SARAS

The Board of Directors of SARAS SpA approves the Half-Year Financial Report as of 30th June 2015[1]

Milan, 7th August 2015: The Board of Directors of Saras SpA met yesterday under Chairman Gian Marco Moratti and approved the Half-Year Financial Report as of 30th June 2015. The results of the second quarter, which are unaudited, are also presented here below for sake of continuity and completeness of the information provided. After the meeting, the Chairman declared:

"In Q2/15 the Saras Group achieved excellent quarterly results, thanks to a favourable market scenario and a strong operating performance of the Refining segment, which captured many commercial opportunities, both with regards to the procurement of raw materials at interesting prices, and also with regards to the sales of finished products, increased right at the time of highest profitability.
Good results are also coming from our self-improvement programmes aimed at increasing the operating performance, enhancing energy efficiency and optimising costs, together with the new initiatives concerning the supply chain optimisation.
We are very satisfied of the seamless integration of the units acquired from Versalis within our subsidiary Sarlux, whose contribution to the financial results of the Group is exceeding our initial expectations.
Looking forward, market conditions favourable to complex and versatile refineries, like our site in Sarroch, continue, giving us confidence that we shall be able to confirm our competitive advantage also in the remaining part of the year, with expected margins in line with those of the first semester."

Saras Group key financial and operational results[2]

EUR Million	Q2/15	Q2/14	Change %	H1/2015	H1/2014	Change %
REVENUES	2,728	2,778	-2%	4,713	5,537	-15%
EBITDA	339.2	32.6	941%	474.9	15.6	2,944%
Comparable EBITDA	**252.2**	**6.0**	**4,120%**	**396.4**	**14.3**	**2,665%**
EBIT	260.8	(16.8)	1,652%	339.4	(82.3)	512%
Comparable EBIT	**196.6**	**(42.2)**	**566%**	**283.8**	**(82.4)**	**445%**
NET RESULT	155.9	(31.7)	592%	230.1	(83.3)	376%
***Adjusted* NET RESULT**	**132.5**	**(38.4)**	**445%**	**187.0**	**(78.8)**	**337%**
NET FINANCIAL POSITION	**72**	**(43)**		**72**	**(43)**	
CAPEX	**21.4**	**18.0**		**44.1**	**41.7**	
OPERATING CASH FLOW	**166**	**44**		**99**	**12**	

[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, which is adopted in the Financial Statements prepared according to 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 and the "*fair value*" of the open positions of the derivative instruments are also eliminated, 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, like the quarterly results.
Starting with the financial year 2015, the comparable operating results (EBITDA and EBIT) include also the realized results of the derivate instruments, used for hedging transactions on crude oil and refined products, and the net Forex results, which in previous years were classified within the "Financial Income/Expense", because they represent a meaningful part of our operating results. In order to allow comparison, the financial results for the year 2014 have also been reclassified, including at the operating levels the relevant aforementioned transactions, whose amounts in each individual quarter were explicitly disclosed in our Financial Reports.

Comments to First Half 2015 results

Group Revenues in H1/15 were EUR 4,713 million, down versus EUR 5,537 million in H1/14. This change is due to the drop in oil prices versus the same period of last year, with consequently lower revenues generated by the Refining segment (down by approx. EUR 560 million) and by the Marketing segment (down by approx. EUR 240 million). For reference purposes, gasoline quotations had an average of 602 $/ton in H1/15 (versus 985 $/ton in H1/14), and diesel quotations stood at an average of 545 $/ton (versus 918 $/ton in H1/14). Revenues from the other segments, however, had only minor changes.

Group *reported* EBITDA in H1/15 was EUR 474.9 million, strongly increased from EUR 15.6 million in H1/14. The difference is almost entirely due to the Refining segment, which was able to capture in full the favourable market conditions during H1/15, with the refinery units running at full capacity (+16% vs. H1/14), and achieving a substantially larger operating margin than the one realized in the first half of last year.

Group *reported* Net Result stood at EUR 230.1 million in H1/15, remarkably up from EUR -83.3 million in H1/14, basically for the same reasons discussed at EBITDA level. Nonetheless, it can be noticed that charges for depreciation and amortisation in Q2/15 increased, due to the depreciation of some intangible assets. As such, the total charges for depreciation and amortisation in H1/15 stood at EUR 135.5 million, vs. EUR 97.9 million in H1/14. Finally, the net interest charges are almost at the same level in the two periods under comparison (approx. EUR 20 million in H1/15, vs. approx. EUR 17 million in H1/14).

Group *comparable* EBITDA amounted to EUR 396.4 million in H1/15, largely up from EUR 14.3 million earned in H1/14. As per previous comments, the large improvement between the two semesters being compared, can be primarily attributed to the Refining segment. This trend was also reflected all the way down to the bottom line, with the Group *adjusted* Net Result positive for EUR 187.0 million, strongly up from the Group *adjusted* Net Result of EUR -78.8 million in H1/14.

CAPEX in H1/15 was EUR 44.1 million, in line with the investment programme planned for 2015, and mainly directed to the Refining segment (EUR 38.0 million) and, to a lower extent, also to the Power Generation segment (EUR 5.1 million).

Finally, the Net Financial Position on 30th June 2015 was positive and it stood at EUR 72 million, basically in line with the position at the beginning of the year (EUR +108 million), and improved versus the position on 31st March 2015 (EUR -38 million), mainly thanks to the strong cash generation coming from operations. Moreover, the CAPEX during the first half of 2015 (equal to approx. EUR 44 million) were largely off-set with the self-financing from the provisions for depreciation (equal to approx. EUR 135 million). Finally, it should be noted that some payments for crude oil are still outstanding, due to the oil embargo declared by the European Union against Iran, which started in July 2012.

Comments to Second Quarter 2015 results

Group Revenues in Q2/15 were EUR 2,728 million, almost at the same level of the revenues earned in Q2/14, which stood at EUR 2,778 million. Indeed, the Refining segment achieved a 19% increase in refinery runs versus the same quarter of last year, and the boost in quantities of products sold was able to more than off-set the steep decline of the oil quotations: in particular, the average price of gasoline was 661 $/ton (vs. 1,008 $/ton in Q2/14), and the average price of diesel was 574 $/ton (vs. 917 $/ton in Q2/14). Consequently, revenues from the Refining segment in Q2/15 increased by approx. EUR 74 million versus Q2/14. On the contrary, the drop in oil prices penalised revenues generated by the Marketing segment, which decreased by approx. EUR 110 million. Finally, the changes of revenues generated by the other segments of the Group were not particularly meaningful.

Group *reported* EBITDA in Q2/15 was EUR 339.2 million, strongly increased versus EUR 32.6 million in Q2/14. As already discussed in the comments to the half year results, also in the second quarter of 2015 the large difference versus same period of last year is mainly due to the excellent result obtained by the Refining segment, which run at full capacity (as already mentioned) and captured entirely the favourable market conditions, thanks to its optimal industrial and commercial performance. Conversely, in Q2/14 margins were depressed by the extremely harsh market conditions and, as a result, the refinery runs were purposely trimmed down for economic reasons.

Group *reported* Net Result stood at EUR 155.9 million, remarkably up from EUR -31.7 million in Q2/14, for the same reasons discussed at EBITDA level. Moreover, as disclosed in the comments to the half year results, the increased charges for depreciation and amortisation in Q2/15 (EUR 78.5 million vs. EUR 49.4 million in Q2/14), were due to the depreciation of some intangible assets. Finally, the net interest charges were equal to EUR 11.5 million in Q2/15, versus EUR 8.6 million in Q2/14.

Group *comparable* EBITDA amounted to EUR 252.2 million in Q2/15, largely up from EUR 6.0 million in Q2/14, mainly thanks to the results of the Refining segment. From this, it then follows a Group *adjusted* Net Income at EUR 132.5 million in Q2/15, which compares with a Group *adjusted* Net Loss of EUR 38.4 million in Q2/14.

Finally, CAPEX in Q2/15 was EUR 21.4 million, of which EUR 18.9 million were used for the Refining segment, in line with the programme for the quarter.

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 Half-Year Financial Report as at 30th June 2015.

Conference call on 7th August 2015 and other information

At 10:00 CET of today, Friday 7th August 2015, there will be a conference call for financial analysts, investors, and the business press, during which the Top Management will illustrate Saras Group results for Q2/15 and H1/15, and afterwards will answer to all the relevant questions. A dedicated presentation will be available on the Company's website (**www.saras.it**), under the section called "Investor Relations/Presentations".

The dial-in numbers for the conference call are the following:

From Italy:	**+39 02 805 88 11**
From the UK:	**+ 44 121 281 8003**
From the USA:	**+1 718 705 8794**

The link for the live webcast is the following: http://services.choruscall.eu/links/saras150807.html

Playback and transcript of the webcast will also be available on the Company's website. For further information, please contact the Investor Relations department.

This press release has been prepared pursuant to the Regulation implementing Legislative Decree 24th February 1998 number 58, adopted by CONSOB under resolution 14th May 1999 number 11971, as amended and supplemented. It is available to the general public on the Company's website, under the section called "Investor Relations/Financial News/Press Releases" and also in the storage and deposit mechanism for regulated information, referred to as "1info" (**www.1info.it**). Moreover, the Half-Year Financial Report as of 30th June 2015, together with the Independent Auditors' Report, is also available to the public at the company's registered office in Sarroch (CA) SS. 195 Sulcitana, Km. 19, at the administrative office in Milan, Galleria de Cristoforis 1, on the Company's website under "Investor Relations/Quarterly Report", and also in the storage and deposit mechanism for regulated information, referred to as "1info".

Best regards,

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THE SARAS GROUP

The Saras Group, founded by Angelo Moratti in 1962, has approximately 1,700 employees and total revenues of about 10.3 billion Euros as of 31st December 2014. Today, the Group is a leading European crude oil refiner and it is active also in the energy sector. It sells and distributes petroleum products in the domestic and international markets, directly and through its subsidiaries. The Group also operates in the production & sale of electricity, through its subsidiaries Sarlux Srl (IGCC plant) and Sardeolica Srl (Wind plant). Moreover, the Group provides industrial engineering and scientific research services to the oil, energy and environment sectors through its subsidiary Sartec SpA. Finally, the Group operates also in the field of exploration for gaseous hydrocarbons.