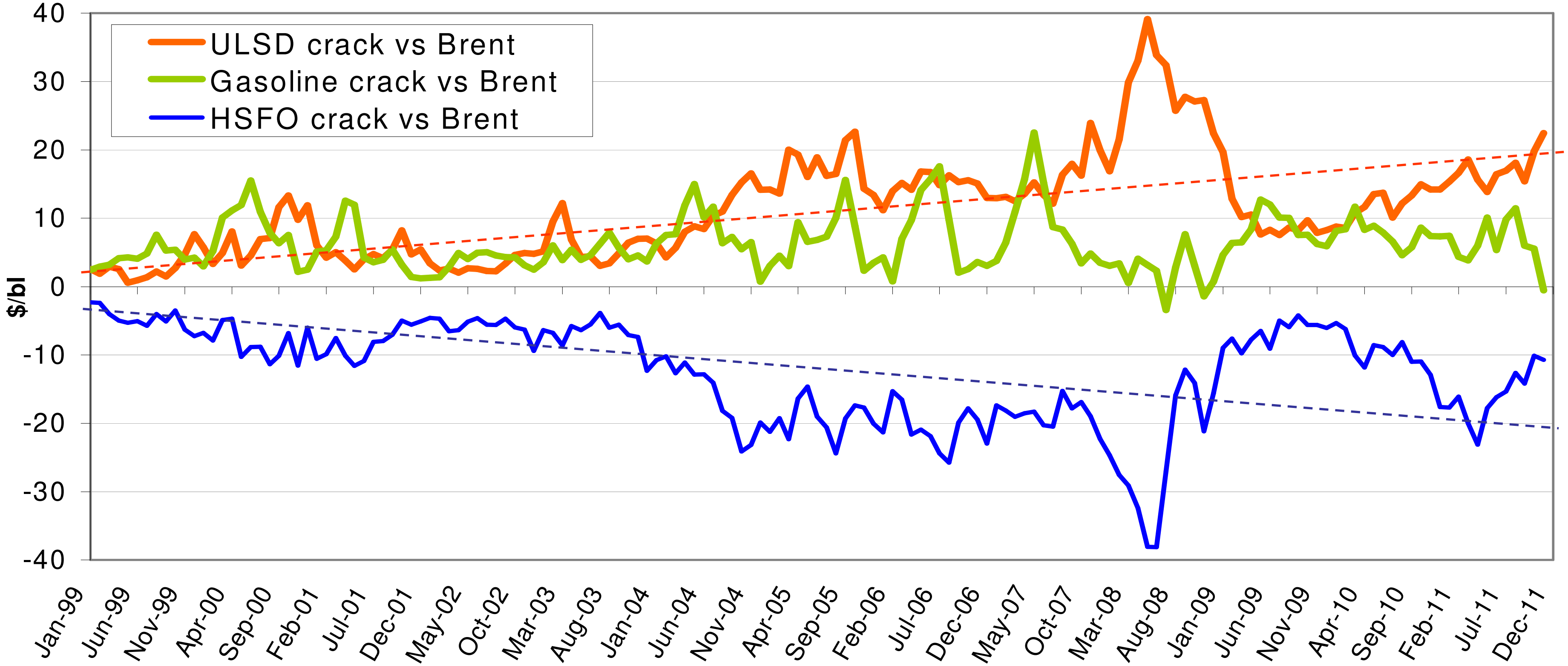
Note: Product Yields are calculated net of “C&L”

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)

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
- Economic recovery in 2011 supported demand for middle distillates, while fuel oil usage should gradually decrease

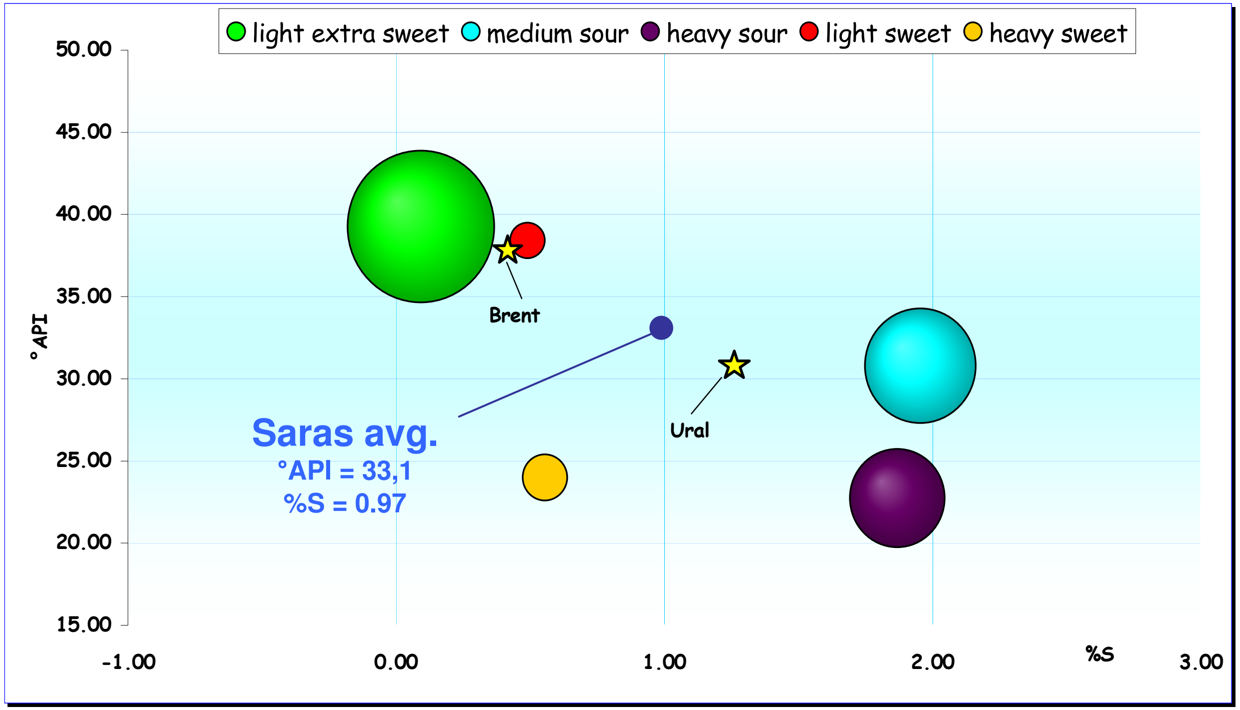


Source: Platt's – Last update: 29th Nov 2011

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)**

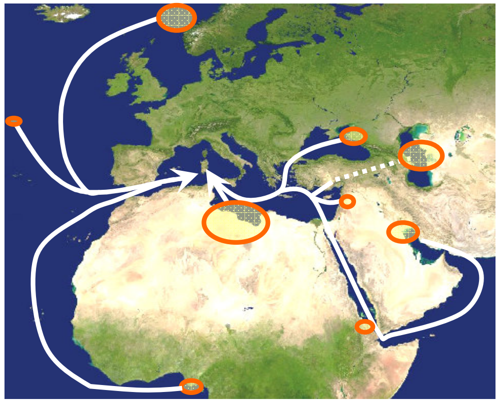
Quality of Crude oils purchased (2010)



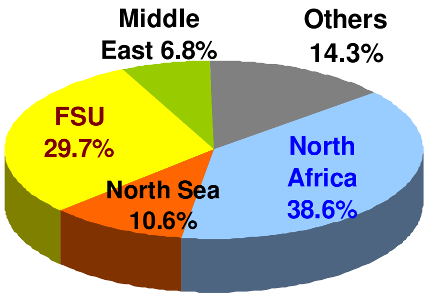
- **Flexibility comes from technological enhancements to processing units and to logistic infrastructure:**
  - ✓ Steam traced piping and heated storage tanks dedicated to waxy crude oils
  - ✓ Integration with pet-chem plant to improve cold properties of middle distillates
  - ✓ Internal lining in special 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

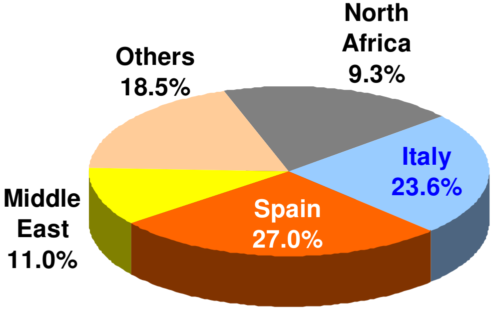


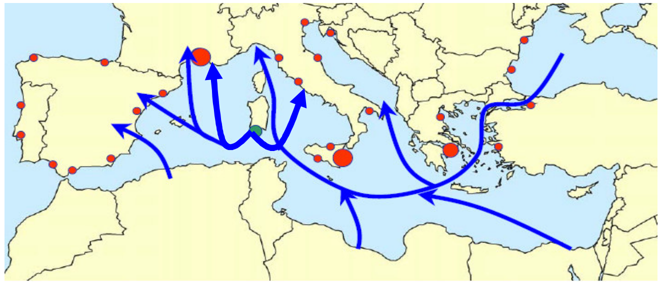
Origins of Crude purchased (2010)



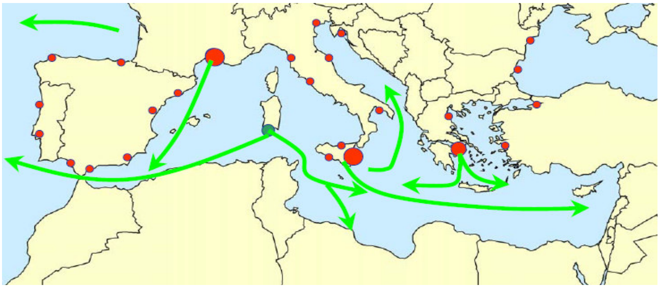
…AND CLOSE TO MAIN OIL PRODUCTS MARKETS

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

		2010	Q3/11	9M/11
LPG	*Thousand tons*	323	58	196
	Yield	2.3%	1.7%	1.9%
NAPHTHA+GASOLINE	*Thousand tons*	4,024	940	2,808
	yield	28.1%	27.0%	27.2%
MIDDLE DISTILLATES	*Thousand tons*	7,517	1,868	5,450
	yield	52.4%	53.7%	52.8%
FUEL OIL & OTHERS	*Thousand tons*	463	94	448
	yield	3.2%	2.7%	4.3%
TAR	*Thousand tons*	1,166	306	796
	yield	8.1%	8.8%	7.7%

Balance to 100% are Consumption & Losses

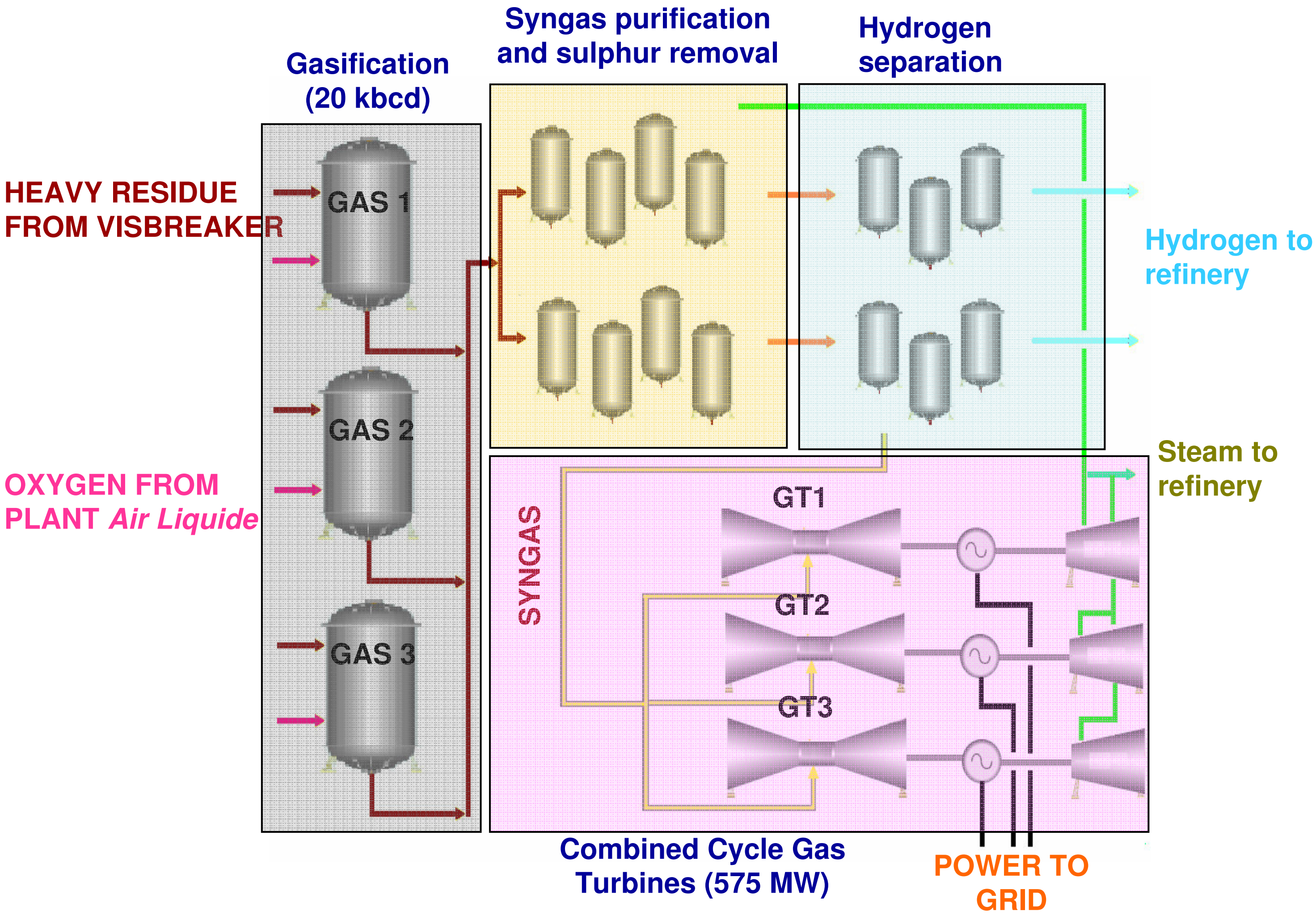
CRUDE OIL SLATE

		2010	Q3/11	9M/11
Light extra sweet		47%	42%	45%
Light sweet		3%	0%	2%
Medium sweet/extra sweet		1%	4%	3%
Light sour		0%	0%	0%
Medium sour		27%	33%	30%
Heavy sour/sweet		23%	21%	20%
Average crude gravity	°API	32.4	31.5	32.1

FIXED AND VARIABLE COSTS

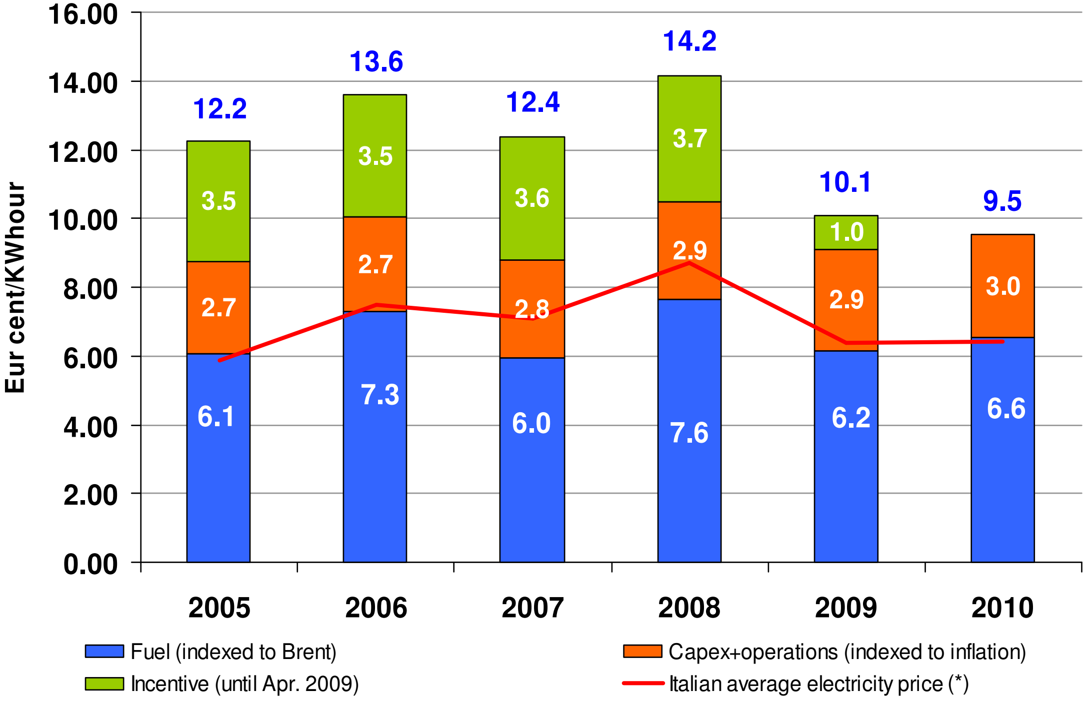
		2010	9M/11
Refinery RUNS	Million barrels	104.7	75.4
Exchange rate	*EUR/USD*	*1.33*	*1.41*
Fixed costs	EUR million	**233**	**160.2**
	$/bl	**2.9**	**3.0**
Variable costs	EUR million	**183**	**146.6**
	$/bl	**2.3**	**2.7**

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**



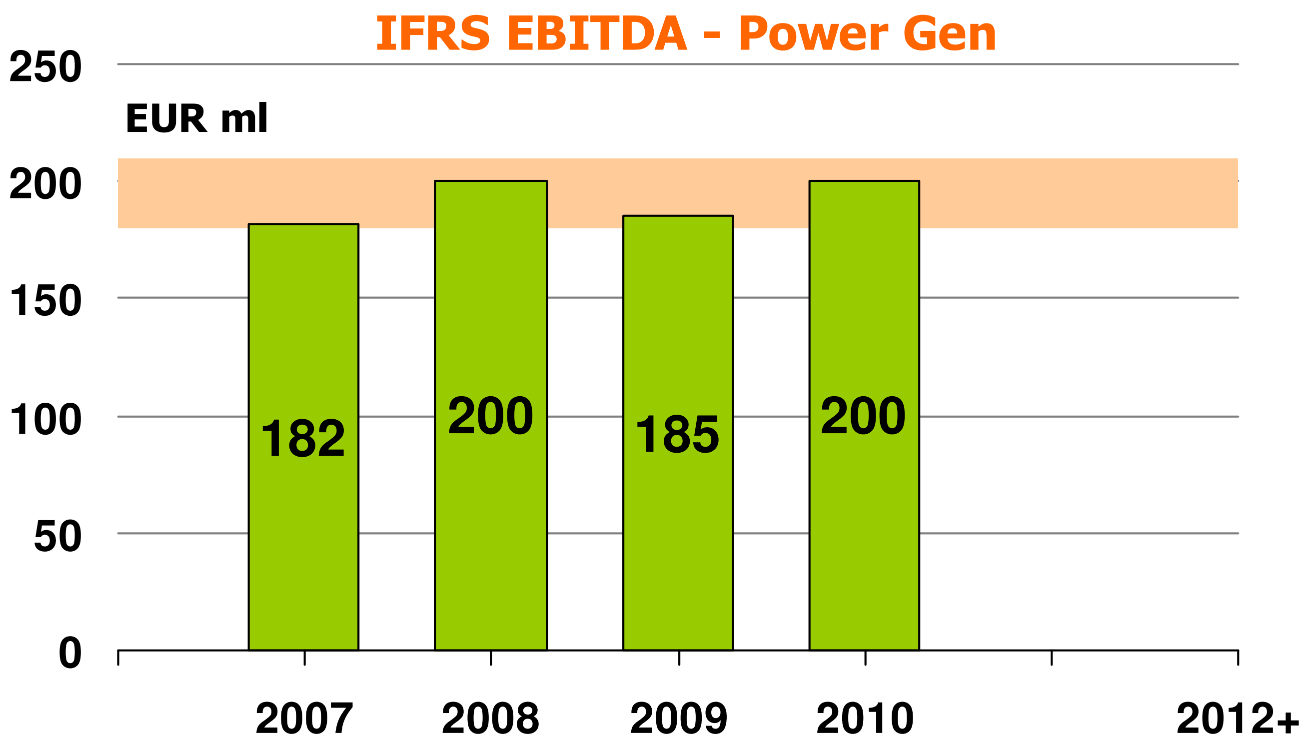
(*) = The Italian average electricity price (PUN) can be found on the GME website at: www.mercatoelettrico.org

- **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**

	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 130 ÷ 150 ml



FIXED AND VARIABLE COSTS (IT GAAP)

		2010	9M/11
Refinery RUNS	Million barrels	104.7	75.4
Power production	MWh/1000	4,337	2,974
Exchange rate		*1.33*	*1.41*
Fixed costs	EUR million	**103**	**68.1**
	$/bl	**1.3**	**1.3**
	EUR/MWh	**24**	**23**
Variable costs	EUR million	**61**	**47.6**
	$/bl	**0.8**	**0.9**
	EUR/MWh	**14**	**16**

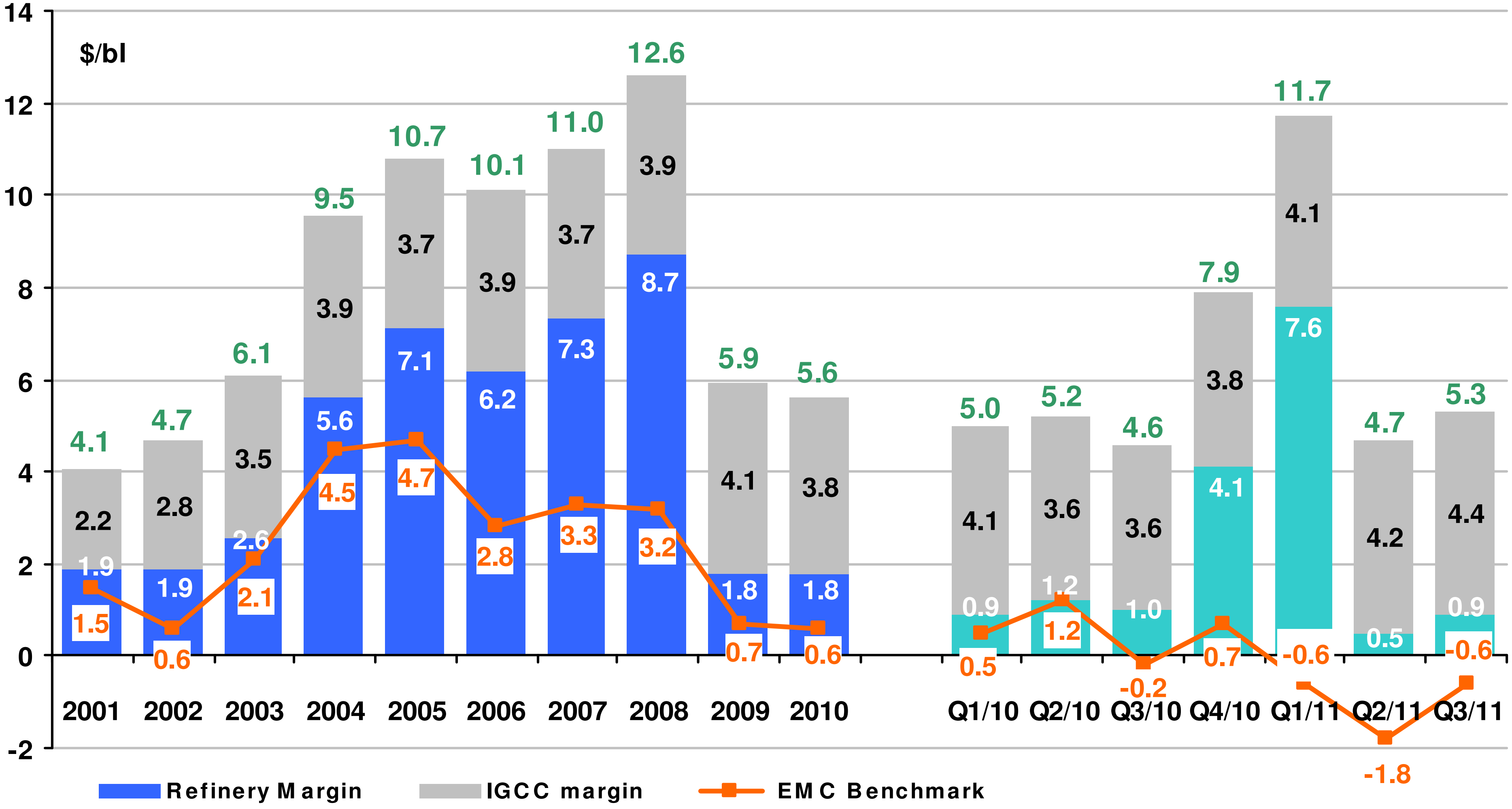
2011 MAINTENANCE SCHEDULE – REFINING & POWER

- The maintenance cycle scheduled for 9M/11 in the Sarroch refinery has been completed according to schedule
- Maintenance activities to be carried out in Q4/11 will concern only a slowdown of the Catalytic Reforming unit (CCR) and the cleaning of the Visbreaking unit (VSB)
- For the IGCC plant, in Q4/11 there will only be minor work on one train of "Gasifier – combined cycle Turbine", with negligible effects on the electricity production

		Q1/11	Q2/11	Q3/11	Q4/11 expected	2011 expected
REFINERY						
PLANT		Alky	MHC1, MHC2, VSB, T1, V1	U700, U500, RT2	Slowdown CCR, VSB	
Refinery runs	Tons (ml) Bbls (ml)	3.70 27.0	3.14 22.9	3.48 25.4	3.30 ÷ 3.60 24.1 ÷ 26.3	13.6 ÷ 14.0 99 ÷ 102
EBITDA reduction due to scheduled maintenance	USD (ml)	0	18	8	9 ÷ 14	35 ÷ 40
IGCC						
PLANT			10-Year Turnaround		Slowdown 1 Train (G+T)	
Power production	MWh (ml)	1.17	0.68	1.12	1.05 ÷ 1.15	4.02 ÷ 4.12

Refining and Power Generation Segments

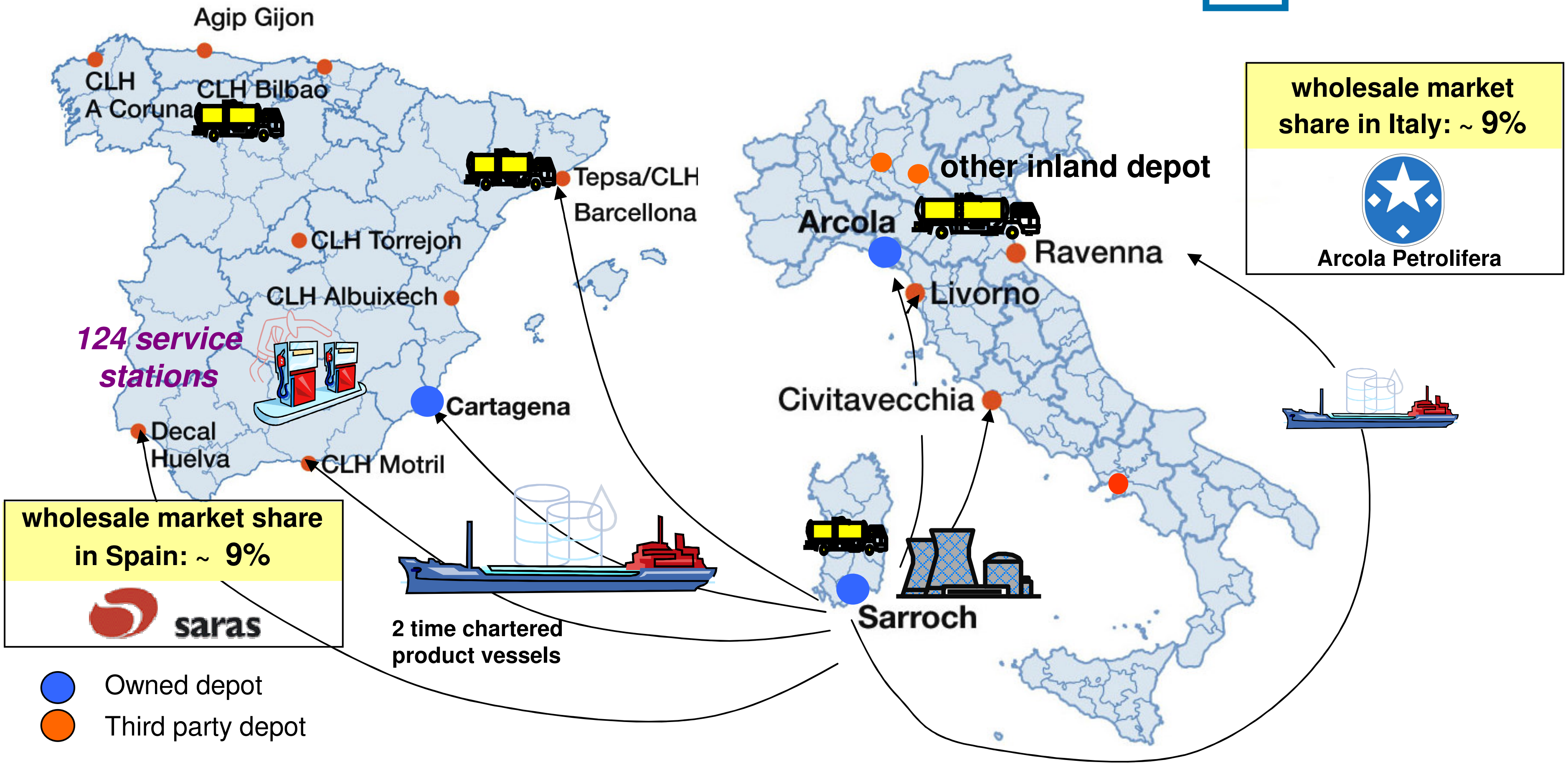
HISTORICAL SERIES: REFINING & POWER MARGINS



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	2010	Q1/11	Q2/11	Q3/11
SPAIN	2,206	2,804	2,845	2,733	2,535	564	404	406
ITALY	1,013	1,102	1,176	1,239	1,731	537	602	613
TOTAL	**3,219**	**3,906**	**4,030**	**3,972**	**4,266**	**1,101**	**1,006**	**1,019**



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)

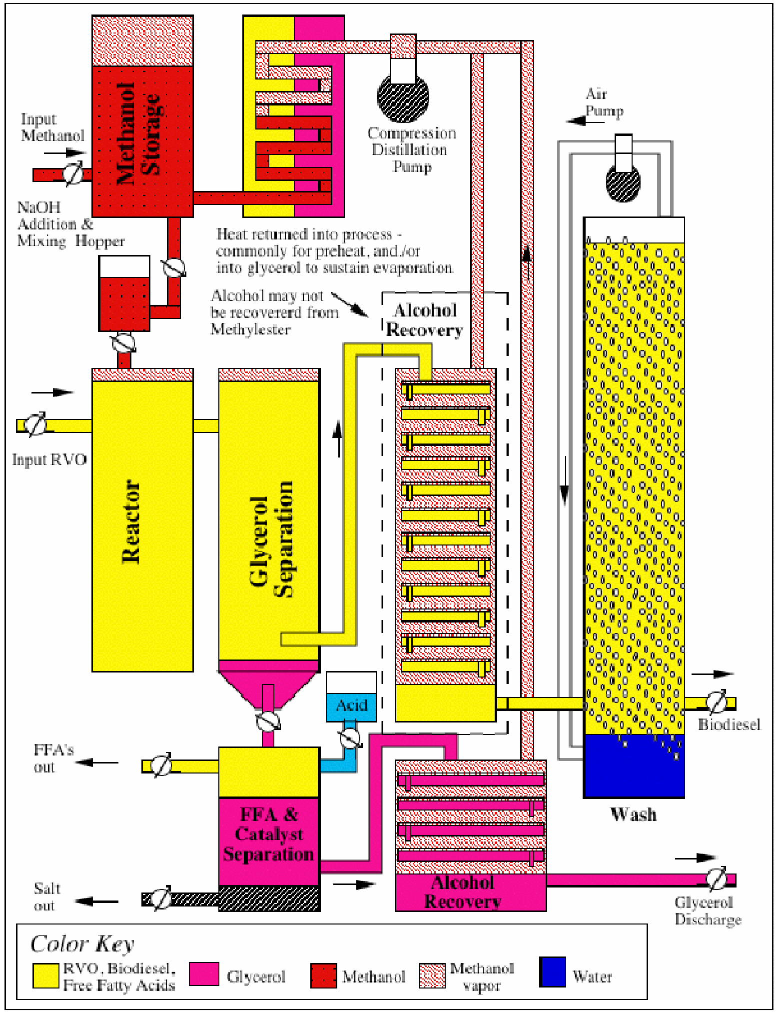
CARTAGENA BIODIESEL PLANT

- **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**

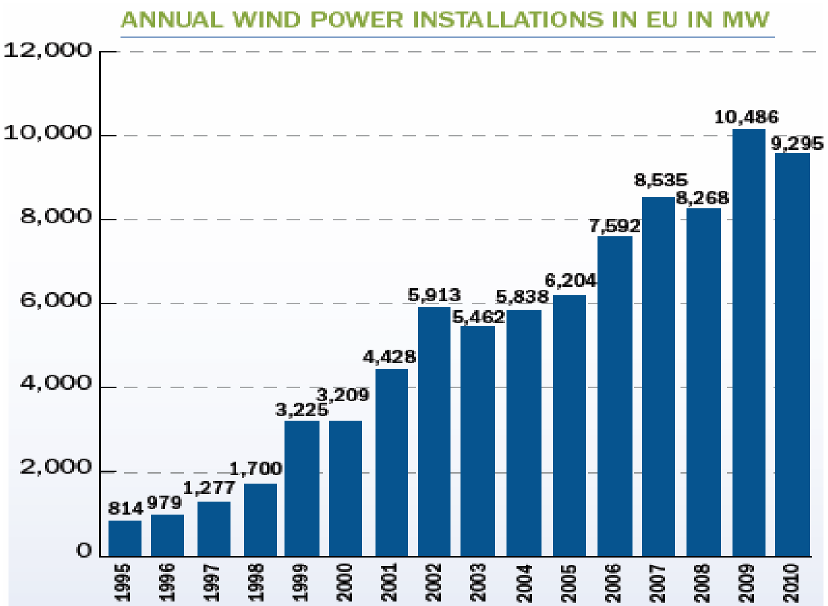
- **Consistent to EU targets**
  - ✓ approx. 5% of bio-diesel into marketed diesel from 2010
  - ✓ possible further % increases in future years



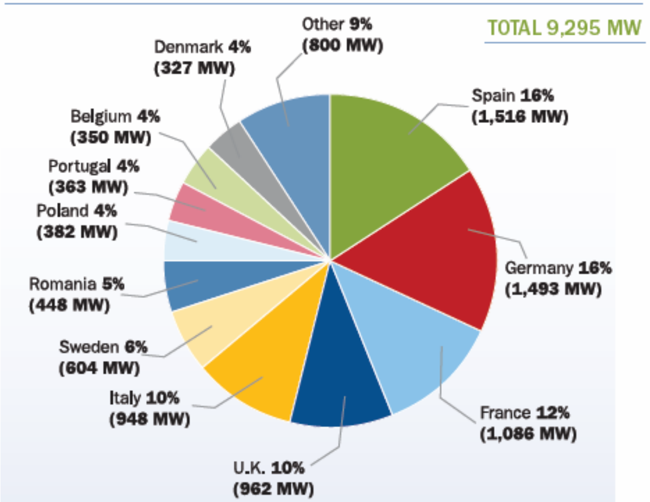
Schematic representation of a standard Biodiesel plant

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**



EU MEMBER STATE MARKET SHARES FOR NEW CAPACITY AT END 2010

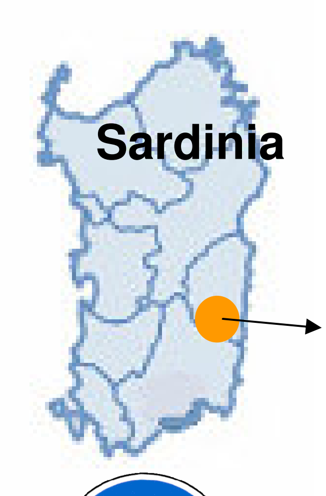


Green Certificates

- **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	2010	Q1/11	Q2/11	Q3/11
Electricity Production (MWh)	157,292	168,185	153,735	155,970	175,934	37,949	27,394	24,839
Power Tariff (€cent/KWh)	7.4	8.5	8.6	7.0	6.9	6.5	7.4	8.1
Green Certificates (€cent/KWh)	12.1	9.8	6.9	8.7	8.0	8.2	8.0	7.9

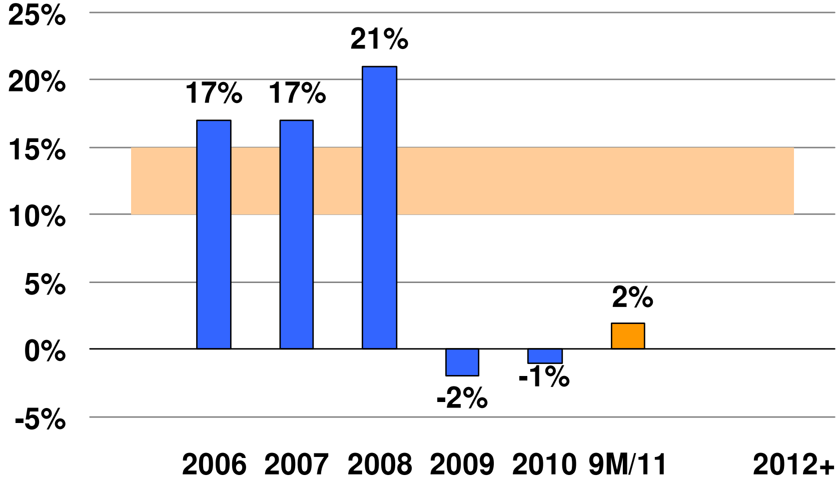


Sardeolica

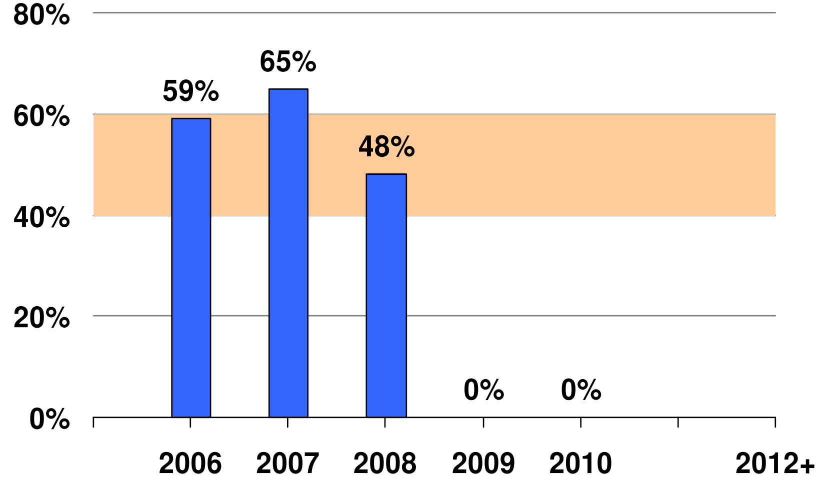
- **Production started at the end of 2005**
- **GCs granted until 2016**
- **Fully owned from 30 Jun 2008**
- **Capacity 96 MW** (48 aero generators, as of May 2011)

- Saras in a Snapshot
- Market Overview
- Business Segments
- **Financials**
- Other information

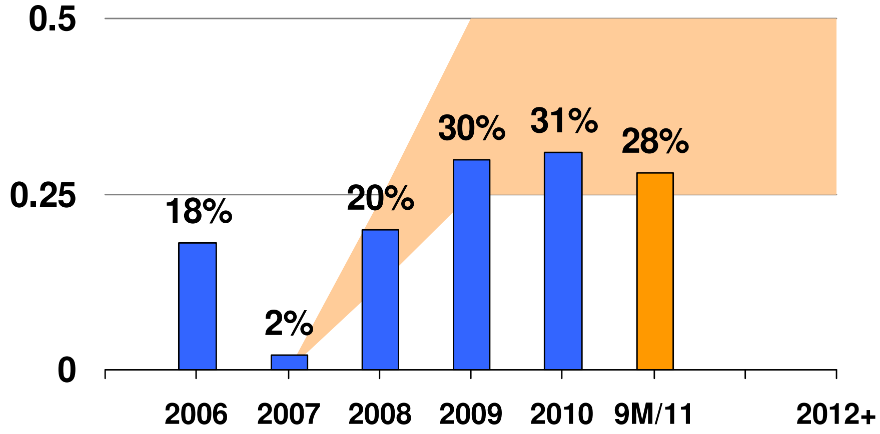
ROACE – target 10% ÷ 15%



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)	2010	Q1/11	Q2/11	Q3/11	9M/11
EBITDA	**223.5**	**310.4**	**12.8**	**20.8**	**344.0**
***Comparable* EBITDA**	**149.2**	**154.3**	**34.2**	**22.4**	**210.9**
D&A	(207.4)	(52.4)	(53.0)	(53.3)	(158.7)
EBIT	**16.1**	**258.0**	**(40.2)**	**(32.5)**	**185.3**
***Comparable* EBIT**	**(58.1)**	**101.9**	**(18.8)**	**(30.9)**	**52.2**
Interest expense	(22.0)	(7.7)	(7.6)	(12.2)	(27.5)
Other	(7.9)	(47.9)	(7.3)	30.6	(24.5)
Financial Income/Expense	**(29.9)**	**(55.6)**	**(14.9)**	**18.4**	**(52.0)**
Profit Before Taxes	**(13.8)**	**202.4**	**(55.1)**	**(14.1)**	**133.3**
Taxes	4.3	(79.6)	14.4	12.1	(53.1)
Net Result	**(9.5)**	**122.8**	**(40.6)**	**(2.0)**	**80.1**
Adjustments	(34.4)	(83.3)	(3.7)	(21.9)	(108.9)
***Adjusted* Net Result**	**(43.9)**	**39.5**	**(44.3)**	**(24.0)**	**(28.8)**

KEY CASHFLOW FIGURES AND NET FINANCIAL POSITION

(EUR million)	2010	Q1/11	Q2/11	Q3/11
Initial Net Financial Position	**(533)**	**(560)**	**(524)**	**(527)**
CF FROM OPERATIONS	**102**	**56**	**36**	**30**
of which working capital	(119)	(260)	43	21
CF FROM INVESTMENTS	**(129)**	**(20)**	**(39)**	**(15)**
tangible & intangible assets	(129)	(20)	(39)	(15)
acquisitions	0	0	0	0
CF FROM FINANCING	**0**	**0**	**0**	**0**
capital increase	0	0	0	0
buyback own shares	0	0	0	0
dividends	0	0	0	0
TOTAL CASHFLOW	**(27)**	**36**	**(3)**	**15**
Final Net Financial Position	**(560)**	**(524)**	**(527)**	**(512)**

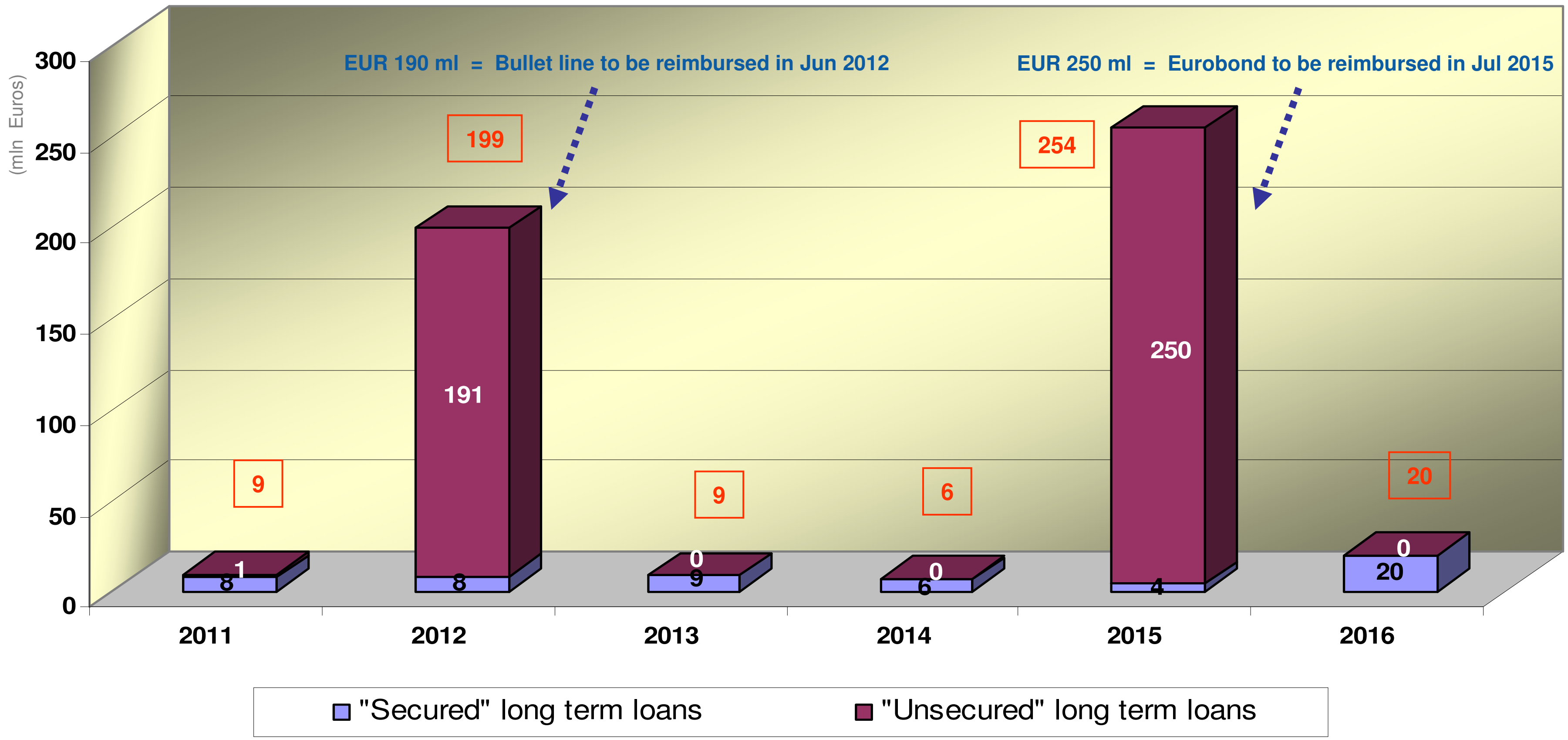
CAPEX BY SEGMENT

(EUR million)	2010	Q1/11	Q2/11	Q3/11
REFINING	**92.5**	**12.9**	**15.1**	**11.2**
POWER GENERATION	**10.3**	**5.6**	**22.4**	**1.8**
MARKETING	**5.1**	**0.5**	**1.1**	**1.0**
WIND	**14.9**	**0.0**	**1.0**	**0.7**
OTHER ACTIVITIES	**6.2**	**1.0**	**0.0**	**0.1**
TOTAL CAPEX	**129.0**	**19.9**	**39.4**	**14.8**

KEY BALANCE SHEET FIGURES

(EUR million)	2010	Q1/11	Q2/11	Q3/11
Current assets	**1,937**	**2,248**	**2,180**	**2,149**
Cash and other cash equivalents	110	149	93	96
Other current assets	1,827	2,099	2,087	2,053
Non current assets	**1,956**	**1,887**	**1,872**	**1,853**
TOTAL ASSETS	**3,893**	**4,135**	**4,052**	**4,003**
Non interest bear liabilities	**2,003**	**2,119**	**2,128**	**2,091**
Interest bear liabilities	**670**	**672**	**620**	**608**
Equity	**1,220**	**1,344**	**1,304**	**1,304**
TOTAL LIABILITIES	**3,893**	**4,135**	**4,052**	**4,003**

SARAS GROUP: LONG TERM DEBT MATURITY PROFILE



- **Total long term debt as of 30th Sept 2011: EUR 494 ml** (of which EUR 50 ml in Project Finance)
- **Total credit lines: in excess of EUR 2.1 billion** (of which more than EUR 700 ml in Committed credit lines)
- **Weighted average interest rate: 4.22% in 9M/2011** (vs. 3.38% in 2010)
- **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	2010	Q1/11	Q2/11	Q3/11
EBITDA	109.6	78.5	(54.4)	235.8	(44.1)	(49.4)
Comparable EBITDA	**433.6**	**(103.3)**	**(86.8)**	**91.2**	**(42.7)**	**(33.5)**
EBIT	30.0	(17.4)	(161.4)	208.6	(71.5)	(77.0)
Comparable EBIT	**354.0**	**(199.2)**	**(193.7)**	**64.0**	**(70.1)**	**(61.1)**
CAPEX	**182**	**244.4**	**92.5**	12.9	15.1	11.2
REFINERY RUNS						
Thousand tons	**15,517**	**13,305**	**14,340**	3,704	3,138	3,481
Million barrels	**113.3**	**97.1**	**104.7**	27.0	22.9	25.4
Barrels/day	**310**	**266**	**287**	300	252	276
Of which for third parties	**35%**	**30%**	**7%**	0%	0%	0%
EMC benchmark	**3.2**	**0.7**	**0.6**	(0.6)	(1.8)	(0.6)
Saras refining margin	**8.7**	**1.8**	**1.8**	7.6	0.5	0.9

POWER GENERATION

(EUR million)		2008	2009	2010	Q1/11	Q2/11	Q3/11
Comparable EBITDA		**200.0**	**184.5**	**200.4**	**54.6**	**46.8**	**56.7**
Comparable EBIT		**124.0**	**107.7**	**123.3**	**35.3**	**27.0**	**36.7**
EBITDA IT GAAP		294.6	152.5	143.5	34.8	8.0	36.6
EBIT IT GAAP		239.5	95.9	72.4	24.1	(3.1)	25.3
CAPEX		27	**12.4**	**10.3**	5.6	22.4	1.8
ELECTRICITY PRODUCTION	MWh/1000	**4,318**	**4,066**	**4,337**	1,174	675	1,125
POWER TARIFF	€cent/KWh	**14.2**	**10.1**	**9.5**	9.8	10.0	10.6
IGCC MARGIN	$/bl	**3.9**	**4.1**	**3.8**	4.2	4.2	4.4

MARKETING

(EUR million)	2008	2009	2010	Q1/11	Q2/11	Q3/11
EBITDA	(57.8)	57.6	54.8	15.2	7.6	11.1
Comparable EBITDA	**34.9**	**35.1**	**12.9**	**3.8**	**27.6**	**(3.2)**
EBIT	(63.2)	48.5	42.6	12.3	4.6	8.3
Comparable EBIT	**29.5**	**26.0**	**0.7**	**0.9**	**24.6**	**(6.0)**
CAPEX	46	**56.6**	**5.1**	0.5	1.1	1.0
SALES (Ktons)						
ITALY	**1,176**	**1,239**	**1,731**	537	602	613
SPAIN	**2,854**	**2,733**	**2,535**	564	404	406
TOTAL	**4,030**	**3,972**	**4,266**	1,101	1,006	1,019

WIND

(EUR million)		2008	2009	2010	Q1/11	Q2/11	Q3/11
Comparable EBITDA		14.1	21.0	21.2	5.0	2.8	2.4
Comparable EBIT		5.0	12.1	11.8	2.4	0.3	(0.2)
ELECTRICITY PRODUCTION	MWh	153,735	155,970	175,934	37,949	27,394	24,839
POWER TARIFF	€cent/KWh	8.6	7.0	6.9	6.5	7.4	8.1
GREEN CERTIFICATES	€cent/KWh	6.9	8.7	8.0	8.2	8.0	7.9
CAPEX		21.1	0.3	14.9	0.0	1.0	0.7

OTHER

(EUR million)	2008	2009	2010	Q1/11	Q2/11	Q3/11
Comparable EBITDA	0.2	3.9	1.5	(0.2)	(0.3)	0.0
Comparable EBIT	(2.0)	1.5	(0.2)	(0.6)	(0.6)	(0.3)
CAPEX	2	3.3	6.2	1.0	0.0	0.1

- Saras in a Snapshot
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MOVING TOWARDS MAXIMUM EFFICIENCY AND EFFECTIVENESS

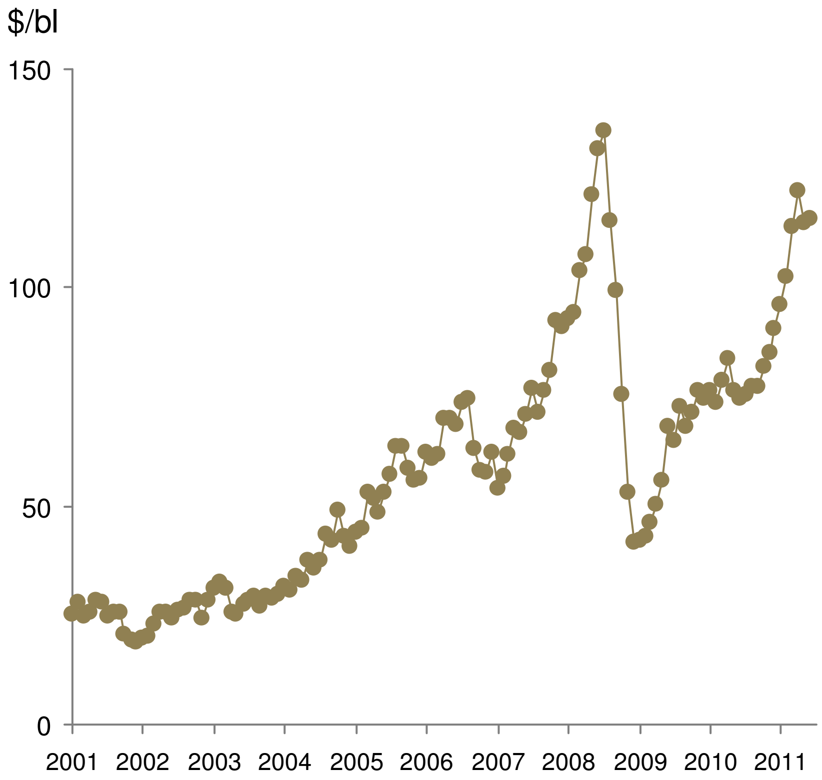
- **In order to achieve maximum efficiency in production and effectiveness in operations, Saras launched in 2010 an ambitious asset management programme, in cooperation with world-class consultants, named “Project Focus”**
- **Industrial operations have been divided in three main areas, each headed by 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)

MID TERM INVESTMENT PLAN

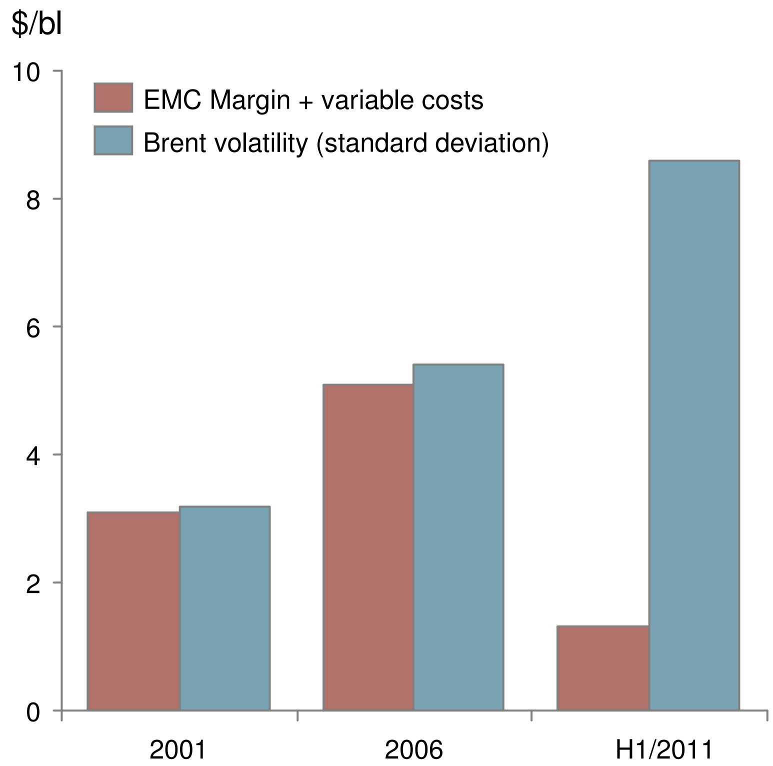
- **In Q1/11 Saras decided to resume part of the investment plan launched in 2008, aimed at increasing conversion capacity and improving efficiency:**
  - ✓ In particular, a total investment of approx. EUR 60 ml has been approved, in order to complete the project for the revamping of the MildHydroCracking2 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

STRUCTURAL CHANGES IN OIL MARKETS (price, margins, volatility)

Increasing BRENT price

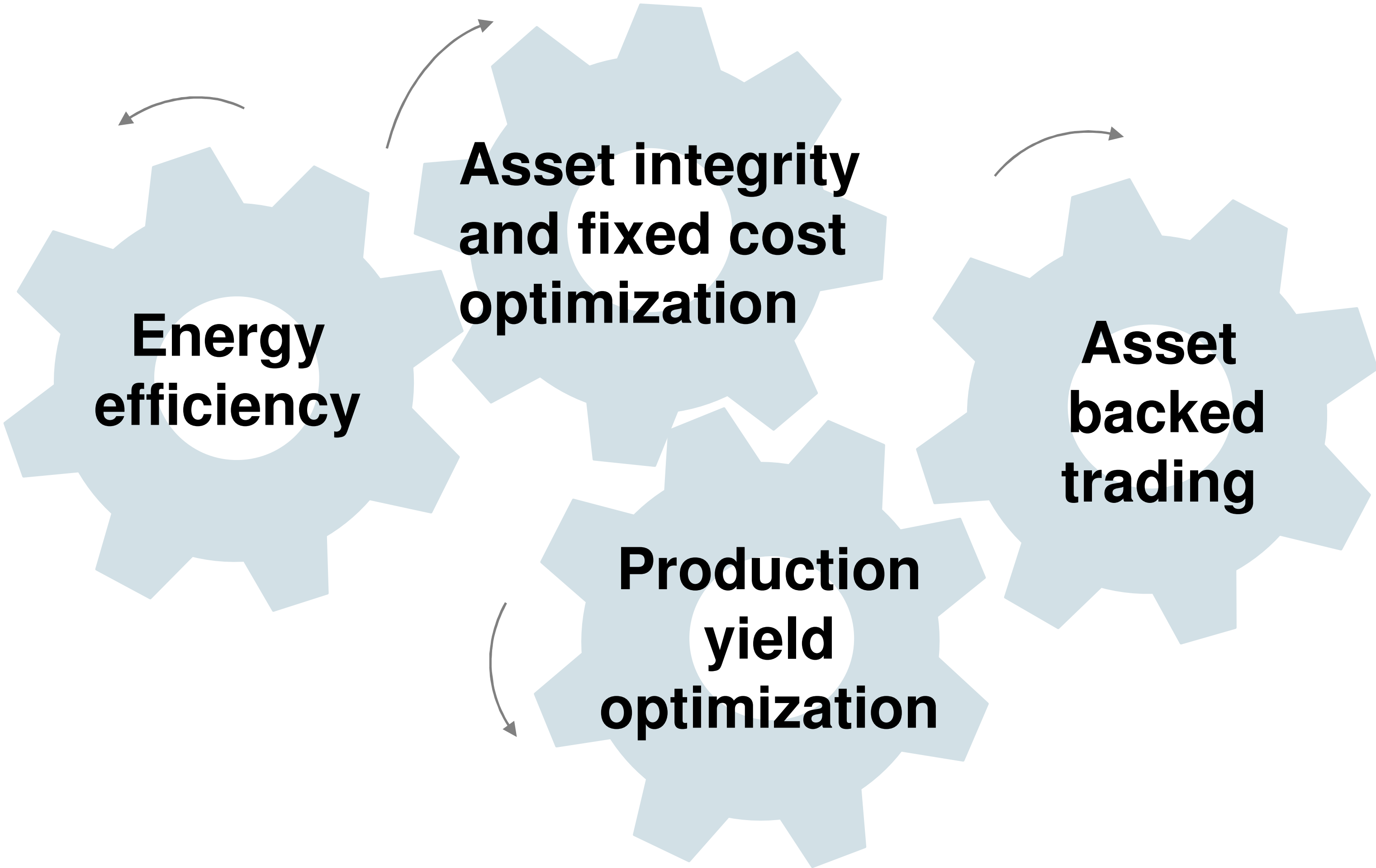


Decreasing margins and higher volatility



Source: Saras elaboration, BCG, EMC, Platts

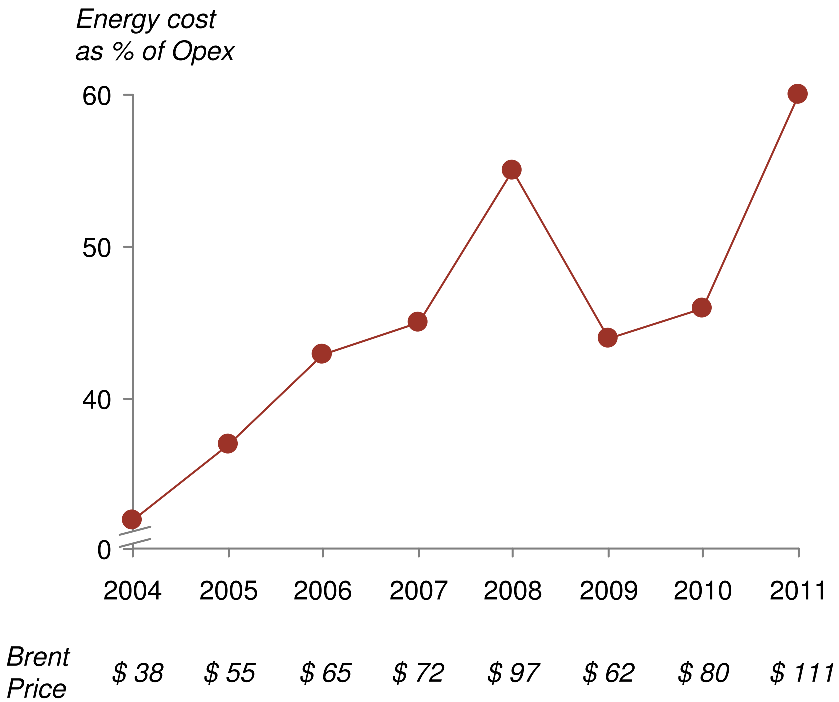
FOUR MAJOR PRIORITIES IN REFINING OPERATIONAL EXCELLENCE



Several players have in place operational excellence programs

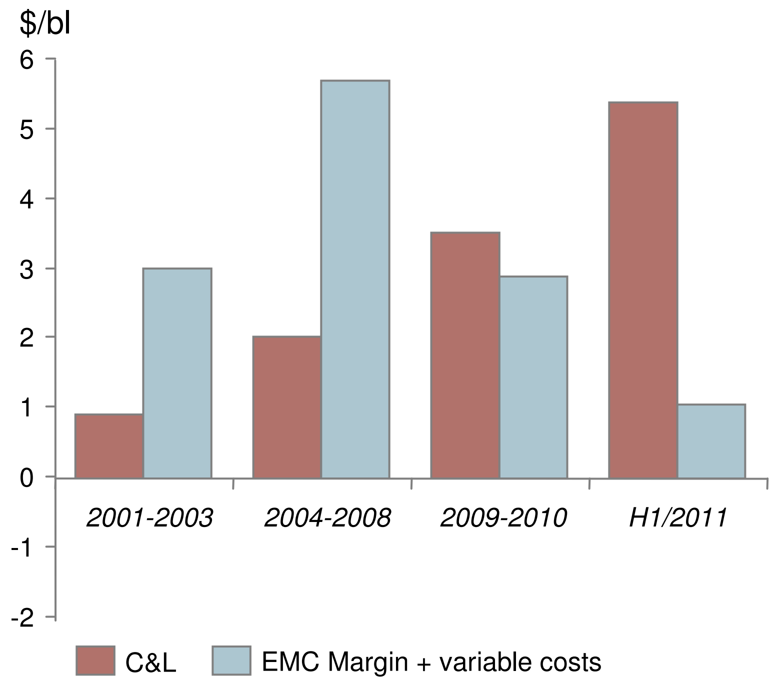
ENERGY IS TODAY'S MOST RELEVANT OPEX

Energy has become 60%+ of refinery operating costs



Percentage depends on fuel prices, refinery scale, energy mix and efficiency

Energy consumption is a key driver of profitability



Consumption & Losses vs.
EMC Margin + Variable Costs

Source: Saras elaboration, BCG, EMC and Platts

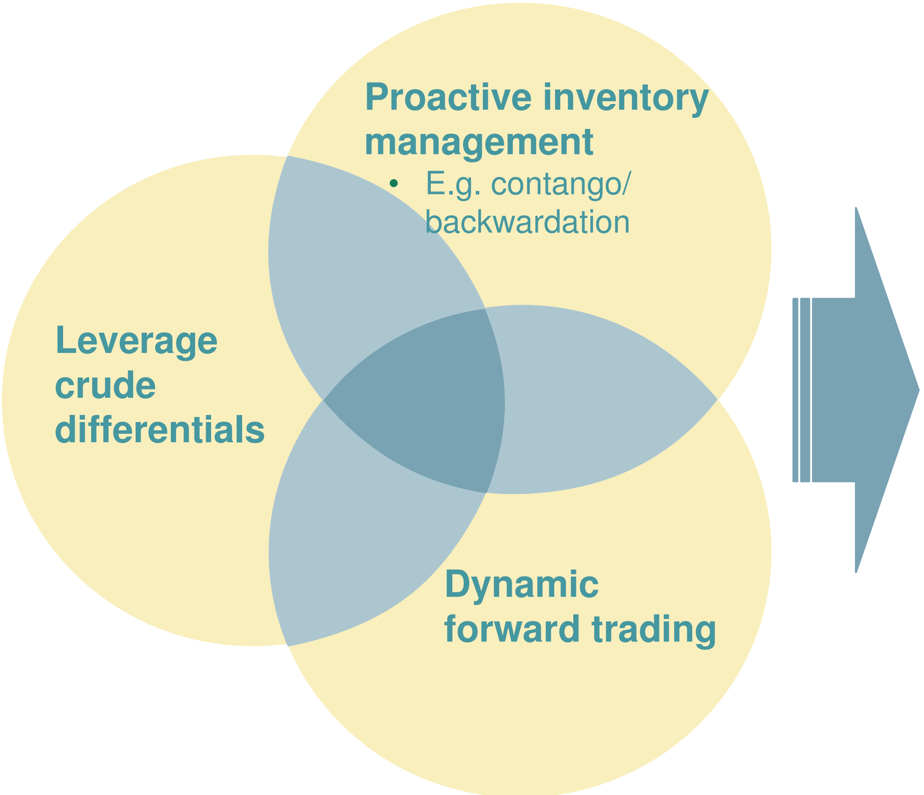
OPTIMISATION OF ASSET INTEGRITY & NON-MAINTENANCE FIXED COSTS should address both "demand" and "supply" side

	Optimization levers	
	"Demand" side	**"Supply" side**
Asset Integrity / Maintenance	• Risk-based maintenance strategy	• Autonomous maintenance • Contractors optimization / productivity
Non maintenance fixed costs	• Challenge of real needs for non core services	• In-sourcing

Non-maintenance fixed costs are typically overlooked, providing relevant opportunities

ASSET BACKED TRADING TO EXPLOIT VOLATILITY WHILE HEDGING RISK

Typical levers for asset backed trading



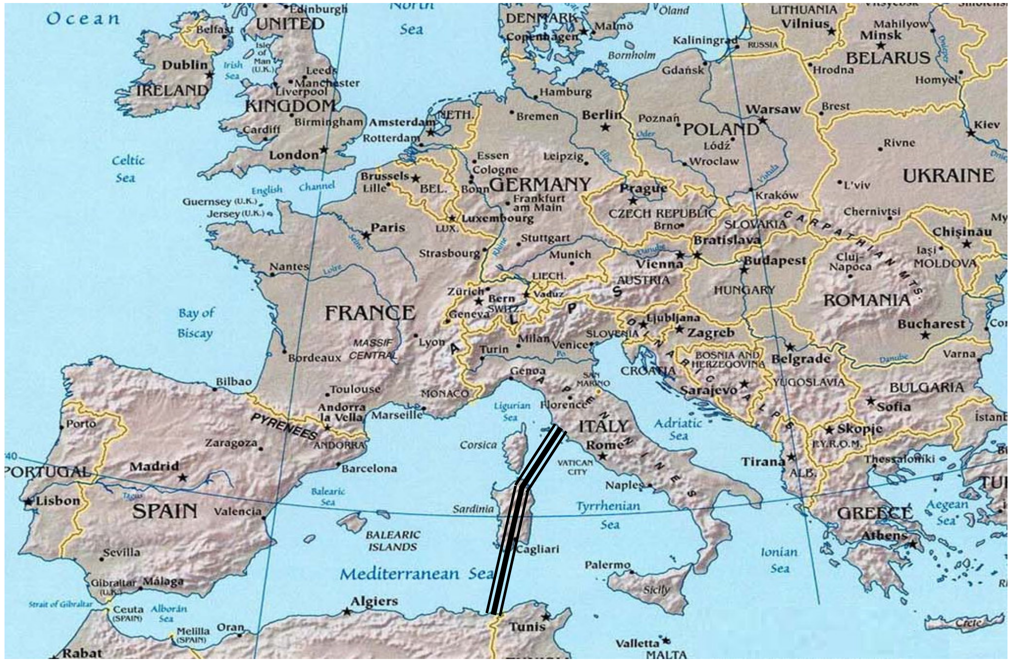
- Margin optimization of the whole supply chain
  - Higher integration among Supply& Trading and Refinery Operations
- Exploit market volatility ...
- ... while hedging risk through refinery assets and flexibility

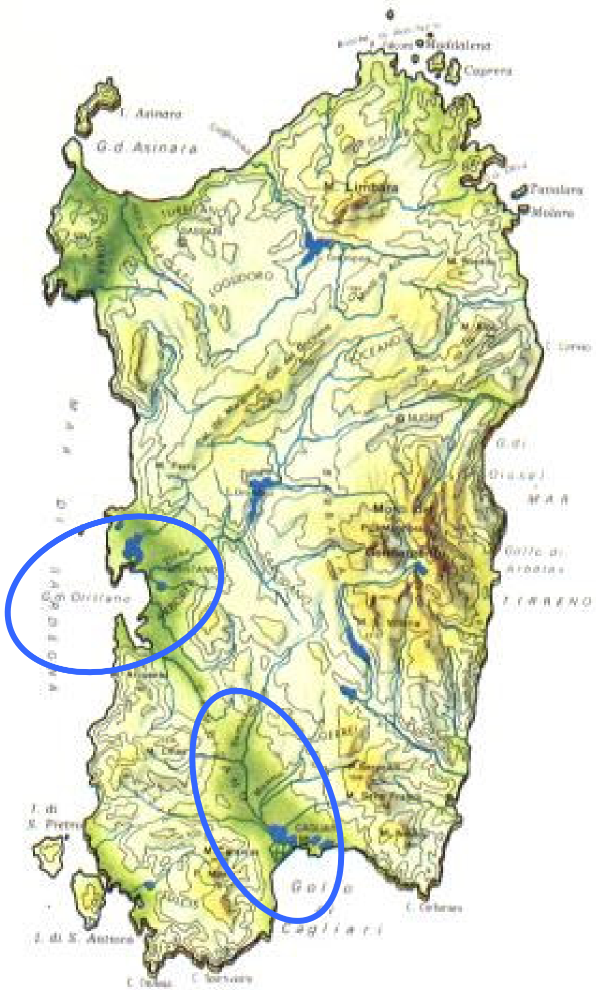
Complex refineries can fully enhance asset backed trading

GAS EXPLORATION

- **On shore seismic tests completed**
- **Data analysis shows geological formations usually associated with hydrocarbons**
- **Optimal location for the first exploration well 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 and Director

Gabriele Moratti
Director

Gabriele Previati
Director

Gilberto Callera
Independent Director

Mario Greco
Independent Director

Giancarlo Cerutti
Independent Director

Dario Scaffardi
Director and 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

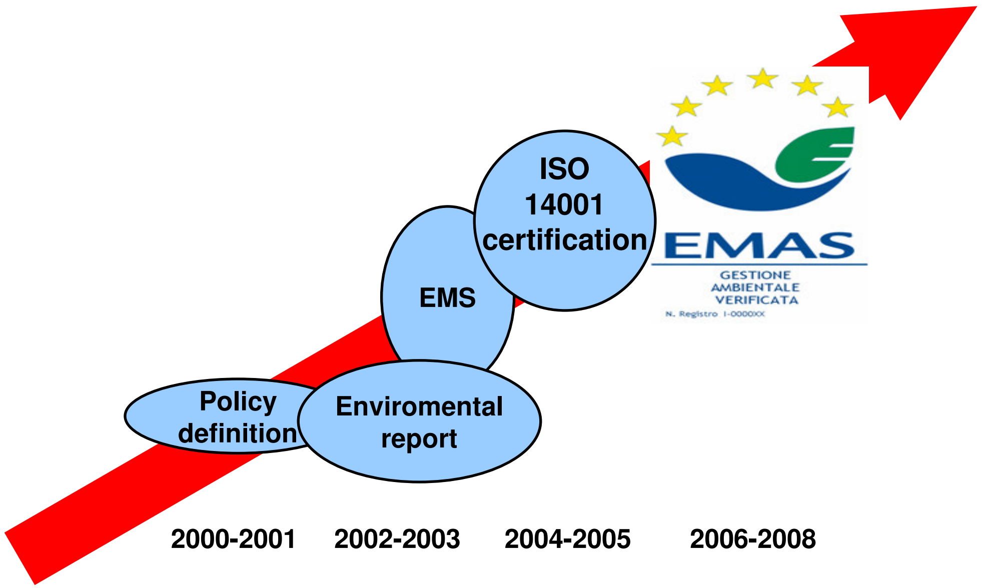
HUMAN RESOURCES

- **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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