The Board of Directors of SARAS S.p.A. approves the Half-Year Financial Report as at 30 June 2011[1]

Milan, 10th August 2011: The Board of Directors of Saras S.p.A. met yesterday under Chairman Gian Marco Moratti and approved the Half-Year Financial Report as of 30th June 2011. The results for the second quarter, which are not subject to approval by the Board of Directors nor to audit review, are also presented here below, for sake of completeness of the information provided. After the meeting, the Chairman declared:

"In the first half of 2011, the entire European refining sector had to cope with the generalised contraction of the margins, due primarily to the Libyan crisis. For Saras, in H1/11 the effects of this crisis have been limited, with good results, thanks to careful choices in the crude supply, together with an important scheduled maintenance cycle. The latter brought deep renovation and modernization, in particular to the IGCC power plant. Furthermore, in a difficult context, the commercial integration of the parent company with the subsidiaries of the Marketing segment brought very good results. Looking to the future, although the Libyan situation continues to represent a serious worry, I feel very satisfied with the excellent results that our structure managed to achieve, finding valid commercial and operational alternatives to crude oils, which have traditionally represented an important base load for our company."

Saras Group key financial and operational results[2]

EUR Million	Q2/11	Q2/10	Ch. %	H1 2011	H1 2010	Ch. %
REVENUES	2,638	2,183	21%	5,310	4,065	31%
EBITDA	12.8	51.0	-75%	323.2	101.7	218%
Comparable EBITDA	**34.2**	**27.9**	**23%**	**188.5**	**41.7**	**352%**
EBIT	(40.2)	(0.2)	n/a	217.8	(0.1)	n/a
Comparable EBIT	**(18.8)**	**(23.3)**	**19%**	**83.1**	**(60.1)**	**238%**
NET RESULT	(40.6)	21.1	-292%	82.2	11.8	598%
***Adjusted* NET RESULT**	**(44.3)**	**2.4**	**n/a**	**(4.9)**	**(27.4)**	**82%**
NET FINANCIAL POSITION	**(527)**	**(567)**		**(527)**	**(567)**	
CAPEX	**39**	**60**		**59**	**83**	
OPERATING CASH FLOW	**36**	**136**		**93**	**49**	

[1] Pursuant to the provisions of article 154 bis, paragraph 2, of the Consolidated Finance Act, **Mr. Corrado Costanzo, the Executive Director responsible for the preparation of the company's financial reporting**, states that the financial information set out in this press release corresponds to the company's documents, books and accounting records

[2] In order to give a better representation of the Group's operating performance, and in line with the standard practice in the oil industry, the operating results (EBITDA and EBIT) and the Net Result are provided also with an evaluation of oil inventories based on the LIFO methodology (and not only according to FIFO methodology, as requested by IFRS accounting principles). The LIFO methodology does not include revaluations and write downs and it combines the most recent costs with the most recent revenues, thus providing a clearer picture of current operating profitability. Furthermore, for the same reason, non recurring items are also deducted, both from the operating results and from the Net Result. Operating results and Net Result calculated as above are called respectively "*comparable*" and "*adjusted*", and they are not subject to audit review

Comments on First Half 2011 results

Group Revenues in H1/11 were EUR 5,310 ml, up 31% vs. H1/10, mainly because of the higher revenues coming from the Refining and Marketing segments, in the light of significantly higher prices for all the main oil products (for quick reference, in H1/11 diesel traded at an average of 950 $/ton vs. 659 $/ton in H1/10, and gasoline priced at 984 $/ton vs. 721 $/ton in H1/10). Moreover, the higher revenues in H1/11 derive also from lower third party processing activity, which has been replaced with processing on our own account.

Group *reported* EBITDA in H1/11 was EUR 323.2 ml, higher than EUR 101,7 ml in H1/10. This result came primarily as a consequence of a strong revaluation of the oil inventories, related to the growing trend followed by oil prices in the first half of 2011. Moreover, the higher operational performance of the Sarroch refinery also supported the results of Saras Group in H1/11. **Group *reported* Net Result stood at EUR 82.2 ml**, up vs. EUR 11.8 ml in H1/10, essentially for the same reason explained at EBITDA level.

Group *comparable* EBITDA amounted to EUR 188.5 ml in H1/11, up vs. EUR 41.7 ml in H1/10, and **Group *adjusted* Net Result stood at EUR -4.9 ml**, up vs. EUR -27.4 ml in H1/10. The large improvements versus same period last year can be explained primarily with the better results of the Refining segment. Moreover, in H1/11, also the Marketing segment gave a larger contribution to Group results than in same period last year. On the contrary, it should be noted that the financial charges, which include also the result of the derivative instruments, were negative for EUR 70.5 ml in H1/11, while in H1/10 the Group posted financial income for EUR 11.6 ml.

CAPEX in H1/11 stood at EUR 59.3 ml, in line with the investment programme for the year 2011, and distributed primarily between the Power Generation segment (EUR 27.9 ml) and the Refining segment (EUR 27.9 ml).

Comments on Second Quarter 2011 results

Group Revenues in Q2/11 were EUR 2,638 ml, up 21% vs. Q2/10. Once again, it can be noted that this result is primarily due to the higher revenues coming from the Refining and Marketing segments, in the light of significantly higher oil products' prices (diesel traded at an average of 988 $/ton in Q2/11 vs. 680 $/ton in Q2/10, and gasoline priced on average at 1,043 $/ton vs. 726 $/ton in Q2/10). Moreover, as already noted in the comments for the semester, the higher revenues in 2011 derive also from an increase in volumes of direct sales, in consideration of the expiry of all third party processing contracts, and the consequent increase of refining volumes for own account.

Group *reported* EBITDA in Q2/11 was EUR 12.8 ml, down versus EUR 51.0 ml in Q2/10. This result came primarily as a consequence of the result of the Refining segment in the period, which was influenced by lower margins, and by a penalisation due to the previously mentioned shortage in Libyan crude oils. **Group *reported* Net Result was EUR -40.6 ml**, down vs. EUR 21.1 ml in Q2/10, essentially for the same reason discussed at EBITDA level.

Group *comparable* EBITDA amounted to EUR 34.2 ml in Q2/11, up vs. EUR 27.9 ml in Q2/10, mainly thanks to the excellent results achieved by the Marketing segment. However, **Group *adjusted* Net Result stood at EUR -44.3 ml**, down vs. EUR 2.4 ml in Q2/10. To explain this result, it should be recalled that the Group adopts an hedging policy of its commercial transactions on crude oil and products, using derivative instruments, whose effects are reported in the income statement within the "financial income/charges". To the point, derivative instruments brought a positive contribution to the Q2/10 results (worth approximately EUR 17 ml), while in Q2/11 there were realized losses on derivative instruments worth approximately EUR 24 ml.

CAPEX in Q2/11 stood at EUR 39.4 ml, distributed primarily between the Power Generation segment (EUR 22.4 ml) and the Refining segment (EUR 15.1 ml).

Group Net Financial Position on 30th June 2011 was EUR -527 ml, improved versus EUR -560 ml on 31st December 2010, and in line with the financial position on 31st March 2011, which was equal to EUR -524 ml. The difference in net financial position between 30th June 2011 and 31st December 2010 can be primarily explained with the positive cashflow from operations and self-financing from provisions for depreciation and amortisation, which more than compensated the large increase in working capital and the investments for the period. With specific reference to inventories, it can be noted that there was not only a meaningful increase of their value in the period due to pricing effects, but also a remarkable increase in volumes (approx. 400 ktons, mainly of crude oil), in order to take advantage of commercial opportunities, using also hedging instruments. Such volumes could be eventually sold, with relevant positive effects on the financial position.

For further details and comments on the results of each business segment, on the Group's strategy, and on the Outlook, please refer to the Interim Report published at the same time of this press release, and available on the company's website.

Programme of the conference call on 10th August 2011

At 15:00 C.E.T. of Wednesday 10th August 2011, there will be a conference call for analysts and investors, during which Saras top management will discuss a slide presentation on Q2/11 and H1/11 results, and answer all relevant questions. The presentation will be available on our website (**www.saras.it**) starting from 07:30 am C.E.T..

Dial in numbers for the conference call:

For Italy +39 02 805 88 11
For U.K. + 44 121 281 8003
For U.S. +1 718 7058794

Link for the live webcast:
http://services.choruscall.eu/links/saras110810.html

Playback and transcript of the live webcast will also be available on our website.

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THE SARAS GROUP

The Saras Group, whose operations were started by Angelo Moratti in 1962, has approximately 2,200 employees and total revenues of about 8.6 billion Euros as of 31st December 2010. The Group is active in the energy sector, and is a leading Italian and European crude oil refiner. It sells and distributes petroleum products in the domestic and international markets, directly and through the subsidiaries Saras Energia S.A. (in Spain) and Arcola Petrolifera S.p.A. (in Italy). The Group also operates in the electric power production and sale, through the subsidiaries Sarlux S.r.l. and Parchi Eolici Ulassai S.r.l. (PEU). In addition, the Group provides industrial engineering and scientific research services to the oil, energy and environment sectors through the subsidiary Sartec S.p.A., and it operates in the information services sector through the subsidiary Akhela S.r.l..

More in details, Saras refinery operations take place in the Sarroch refinery (near Cagliari), on the southern coast of Sardinia. With a capacity of approximately 15 million tons per year (110 million barrels), representing about 15% of the total refining capacity in Italy, the Sarroch plant is regarded as one of the main refineries in the Mediterranean area, in terms of production capacity and asset complexity. Sarlux owns an IGCC (Integrated Gasification Combined Cycle) plant, with installed capacity of 575MW, and electricity production exceeding 4 billion kWh per year, all of which is sold to the GSE (Gestore dei Servizi Energetici - www.gse.it). The wind park, owned by PEU and situated in Ulassai (Sardinia), has been recently re-powered and achieved its full capacity of 96MW during the second quarter of 2011. Finally, the Marketing segment sells approximately 4 million tons of oil products through the subsidiaries Arcola Petrolifera and Saras Energia, and it also manages two coastal tank farms owned by the Group (Arcola (Italy) – capacity of 200,000 cubic metres, and Cartagena (Spain) – capacity of 112,000 cubic metres), a biodiesel plant with 200,000 tons per year capacity, located in Cartagena, and a retail network of 124 service stations primarily located along the Spanish Mediterranean Coast.