SARAS
Second Quarter and First Half 2018 results

30th July 2018

AGENDA

- Highlights
- Segments Review
- Financials
- Outlook
- Additional Information

DISCLAIMER

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

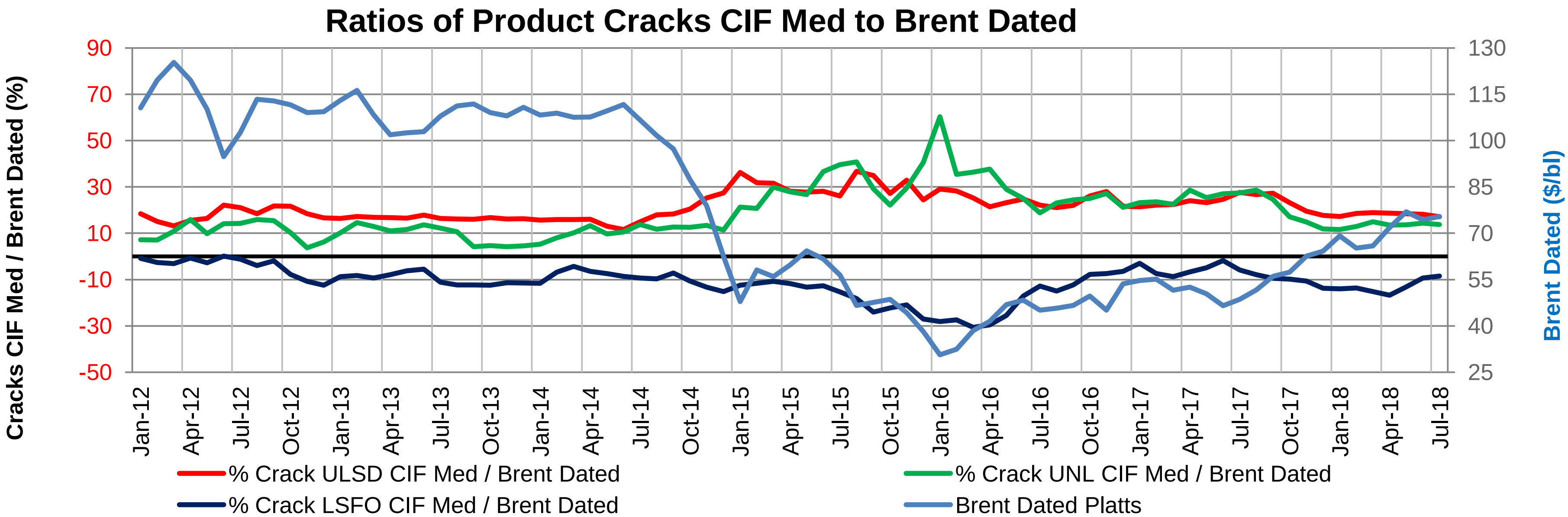
H1/18 and Q2/18 highlights

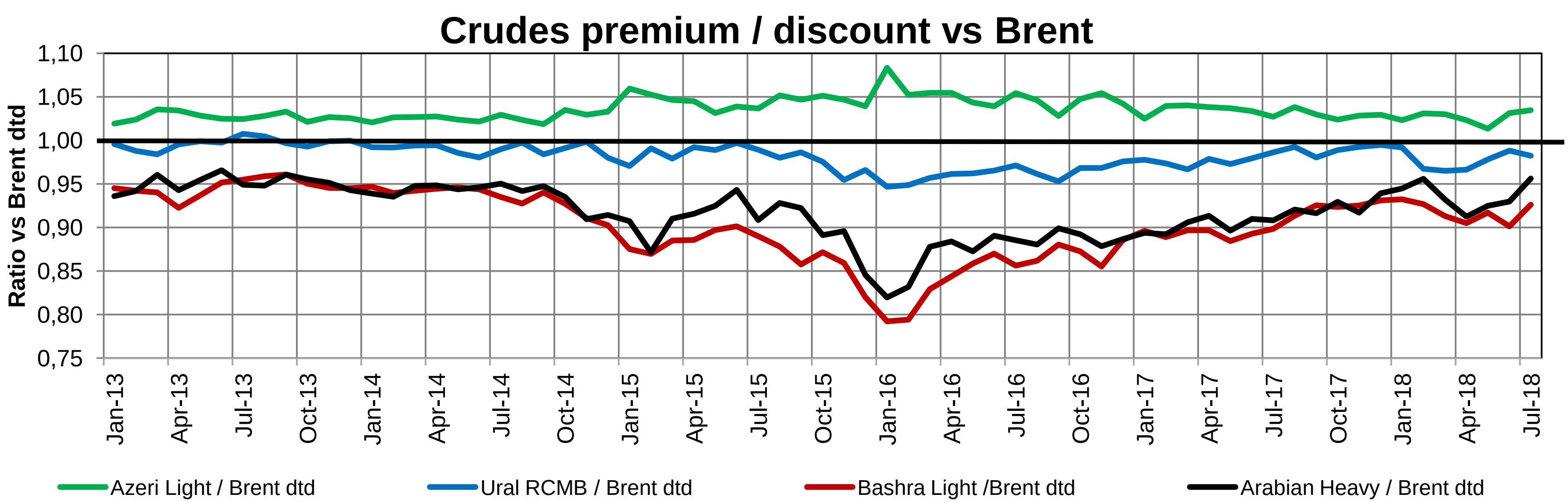
EUR million	H1/18	H1/17	Change %	Q2/18	Q2/17	Change %
Reported EBITDA	271.4	141.3	*92%*	199.2	(19.1)	*1143%*
Reported Net Result	81.4	54.5	*49%*	58.9	(37.6)	*257%*
Comparable [1] EBITDA	150.4	252.5	*-40%*	78.8	128.5	*-39%*
Comparable [1] Net Result	14.9	109.9	*-86%*	6.3	57.4	*-89%*
Net Financial Position	42	(28)		42	(28)	

- **Strong Group reported EBITDA in Q2/18 equal to EUR 199.2M thanks to positive scenario effect on inventories**
- **Q2/18 *Comparable* EBITDA at EUR 78.8M mainly due to less favourable macro (high oil price and forex).**
- **Q2/18 Refinery runs at 24.2 mbl down 5% y-o-y (minor technical hiccups) and electricity production at ~1.1 TWh up 7% y-o-y (strong operating performance)**
- **Maintenance activity completed in H1/18. Refinery ready to capture market opportunities for the rest of the year**
- **Net Financial Position back in positive area +EUR 42M (vs EUR -1M in Q1/18) even after the payment of EUR 112 M of dividends in May**

1. In order to give a better representation of the Group's operating performance, and in line with the standard practice in the oil industry, EBITDA and the Net Result are displayed valuing inventories with FIFO methodology, excluding unrealised inventories gain and losses, due to changes in the scenario, by valuing beginning-of-period inventories at the same unitary value of the end-of-period ones. Moreover the realised and unrealised differentials on oil and exchange rate derivatives with hedging nature which involve the exchange of physical quantities, are reclassified in the operating results, as they are related to the Group industrial performance, even if non accounted under the hedge accounting principles. Non-recurring items by nature, relevance and frequency and derivatives related to physical deals not of the period under analysis, are excluded by the operating results and the Net Result. EBITDA and Net Result calculated as above are called "comparable".

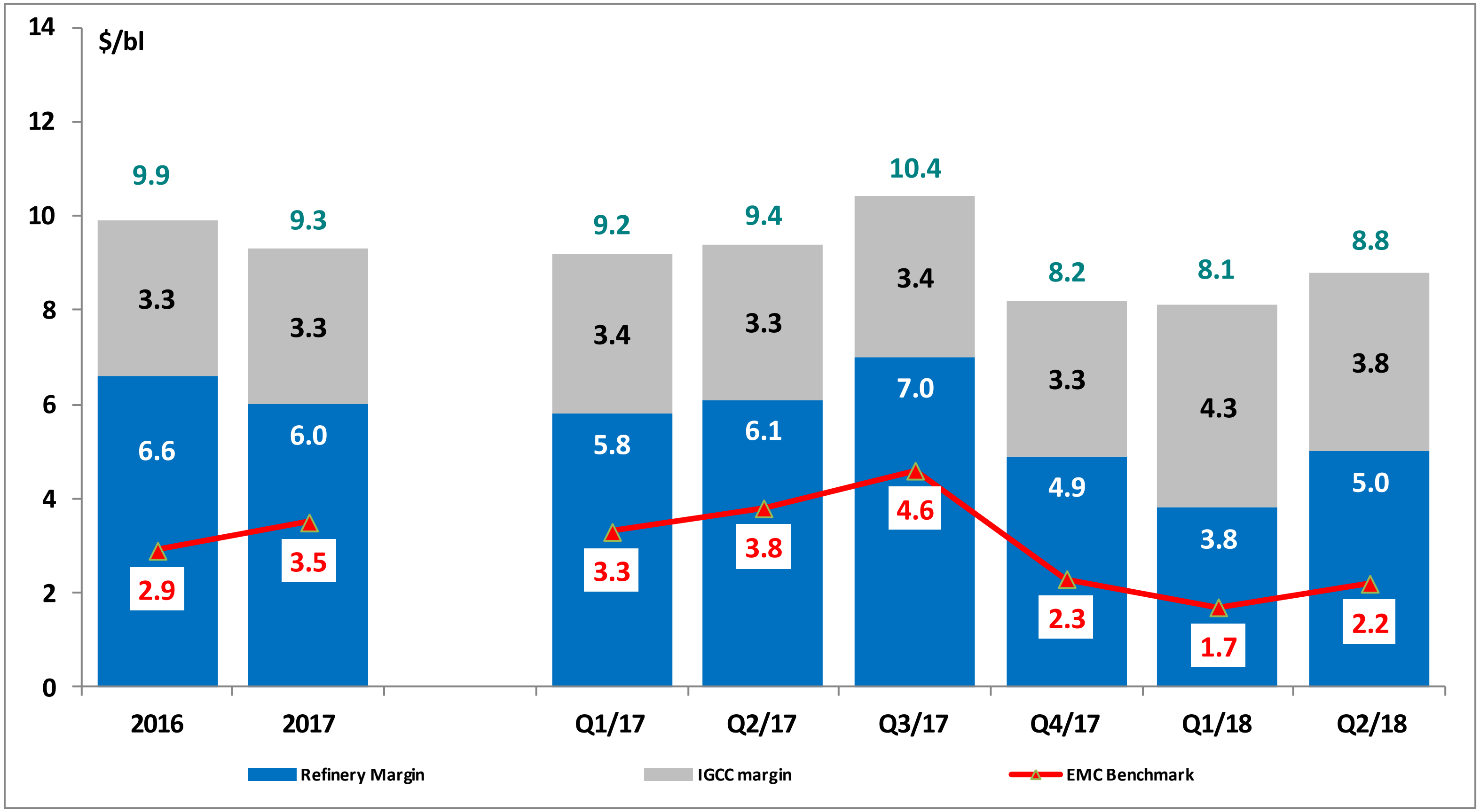
Highlights: Historical Crack Spreads and Ratios to Brent





Note: Updated until July 18th, 2018

Highlights: Refining and Power Generation Margins

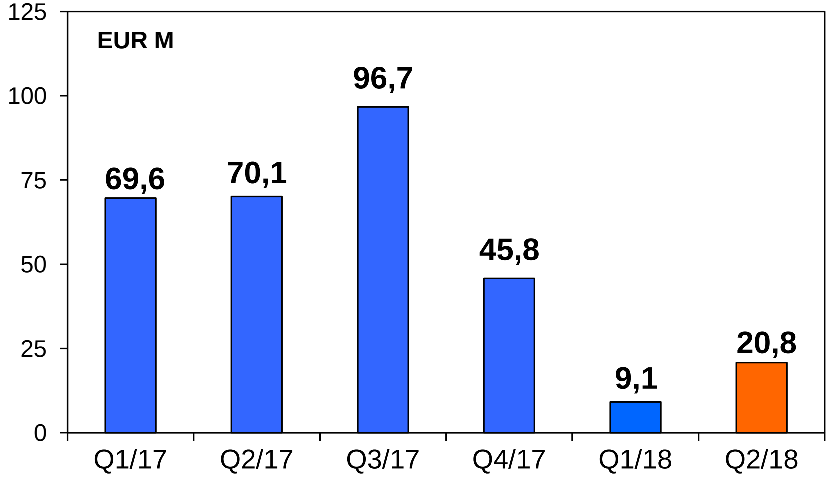


Refinery margins: (*comparable* Refining EBITDA + Fixed Costs) / Refinery Crude Runs in the period
IGCC margin: (Power Gen. EBITDA + Fixed Costs) / Refinery Crude Runs in the period
EMC benchmark: margin calculated by EMC (Energy Market Consultants) based on a crude slate made of 50% Urals and 50% Brent

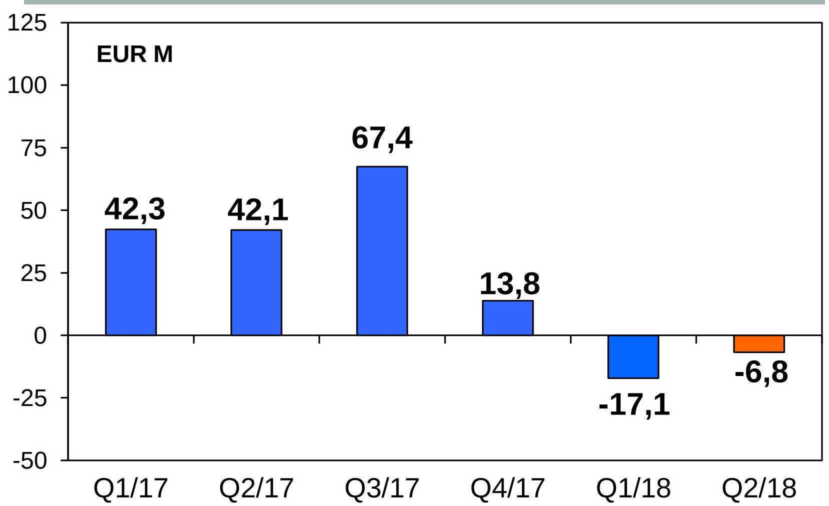
- **Segments Review**

Segment Review: Refining

Comparable **EBITDA**



Comparable **EBIT**



Q2/18

- ***Comparable* EBITDA at EUR 20.8M** (vs. EUR 70.1M in Q2/17)
  - ✓ Crude throughput at 24.2Mbl (-5% vs. Q2/17) due to maintenance carried out and minor technical hiccups now solved that led to some supply chain and commercial process sub-optimisation
  - ✓ Less favourable macro: higher crude prices (worth approx. -EUR55M) and stronger EUR vs USD (1.19 vs. 1.10) for -EUR10M
  - ✓ Lower gasoline crack more than offset by stronger diesel crack spread for a total net effect of EUR 25M vs. Q2/17
  - ✓ Production planning was influenced by less favourable crude mix available (worth approx. EUR -3M) and commercial performance contributed by approx. EUR 3M less than Q2/17

H1/18

- ***Comparable* EBITDA at EUR 29.9M** (vs. EUR 139.7M in H1/17)
  - ✓ Crude throughput at 47.7Mbl (-6% vs. H1/17) due lower operating performance
  - ✓ Market scenario less favourable: negative impact of higher crude prices and forex. Weaker gasoline more than offset by stronger diesel.
  - ✓ Lower production planning and commercial contribution by approx EUR18M

EUR million	Q2/18	Q2/17	H1/18	H1/17
Comparable EBITDA	20.8	70.1	29.9	139.7
Comparable EBIT	(6.8)	42.1	(23.9)	84.4

Segment Review: Refining – Crude Oil Slate and Production

REFINERY RUNS		Q2/18	H1/17	H1/18
Crude oil	*K tons*	3,320	6,917	6,528
Complementary feedstock	*K tons*	315	674	577

Lower crude runs due to lower operating performance

CRUDE OIL SLATE		Q2/18	H1/17	H1/18
Light extra sweet		35%	32%	37%
Light sweet		13%	14%	13%
Medium sweet/extra sweet		0%	0%	0%
Medium sour		37%	39%	35%
Heavy sour/sweet		15%	15%	16%
Average crude gravity	° API	33,4	33.0	33.7

Changes in crude slate (more light extra sweet and less medium sour) to take benefit from the different supply mix in the market

PRODUCTION (From crude runs and feedstock)		Q2/18	H1/17	H1/18
LPG	*k tons*	72	149	145
	Yield	2.0%	2.0%	2.0%
Naphtha + gasoline	*k tons*	1,058	2,067	2,058
	yield	29.1%	27.2%	29.0%
Middle distillates	*k tons*	1,826	3,780	3,509
	yield	50.2%	49.8%	49.4%
Fuel oil & others	*k tons*	168	625	408
	yield	4.6%	8.2%	5.7%
TAR	*k tons*	281	482	512
	yield	7.7%	6.4%	7.2%

Balance to 100% are Consumption & Losses

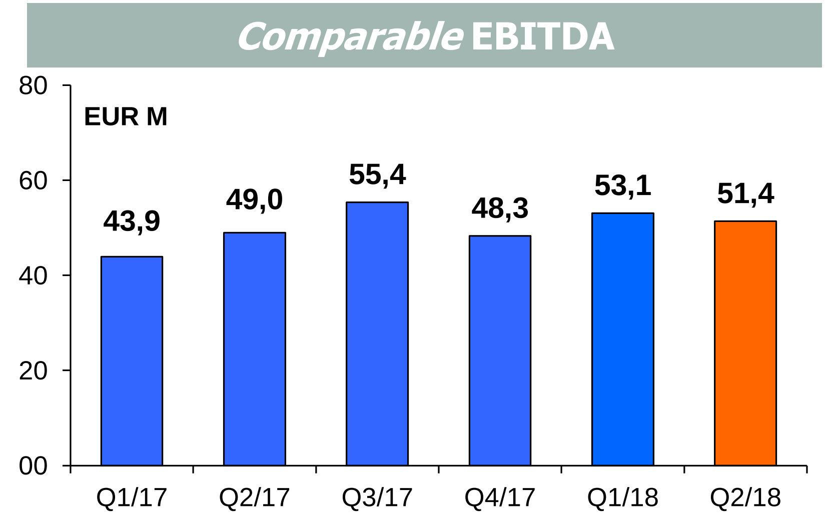
Higher gasoline yield and middle distillates in line with the same period of last year

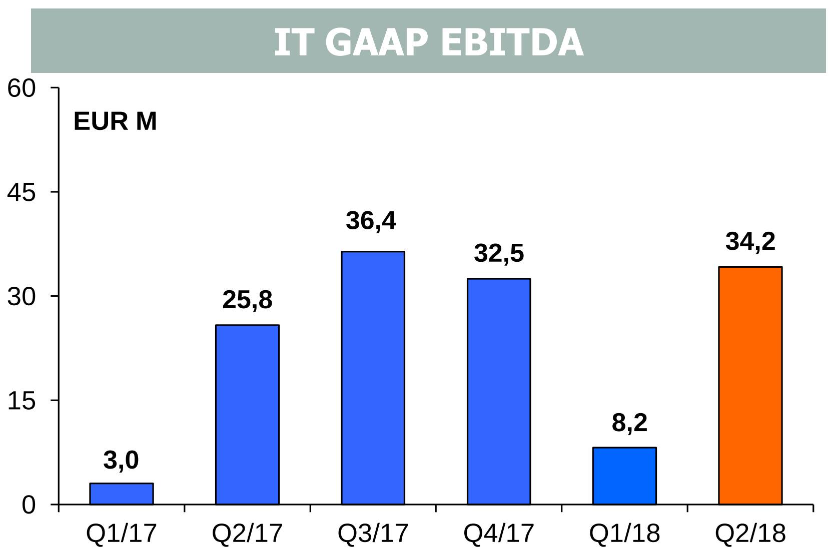
Low fuel oil yield driven by less favorable crack spreads and maintenance

Segment Review: Refining – Fixed & Variable costs

		Q2/18		H1/17	H1/18
Refinery RUNS	Million barrels	24.2		50.5	47.7
Exchange rate	*EUR/USD*	*1.19*		*1.08*	*1.21*
Fixed costs	EUR million	**80**		**137**	**143**
	$/bl	**3.9**		**2.9**	**3.6**
Variable costs	EUR million	**42**		**83**	**86**
	$/bl	**2.0**		**1.8**	**2.2**

Segment Review: Power Generation





Q2/18

- ***Comparable* EBITDA at EUR 51.4M** (vs. EUR 49.0M in Q2/17)
  - ✓ Higher value of CIP6/92 tariff (+9%) more than offset higher feedstock (TAR) costs due to rising oil prices.
  - ✓ Sales of steam & hydrogen in line with Q2/17
- **Higher volumes (1.09 TWh) up 7% vs Q2/17 thanks to a better operating performance**

H1/18

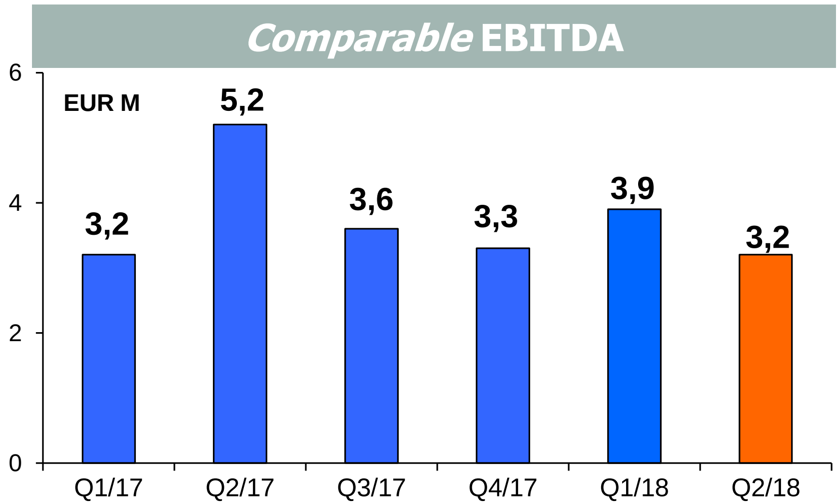
- ***Comparable* EBITDA at EUR 104.5M** (vs. EUR 92.9M in H1/17)
  - ✓ Lower fixed costs and higher value of CIP6/92 tariff (+9%) more than offset higher feedstock (TAR) costs.
  - ✓ Sales of steam & hydrogen in line with H1/17

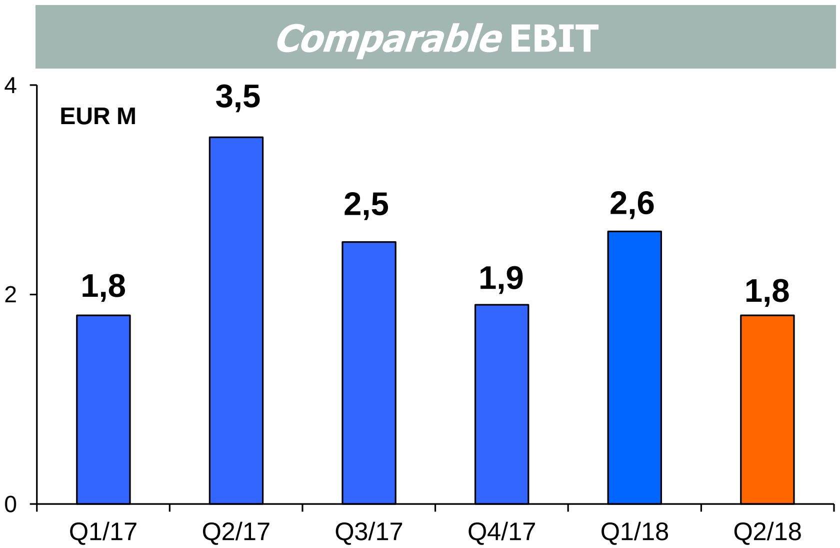
EUR million	Q2/18	Q2/17	H1/18	H1/17
Comparable EBITDA	51.4	49.0	104.5	92.9
Comparable EBIT	38.5	25.6	78.7	46.5
IT GAAP EBITDA	34.2	25.8	42.4	28.8

Segment Review: Power Generation – Fixed & Variable costs (IT GAAP)

		Q2/18		H1/17	H1/18
Refinery RUNS	Million barrels	24.2		50.5	47.7
Power production	MWh/1000	1,089		1,755	1,975
Exchange rate	*EUR/USD*	*1.19*		*1.08*	*1.21*
Fixed costs	EUR million	**26**		**63**	**55**
	$/bl	**1.3**		**1.3**	**1.4**
	EUR/MWh	**23**		**36**	**28**
Variable costs	**EUR million**	**16**		**26**	**29**
	$/bl	**0.8**		**0.6**	**0.7**
	EUR/MWh	**15**		**15**	**15**

Segment Review: Marketing





Q2/18

- ***Comparable* EBITDA at EUR +3.2M** (vs. EUR 5.2M in Q2/17)
  - ✓ Demand slightly growing in Italy (+1%). Consumption in Spain posted a robust 5% increase.
  - ✓ Sales decreased by 2% in Italy and increased by 4% in Spain, keeping Group volumes stable
  - ✓ Lower unitary margins in Italy and Spain

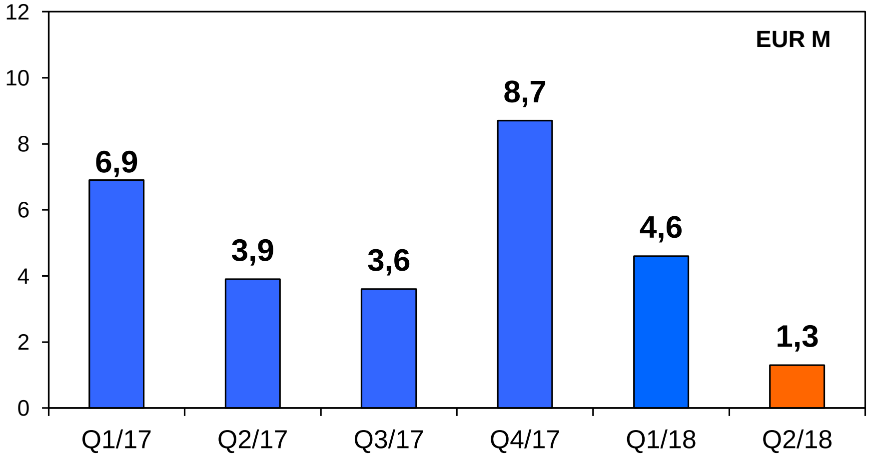
H1/18

- ***Comparable* EBITDA at EUR +7.2M** (vs. EUR 8.3M in H1/17)
  - ✓ Demand slightly growing in Italy (+0.6% but with gasoline and gasoil declining by 0.9%). Consumption in Spain up 3.8%.
  - ✓ Sales decreased by 1% in Italy and rose by 6% in Spain
  - ✓ Lower margins mainly in Spain

EUR million	Q2/18	Q2/17	H1/18	H1/17
Comparable EBITDA	3.2	5.2	7.2	8.3
Comparable EBIT	1.8	3.5	4.5	5.3

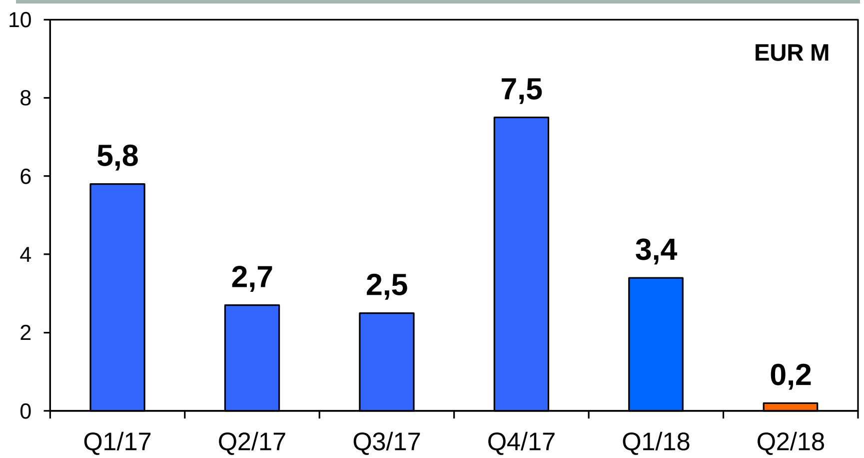
Segment Review: Wind Power

Comparable EBITDA(*)



(*): *Comparable* EBITDA of Wind segment is often coincident with IFRS EBITDA, but it does not include non-recurring items

Comparable EBIT



Q2/18

- ***Comparable* EBITDA at EUR 1.3M** (vs. EUR 3.9M in Q2/17)
  - ✓ Higher electricity production (+2%)
  - ✓ Power Tariff (+0.9EURcent/kWh vs. Q2/17) offset lower Incentive Tariff (-0.8EURcent/kWh vs. Q2/17)
  - ✓ Incentives expired on 80% of the production

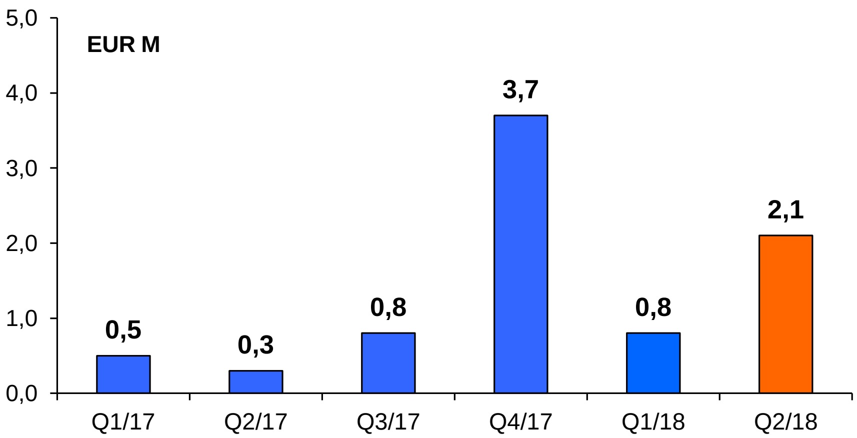
H1/18

- ***Comparable* EBITDA at EUR 5.9M** (vs. EUR 10.8M in H1/17)
  - ✓ Higher electricity production (+21%) due to more favourable wind conditions
  - ✓ Higher value of Power Tariff (0.2EURcent/kWh vs. H1/17) and lower Incentive Tariff (-0.8EURcent/kWh vs. H1/17)
  - ✓ Incentives expired on 70% of the production

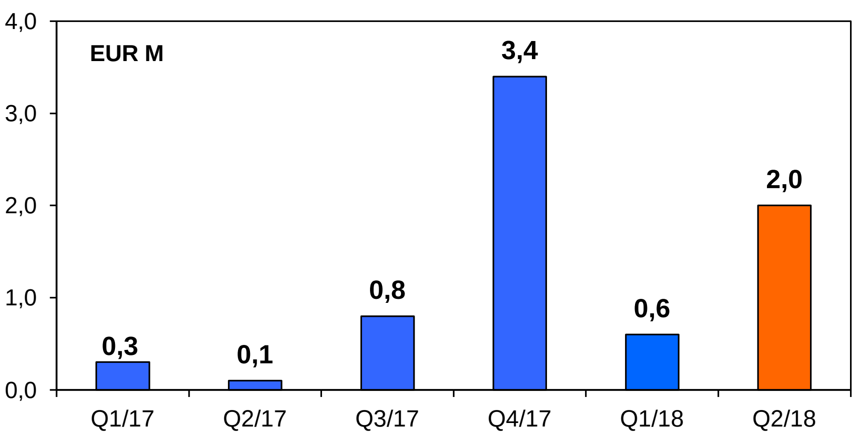
EUR million	Q2/18	Q2/17	H1/18	H1/17
Comparable EBITDA	1.3	3.9	5.9	10.8
Comparable EBIT	0.2	2.7	3.6	8.5

Segment Review: Others

Comparable EBITDA



Comparable EBIT



Q2/18

- ***Comparable* EBITDA at EUR +2.1M** (vs. EUR 0.3M in Q2/17)

H1/18

- ***Comparable* EBITDA at EUR +2.9M** (vs. EUR 0.8M in H1/17)

EUR million	Q2/18	Q2/17	H1/18	H1/17
Comparable EBITDA	2.1	0.3	2.9	0.8
Comparable EBIT	2.0	0.1	2.6	0.4

➢ Financials

Financials: Key Income Statement Figures

KEY INCOME STATEMENT (EUR million)	Q1/17	Q2/17	H1/17	Q3/17	Q4/17	2017	Q1/18	Q2/18	H1/18
EBITDA	**160.4**	**(19.1)**	**141.3**	**161.8**	**201.2**	**504.3**	**72.2**	**199.2**	**271.4**
***Comparable* EBITDA**	**124.1**	**128.5**	**252.5**	**160.1**	**109.8**	**522.5**	**71.6**	**78.8**	**150.4**
D&A	(52.9)	(54.1)	(107.0)	(56.8)	(14.7)	(178.4)	(41.8)	(43.1)	(84.9)
EBIT	**107.5**	**(73.2)**	**34.3**	**105.0**	**186.4**	**325.8**	**30.4**	**156.1**	**186.5**
***Comparable* EBIT**	**71.1**	**73.9**	**145.1**	**103.8**	**95.0**	**344.0**	**29.8**	**35.7**	**65.5**
Interest expense	(3.7)	(1.4)	(5.1)	(3.2)	(3.9)	(12.2)	(3.5)	(3.2)	(6.7)
Other	26.8	28.2	55.0	(26.0)	(11.3)	17.7	3.4	(69.0)	(65.6)
Financial Income/Expense	**23.1**	**26.8**	**49.9**	**(29.3)**	**(15.1)**	**5.6**	**(0.1)**	**(72.2)**	**(72.2)**
Profit before taxes	**130.6**	**(46.4)**	**84.3**	**75.7**	**171.3**	**331.4**	**30.3**	**83.9**	**114.3**
Taxes	(38.5)	8.7	(29.8)	(20.8)	(39.9)	(90.5)	(7.8)	(25.0)	(32.9)
Net Result	**92.1**	**(37.6)**	**54.5**	**54.9**	**131.4**	**240.8**	**22.5**	**58.9**	**81.4**
Adjustments	(39.6)	95.0	55.4	(3.2)	(75.7)	(23.5)	(14.0)	(52.6)	(66.6)
***Comparable* Net Result**	**52.5**	**57.4**	**109.9**	**51.7**	**55.8**	**217.4**	**8.5**	**6.3**	**14.9**

Financials: Income Statement Adjustments

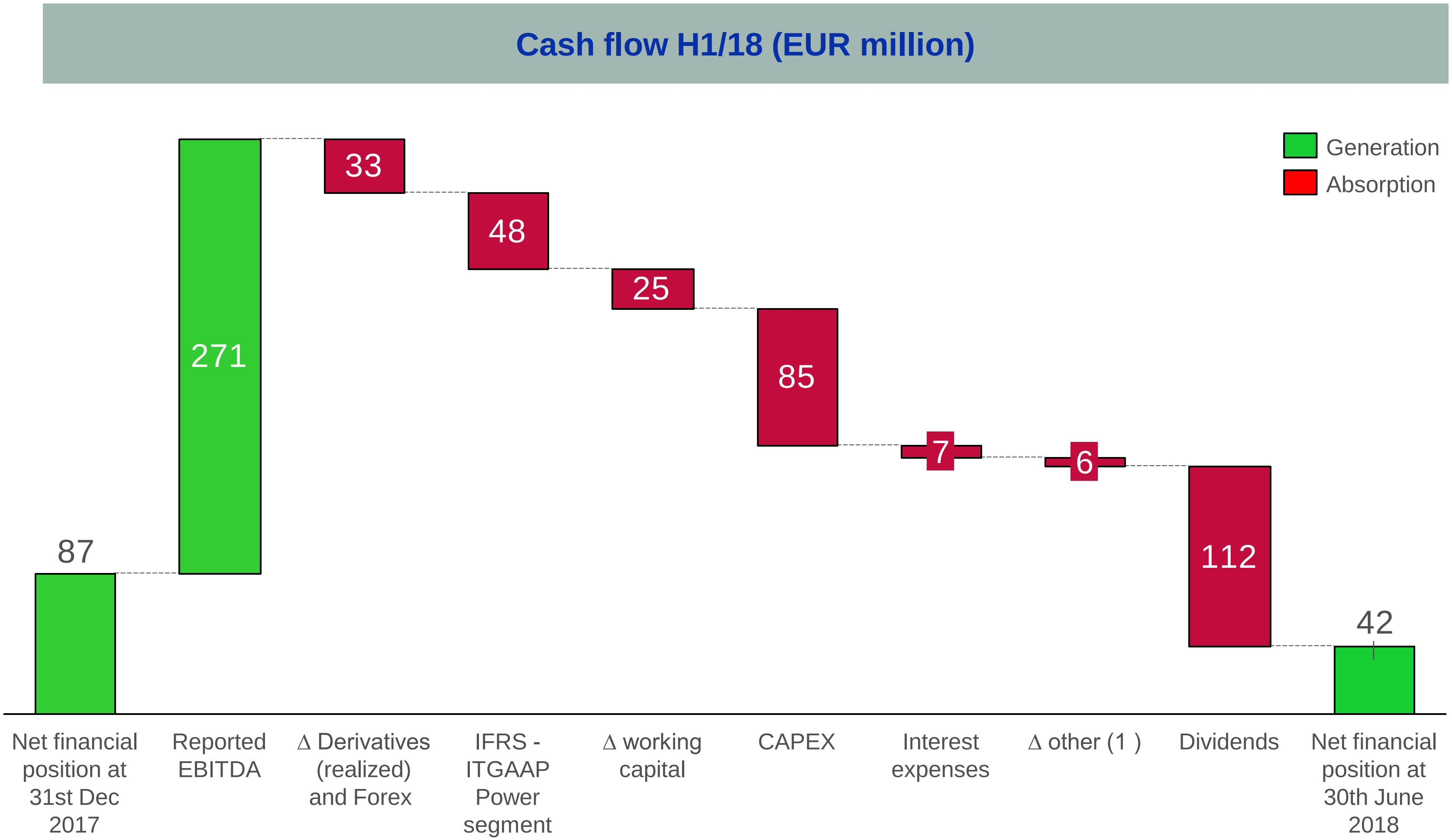
EBITDA Adjustment (EUR million)	Q1/17	Q2/17	H1/17	Q3/17	Q4/17	2017	Q1/18	Q2/18	H1/18
EBITDA	**160.4**	**(19.1)**	**141.3**	**161.8**	**201.2**	**504.3**	**72.2**	**199.2**	**271.4**
Gain / (Losses) on inventories	(57.3)	101.1	43.8	0.9	(98.7)	(54.0)	(20.1)	(93.1)	(113.2)
Non-recurring items	(4.0)	16.4	12.4	7.8	3.7	23.8	9.7	15.6	25.3
Realized and unrealized hedging derivatives and net Forex	25.0	30.1	55.1	(10.5)	3.7	48.3	9.7	(42.9)	(33.2)
***Comparable* EBITDA**	**124.1**	**128.5**	**252.5**	**160.1**	**109.8**	**522.5**	**71.6**	**78.8**	**150.4**

Net Result Adjustment (EUR million)	Q1/17	Q2/17	H1/17	Q3/17	Q4/17	2017	Q1/18	Q2/18	H1/18
Net Result	**92.1**	**(37.6)**	**54.5**	**54.9**	**131.4**	**240.8**	**22.5**	**58.9**	**81.4**
Gain / (Losses) on inventories net of taxes	(41.3)	72.6	31.3	0.9	(71.2)	(39.0)	(14.5)	(67.1)	(81.6)
Non-recurring items net of taxes	0.0	19.8	19.8	0.0	(5.1)	14.7	0.0	11.0	11.0
Derivatives related to future deals	1.8	2.5	4.3	(4.1)	0.5	0.7	0.5	3.6	4.1
***Comparable* Net Result**	**52.5**	**57.4**	**109.9**	**51.7**	**55.8**	**217.4**	**8.5**	**6.3**	**14.9**

Financials: Key Balance Sheet Figures

EUR million	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	Q2/18
Current assets	**1,617**	**1,432**	**1,709**	**1,960**	**2,019**	**1,975**
CCE and financial assets held for trading	296	255	408	470	307	353
Other current assets	1,321	1,177	1,301	1,490	1,712	1,622
Non-current assets	**1,176**	**1,172**	**1,163**	**1,197**	**1,195**	**1,195**
TOTAL ASSETS	**2,794**	**2,604**	**2,873**	**3,157**	**3,214**	**3,170**
Current Liabilities	**1,310**	**1,259**	**1,477**	**1,530**	**1,613**	**1,626**
Short-Term financial liabilities	158	178	233	183	109	134
Other current liabilities	1,153	1,081	1,245	1,347	1,504	1,491
Non-Current Liabilities	**468**	**460**	**455**	**554**	**504**	**501**
Long-Term financial liabilities	176	176	169	257	256	256
Other non-current liabilities	292	284	287	297	248	245
Shareholders Equity	**1,015**	**885**	**940**	**1,072**	**1,096**	**1,044**
TOTAL LIABILITIES & EQUITY	**2,794**	**2,604**	**2,873**	**3,157**	**3,214**	**3,170**

Additional information: Group Key Cash Flow Figures



(1) Includes CO_2 and Energy Efficiency certificates paid in the period

Financials: CAPEX

CAPEX BY SEGMENT (EUR million)	Q1/17	Q2/17	Q3/17	Q4/17	2017	Q1/18	Q2/18
REFINING	41.4	46.6	35.1	63.0	186.1	41.5	33.8
POWER GENERATION	4.0	7.1	2.6	2.8	16.6	7.2	1.8
MARKETING	0.2	0.3	0.1	0.3	0.9	0.2	0.1
WIND	0.0	0.0	0.1	0.5	0.5	0.1	0.0
OTHER ACTIVITIES	0.1	0.2	0.4	0.3	0.9	0.2	0.1
TOTAL CAPEX	45.8	54.1	38.3	66.8	205.0	49.1	35.9

- **Outlook**

Outlook for H2/18

- **Refining**: positive scenario expected also in H2/18 even if with margins slightly below previous year due to higher oil prices.
  - Maintenance activity concentrated in H1/18 and now completed.
  - Refinery ready to fully capture market opportunities in H2/18
  - Target to deliver a premium above the Benchmark of 2.5 ÷ 3.0 $/bl (post maintenance) for FY/18 confirmed

- **Power**: Minor maintenance activity in H2/18. Expected the consolidation of good results obtained in the first half of the year

		Q1/18A	Q2/18A	Q3/18E	Q4/18E	2018E
REFINERY						
Maintenance activity on:		T2, V2, North Plants	T1, RT2, VSB, MHC2		CCR	
Crude runs	Tons (M) Barrels (M)	3.2 23.4	3.3 24.2	3.6 ÷ 3.8 26.0 ÷ 28.0	3.7 ÷ 3.9 27.0 ÷ 29.0	13.8 ÷ 14.2 100 ÷ 105
Complementary feedstock	Tons (M)	0.3	0.3	0.1 ÷ 0.3	0.1 ÷ 0.3	0.8 ÷ 1.2
EBITDA reduction due to scheduled maintenance	USD (M)	30	20	-	1 ÷ 3	51 ÷ 53
IGCC						
Maintenance activity on:		1 Gasifier, 1 Turbine, 1 H_2S Absorber	1 Gasifier, 1 Turbine	1 Gasifier, 1 Turbine		
Power production	MWh (M)	0.90	1.10	1.10 ÷1.20	1.10 ÷1.20	4.20 ÷4.40

➢ Additional Information

Additional information: Refining

EUR million	Q1/17	Q2/17	Q3/17	Q4/17	2017	Q1/18	Q2/18
EBITDA	103.3	(75.1)	103.4	145.3	276.9	19.6	142.0
***Comparable* EBITDA**	**69.6**	**70.1**	**96.7**	**45.8**	**282.2**	**9.1**	**20.8**
EBIT	76.1	(103.2)	74.1	113.3	160.3	(6.6)	114.4
***Comparable* EBIT**	**42.3**	**42.1**	**67.4**	**13.8**	**165.6**	**(17.1)**	**(6.8)**
CAPEX	**41.4**	**46.6**	**35.1**	**63.0**	**186.1**	**41.5**	**33.8**
REFINERY RUNS							
Crude oil (ktons)	**3,436**	**3,481**	**3,608**	**3,536**	**14,060**	**3,207**	**3,320**
Crude oil (Mbl)	**25.1**	**25.4**	**26.3**	**25.8**	**102.6**	**23.4**	**24.2**
Crude oil (bl/d)	**279**	**282**	**286**	**281**	**281**	**260**	**269**
Complementary feedstock (ktons)	**377**	**297**	**354**	**263**	**1,291**	**262**	**315**
REFINERY MARGINS							
EMC benchmark	**3.3**	**3.8**	**4.6**	**2.3**	**3.5**	**1.7**	**2.2**
Saras margin	**5.8**	**6.1**	**7.0**	**4.9**	**6.0**	**3.8**	**5.0**

Additional information: Power Generation

EUR million		Q1/17	Q2/17	Q3/17	Q4/17	2017	Q1/18	Q2/18
***Comparable* EBITDA**		**43.9**	**49.0**	**55.4**	**48.3**	**196.6**	**53.1**	**51.4**
***Comparable* EBIT**		**20.9**	**25.6**	**30.6**	**68.4**	**145.5**	**40.2**	**38.5**
EBITDA IT GAAP		3.0	25.8	36.4	32.5	97.7	8.2	34.2
EBIT IT GAAP		(11.5)	10.8	20.1	61.0	80.4	3.7	29.8
CAPEX		**4.0**	**7.1**	**2.6**	**2.8**	**16.6**	**7.2**	**1.8**
POWER PRODUCTION	MWh/1000	**735**	**1,021**	**1,203**	**1,127**	**4,085**	**886**	**1,089**
POWER TARIFF	€cent/KWh	8.7	8.7	8.7	8.7	8.7	9.5	9.5
POWER IGCC MARGIN	$/bl	3.4	3.3	3.4	3.3	3.3	4.3	3.8

Additional information: Marketing

EUR million	Q1/17	Q2/17	Q3/17	Q4/17	2017	Q1/18	Q2/18
EBITDA	1.8	3.9	6.4	1.8	13.9	3.8	6.6
***Comparable* EBITDA**	**3.2**	**5.2**	**3.6**	**3.3**	**15.2**	**3.9**	**3.2**
EBIT	0.4	2.7	4.9	0.4	8.4	2.5	5.2
***Comparable* EBIT**	**1.8**	**3.5**	**2.5**	**1.9**	**9.7**	**2.6**	**1.8**
CAPEX	**0.2**	**0.3**	**0.1**	**0.3**	**0.9**	**0.2**	**0.1**
SALES (THOUSAND TONS)							
ITALY	496	547	592	534	2,169	499	538
SPAIN	374	368	344	399	1,484	401	383
TOTAL	**870**	**914**	**936**	**932**	**3,653**	**901**	**921**

Additional information: Wind and Others

Wind (EUR million)		Q1/17	Q2/17	Q3/17	Q4/17	2017	Q1/18	Q2/18
Comparable EBITDA		6.9	3.9	3.6	8.7	23.1	4.6	1.3
Comparable EBIT		5.8	2.7	2.5	7.5	18.5	3.4	0.2
POWER PRODUCTION	MWh	51,268	31,452	28,587	57,166	168,473	67,777	32,120
POWER TARIFF	€cent/kWh	5.2	4.1	4.4	5.6	5.0	5.1	5.0
INCENTIVE	€cent/kWh	10.7	10.7	10.7	10.7	10.7	9.9	9.9
CAPEX		0.0	0.0	0.1	0.5	0.5	0.1	0.0

Others (EUR million)	Q1/17	Q2/17	Q3/17	Q4/17	2017	Q1/18	Q2/18
Comparable EBITDA	0.5	0.3	0.8	3.7	5.3	0.8	2.1
Comparable EBIT	0.3	0.1	0.8	3.4	4.6	0.6	2.0
CAPEX	0.1	0.2	0.4	0.3	0.9	0.2	0.1