The Board of Directors of SARAS SpA approves the preliminary Full Year 2014 Financial Statements[1]

Milan, 24th February 2015: The Board of Directors of Saras SpA met today under Chairman Gian Marco Moratti and approved the preliminary Full Year 2014 Financial Statements. The results of the fourth quarter, which are not subject to audit, are also presented here below for sake of continuity and completeness of the information provided. After the meeting, the Chairman declared:

"At the end of the fourth quarter of 2014 crude oil quotations were 40 $/bl lower than at the end of September, mainly because of the unbalances between constantly growing crude oil production and stagnating demand for oil products. This situation allowed refining margins to rebound, and the Saras Group was able to achieve solid results, net of the inventory effects.

We have favourable expectations for the year 2015, thanks to a combination of supportive factors. Firstly, the market context has further improved, with higher ratios between the value of refined products and crude oil; secondly, complex and flexible refineries like ours should be advantaged, since they can make the most out of the non conventional crude oils; moreover, our refinery runs will be considerably higher than last year, due to a light programme of scheduled maintenance; further boost to the results shall come from a stronger US dollar versus the Euro; and finally, our industrial site will be further strengthened, following the completion of the acquisitions of the Versalis' plants in Sarroch, which took place at the end of December."

Saras Group key financial and operational results[2]

EUR Million	Q4/14	Q4/13	FY 2014	FY 2013
REVENUES	**2,290**	**2,901**	**10,285**	**11,230**
EBITDA	(235.9)	46.7	(239.8)	71.7
Comparable EBITDA	**73.6**	**64.4**	**116.5**	**115.5**
EBIT	(135.5)	(6.6)	(287.3)	(354.2)
Comparable EBIT	**19.3**	**11.1**	**(84.5)**	**(77.9)**
NET RESULT	(139.5)	(33.4)	(266.2)	(271.1)
***Adjusted* NET RESULT**	**18.0**	**5.3**	**(90.4)**	**(84.1)**
NET FINANCIAL POSITION	**107**	**(8)**	**107**	**(8)**
CAPEX	**43.4**	**26.9**	**134.8**	**109.6**

[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 change in "*fair value*" 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.

Conference call on 24th February 2015 and other information

At 16:00 (CET) of Tuesday 24th February 2015 there will be a conference call for analysts and investors, during which the Top Management will illustrate Saras' Group preliminary results for FY 2014 and Q4/14 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/saras150224.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: E-mail: ir@saras.it; Telephone: +39 02 7737 642.

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 at Borsa Italiana SpA, on the Company's website under the section called "Investor Relations/Financial News/Press Releases", and also on the "1Info" authorised storage mechanism (www.1info.it).

Comments to preliminary Full Year 2014 Group results

Group Revenues in FY 2014 were EUR 10,285 ml, down approx. 8% versus FY 2013. This change is primarily due to the lower revenues generated by the Refining segment (down by approx. EUR 750 ml) and by the Marketing segment (down by approx. EUR 235 ml), due to the steep decrease in oil prices. More precisely, gasoline quotations had an average of 904 $/ton in FY 2014 (versus 982 $/ton in FY 2013), and diesel quotations stood at an average of 849 $/ton (versus 930 $/ton in FY 2013). Moreover, revenues generated by the Refining segment were influenced also by the slightly lower runs in the Sarroch refinery, *vis-a-vis* the refinery runs in FY 2013. Conversely, revenues from the Power Generation segment increased by approx. EUR 45 ml in FY 2014, thanks to higher production and sale of electricity.

Group *reported* EBITDA in FY 2014 was EUR -239.8 ml, sharply down versus EUR 71.7 ml in FY 2013. The difference is almost entirely due to the Refining and Marketing segments, which suffered from a large write-down of their oil inventories, as a consequence of the drop in prices of crude oil and refined products, during the second half of the year. On the other hand, the *reported* EBITDA of the Refining segment benefited from a positive one-off payment in FY 2014, overall equal to approx. EUR 50 ml, received for the acquisition of Versalis' business branch in Sarroch. Moreover, also the Power Generation segment gave a positive contribution to 2014 Group result, with its divisional EBITDA approx. EUR 59 ml higher than in FY 2013, mainly because of the update of the future scenarios used in the equalisation procedure.

Group *reported* Net Result stood at EUR -266.2 ml, up versus EUR -271.1 ml in FY 2013. Indeed, notwithstanding the lower EBITDA in FY 2014 for the reasons described in the previous paragraph, it should be noted that FY 2013 results were heavily penalised by a write-off of the CIP6/92 contract in Q2/13 (worth approx. EUR 232 ml pre-tax), as a consequence of the Decree Law 69/2013. On the contrary, FY 2014 *reported* Net Result includes a reversal of the write-off of the above mentioned CIP6/92 contract in Q4/14 (worth EUR 180 ml pre-tax), due to the implementation of new future scenarios for the prices of gas and crude oil, which have been updated following the important market changes occurred in the second half of the year. Moreover, in Q4/14 there was also a write-off (approx. EUR 23 ml pre-tax) for the work-in-progress of the "Steam Reformer" unit, whose construction will no longer be needed, thanks to the Versalis' acquisition.
Moving to the analysis of the "Financial Charges and Income" (which include the net FOREX result and the result of the derivative instruments used for hedging purposes), it can be observed that in FY 2014 there was a net income of EUR 24.2 ml, while in FY 2013 there were net charges equal to EUR 29.4 ml. This difference in the two years under comparison can be primarily attributed to the result of the derivative instruments used for hedging purposes, and to their change in "*fair value*", which have been both positive in FY 2014.
Finally, the tax burden in FY 2014 is penalised by the write-off of "Tax Assets" for approx. EUR 51 ml in Q4/14, following the declaration of unconstitutionality of the so called "Robin Hood Tax", pronounced by the Italian Constitutional Court on February 11th 2015. Similarly, it should be remembered that, also in FY 2013, the tax burden was penalised by the write-off of "Tax Assets" for approx. EUR 20 ml in Q4/13, following a reduction of the applicable rate of the "Robin Hood Tax".

Group *comparable* EBITDA amounted to EUR 116.5 ml in FY 2014, in line with EUR 115.5 ml achieved in FY 2013. As previously commented, the Power Generation segment gave an important positive contribution to the Group results in FY 2014, off-setting entirely the weaker results of the Refining segment and of the Marketing segment, which operated under penalising market conditions, characterised by shrinking demand for oil products and thin margins for most of the year. Moreover, the results of the Refining segment suffered also from a particularly heavy "five-year maintenance cycle", carried out during the second half of the year.

Group *adjusted* Net Result stood at EUR -90.4 ml, practically in line with the Group *adjusted* Net Result of EUR -84.1 ml in FY 2013, mainly as a combination of the effects previously described.

CAPEX in FY 2014 was EUR 134.8 ml, in line with the investment programme, and primarily dedicated to the Refining segment (EUR 123.4 ml). In particular, between September and October, the five-year "*turnaround*" of the Fluid Catalytic Cracking unit (FCC), and of its two main ancillary units, the Alkylation unit (Alky) and the Etherification unit (TAME), was completely carried out.

Finally, **Group Net Financial Position on 31st December 2014 stood at EUR +107 ml,** positive and meaningfully improved versus the position at the beginning of the year (EUR -8 ml), for the reasons illustrated in the dedicated chapter.

Comments to Fourth Quarter 2014 results

Group Revenues in Q4/14 were EUR 2,290 ml, down 21% versus EUR 2.901 ml earned in Q4/13. As already discussed in the comments to the full year, this change can be almost entirely explained with the lower revenues generated by the Refining segment (down by approx. EUR 470 ml) and by the Marketing segment (down by approx. EUR 155 ml), as a consequence of significantly lower oil prices versus the same quarter of 2013. In particular, in Q4/14 the average of gasoline quotations stood at 699 \$/ton (versus 942 \$/ton in Q4/13), while diesel quotations posted an average of 685 \$/ton (versus 935 \$/ton in Q4/13).

Group *reported* EBITDA was EUR -235.9 ml, steeply down versus EUR 46.7 ml in Q4/13. This difference, as already discussed in the comments for the full year, can be mainly attributed to the Refining and Marketing segments, which had a large write-down of their oil inventories in Q4/14, coming as a consequence of the remarkable drop in the prices of crude oil and refined products. It should be noticed that, as a partial compensation of the afore-mentioned inventory losses, the Refining segment could benefit from margins in gradual recovery since November. Moreover, at the end of Q4/14 there was a positive one-off payment, overall equal to approx. EUR 50 ml, received for the acquisition of Versalis' business branch in Sarroch. Finally, also the Power Generation segment gave a strong positive contribution to the Group result in Q4/14, thanks to the implementation in the equalisation procedure of the updated future scenarios for the prices of gas and crude oil.

Group *reported* Net Result stood at EUR -139.5 ml, down versus the *reported* Net Result of EUR -33.4 ml in Q4/13. In addition to the reasons already presented at EBITDA level, Q4/14 Group results include a reversal of the write-off of the CIP6/92 contract (EUR 180 ml pre-tax) and the write-off of the work-in-progress of the "Steam Reformer" unit (approx. EUR 23 ml pre-tax).
Moreover, in Q4/14 there was a net financial income of EUR 47.2 ml, while in Q4/13 there were net financial charges equal to EUR 10.7 ml. Such difference in financial results, as already explained in the comments to the full year, is mainly related to the result of the derivative instruments used for hedging purposes, and to the change in their *fair values*. Finally, Q4/14 tax burden is penalised by the write-off of "Tax Assets" for approx. EUR 51 ml, following the declaration of unconstitutionality of the so called "Robin Hood Tax". In a similar manner, also Q4/13 tax burden was penalised by the write-off of "Tax Assets" for approx. EUR 20 ml, following a reduction of the applicable rate of the "Robin Hood Tax".

Group *comparable* EBITDA amounted to EUR 73.6 ml in Q4/14, improved versus EUR 64.4 ml achieved in Q4/13, thanks to the Power Generation segment, which more than off-set the lower results of the other segments.

Group *adjusted* Net Result stood at EUR 18.0 ml, remarkably up from the Group *adjusted* Net Result of EUR 5.3 ml in Q4/13, mainly as a consequence of the previously discussed improvement of the EBITDA results, and also due to the different result of the derivative instruments used for hedging.

Finally, CAPEX in Q4/14 was EUR 43.4 ml, in line with the investment programme planned for the quarter, which included the conclusion of the maintenance activities related to the five-year "*turnaround*" cycle, for some fundamental units of the Sarroch refinery, as previously discussed.

Group *adjusted* Net Result and *comparable* EBITDA

"*Reported*" figures differ from "*comparable*" and "*adjusted*" figures primarily because of the different methodologies used to evaluate the oil inventories. More specifically, the *reported* (IFRS) figures evaluate oil inventories according to the FIFO methodology, while the *comparable* figures are based on the LIFO methodology. Moreover, the *comparable* and *adjusted* figures do not take into account the change in the *fair value* of the derivative instruments and the non-recurring items. The relevance of the various items in FY 2014 and in Q4/14 is shown in the following tables.

Comparable EBITDA

EUR Million	Q4/14	Q4/13	FY2014	FY2013
***Reported* EBITDA**	**(235.9)**	**46.7**	**(239.8)**	**71.7**
inventories at LIFO - inventories at FIFO	357.9	17.7	404.7	67.4
non recurring items	(48.4)	0.0	(48.4)	(23.6)
***Comparable* EBITDA**	**73.6**	**64.4**	**116.5**	**115.5**

In FY 2014 the "non recurring items" mainly include the positive contribution coming from the acquisition of the Versalis' business branch in Sarroch, recorded in Q4/14.

Adjusted Net Result

EUR Million	Q4/14	Q4/13	FY2014	FY2013
***Reported* NET RESULT**	**(139.5)**	**(33.4)**	**(266.2)**	**(271.1)**
(inventories at LIFO - inventories at FIFO) net of taxes	263.4	13.5	293.8	43.4
non recurring items net of taxes	(89.3)	18.2	(88.0)	148.3
change in fair values of derivatives net of taxes	(16.7)	7.0	(29.9)	(4.7)
***Adjusted* NET RESULT**	**18.0**	**5.3**	**(90.4)**	**(84.1)**

In FY 2014 "non recurring items net of taxes" include primarily the positive contributions due to the reversal of the write-off of the CIP6/92 contract (EUR +124.3 ml) and to the acquisition of the Versalis' business branch in Sarroch (EUR +35.5 ml), and the negative contributions due to the write-off of the work in progress for the "Steam Reformer" unit (EUR -16.5 ml) and to the write-off of deferred tax assets (EUR -51.4 ml). All of the above items took place in Q4/14.
In FY 2013 "non recurring items net of taxes" mainly include the write-off of the CIP6/92 contract (EUR -143.8 ml) which took place in Q2/13, and the write-off of deferred tax assets (EUR -20.1 ml) done in Q4/13.

Net Financial Position

The Net Financial Position at 31st December 2014 stood at EUR +107 ml, positive and remarkably improved versus the position at the beginning of the year (EUR -8 ml), mainly thanks to a large reduction in working capital, primarily due to the sharp drop in oil prices. Moreover, during the year, the self-financing stemming from the provisions for depreciations more than offset the CAPEX which were carried out in accordance with 2014 scheduled maintenance programme. 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, since July 2012.

The following table illustrates in details the Group Net Financial Position:

EUR Million	31-Dec-14	30-Sep-14	31-Dec-13
Medium/long term bank loans	(103)	(117)	(137)
Bonds	(174)	(174)	(249)
Other financial assets	6	6	6
Total long term net financial position	**(271)**	**(285)**	**(380)**
Bonds	(250)	(250)	
Short term loans	(32)	(38)	(39)
Debts due to banks	(67)	(65)	(110)
Other short term financial liabilities	(10)	(33)	(11)
Fair value on derivatives and net realized differentials	76	12	(8)
Other financial assets held for trading	38	38	21
Cash and cash equivalents	634	479	507
Warranty deposits for derivative instruments	(10)	13	11
Total short term net financial position	**378**	**157**	**372**
Total net financial position	**107**	**(128)**	**(8)**

Oil Market and Refining Margins

A short analysis of the trends followed by crude oil quotations, by the *crack spreads* of the main refined oil products, and also by the reference refining margin (the EMC Benchmark) in the European market, which is the most relevant geographical context in which the Refining segment of the Saras Group conducts its operations, is presented here after:

Yearly Average Values(1)	Q1/14	Q2/14	Q3/14	Q4/14	FY 2014
Crude Oil prices and differential ($/bl)					
Brent Dated (FOB Med)	108.2	109.7	101.9	76.0	98.8
Urals (CIF Med)	106.8	108.1	101.5	75.4	97.8
"Heavy-Light" price differential	-1.4	-1.6	-0.4	-0.6	-1.0
***Crack spreads* for refined oil products ($/bl)**					
ULSD *crack spread*	15.0	13.3	15.8	15.8	15.0
Gasoline 10ppm *crack spread*	6.9	11.1	11.9	7.7	9.5
Reference Margin ($/bl)					
EMC Benchmark	-1.9	-1.5	+0.3	+0.9	-0.5

(1) Sources: "Platts" for prices and crack spreads, and "EMC" for the reference refining margin called "EMC Benchmark"

Crude oil prices:

In Q1/14 Brent Dated quotations remained confined within a narrow range comprised between 105 and 110 $/bl, and the average for the period stood at 108.2 $/bl. Such substantial stability derived from the balance between bullish factors supportive for oil prices (such as the Libyan crisis), and bearish factors (such as the reduction in crude oil demand during the traditional spring maintenance activities in various refineries).
Later, in Q2/14, Brent Dated quotations climbed, setting an average of 109.7 $/bl (+1.5 $/bl versus the previous quarter), following worsening geopolitical tensions in many critical areas for the production and supply of crude oil to Europe: in particular, the outbreak of civil war in Iraq, the attacks of the separatist rebels in Ukraine (and the subsequent sanctions of the European Union against Russia), and also the numerous conflicts in Libya, which created discontinuities in the export flows of Libyan crude oil.
Subsequently, in Q3/14 crude oil prices progressively declined, bringing the quarterly average down to 101.9 $/bl. Behind this trend, on one hand, the weakness of global economic growth and consumption of oil products; on the other hand, constantly growing production of US tight oil and faster than expected restart in Libyan crude oil exports. Excess supply of crude oil versus consumption pushed Brent Dated well below the psychological threshold of 100 $/bl, and the quarter closed at 94.8 $/bl on 30th September.
Crude oil quotations slid even more steeply during Q4/14, shedding approx. 40 $/bl. Brent Dated closed at 55.0 $/bl on December 31st, with the quarterly average standing at 76.0 $/bl. In a largely oversupplied market, prices collapsed when the OPEC cartel, led by Saudi Arabia, decided not to cut their production quotas, during the meeting held on November 27th. Further bearish movements followed the agreement, reached on December 2nd, between Bagdad and the Kurdish Regional Government with regards to the exploitation rights of the crude oil fields, located in the Northern regions of Iraq. Indeed, according to such agreement, exports of Kirkuk crude oil shall increase by approx. 300 kbl/day in the near future, making the oil market even longer, amid stagnating demand.

Price differential between "heavy" and "light" crude oil grades ("Urals" vs. "Brent"):

During Q1/14 the "heavy-light" crude oil price differential was quite volatile, with the quarterly average at -1.4 $/bl. In general, the shut-down of Libyan crude oil exports (light sweet grades) acted as a support to the "light crude complex", especially in the first part of the quarter. Subsequently, the contraction of Urals' volumes assigned for export, both from the Black Sea ports and also from the terminals in Northern Europe, heated up the "heavy crude complex", and the differential was gradually squeezed, closing the quarter almost at zero.
In Q2/14, the differential remained under pressure for almost the entire month of April, once again due to the scarce export volumes of Urals heading to European refineries (approx. 500kb/d less than in the same period of last year). However, starting with May, the differential progressively widened, driven by increased buying interest for light crude oils, on the back of healthy gasoline *crack spreads*, and also because of reduced availability of light grades from the North Sea, where a number of oil fields had to be shut for maintenance. Towards the end of the quarter, the differential closed again, following the announcement of "June loading programme" of Urals from Novorossiysk, which turned out to be the tightest in the past seven years. Overall, the "heavy-light" crude oil price differential set an average of -1.6 $/bl in Q2/14.

Subsequently, in Q3/14 the "heavy-light" differential was squeezed again, mainly because of the abundant volumes of light sweet grades of West African origin, and the rapid production ramp-up of various Libyan oil fields. Between the end of July and the first weeks of August, Urals crude oil actually moved to a premium versus Brent. Only later, towards the end of the quarter, the differential started to widen again also thanks to a fast increase in refining margins. Therefore, the quarterly average of the "heavy-light" differential settled at -0.4 $/bl in Q3/14.
Finally, in Q4/14 the "heavy-light" differential was volatile. In particular, between October and November, the differential felt the pressure exerted by Urals crude oil, which increased its relative value versus Brent, notwithstanding the general decline of the oil prices. Indeed, Russian producers chose to reduce their export programmes until the end of 2014, in order to take the highest benefits from a new fiscal regulation, due to come into force as of January 2015, with meaningful reductions in crude oil export duties. Finally, in December, the "heavy-light" price differential widened again, as a consequence of scarce availability of Libyan crude oils, and the simultaneous increase of heavy sour crudes of Iraqi origin (Kirkuk). For all of the above, the average of the differential stood at -0.6 $/bl in Q4/14.

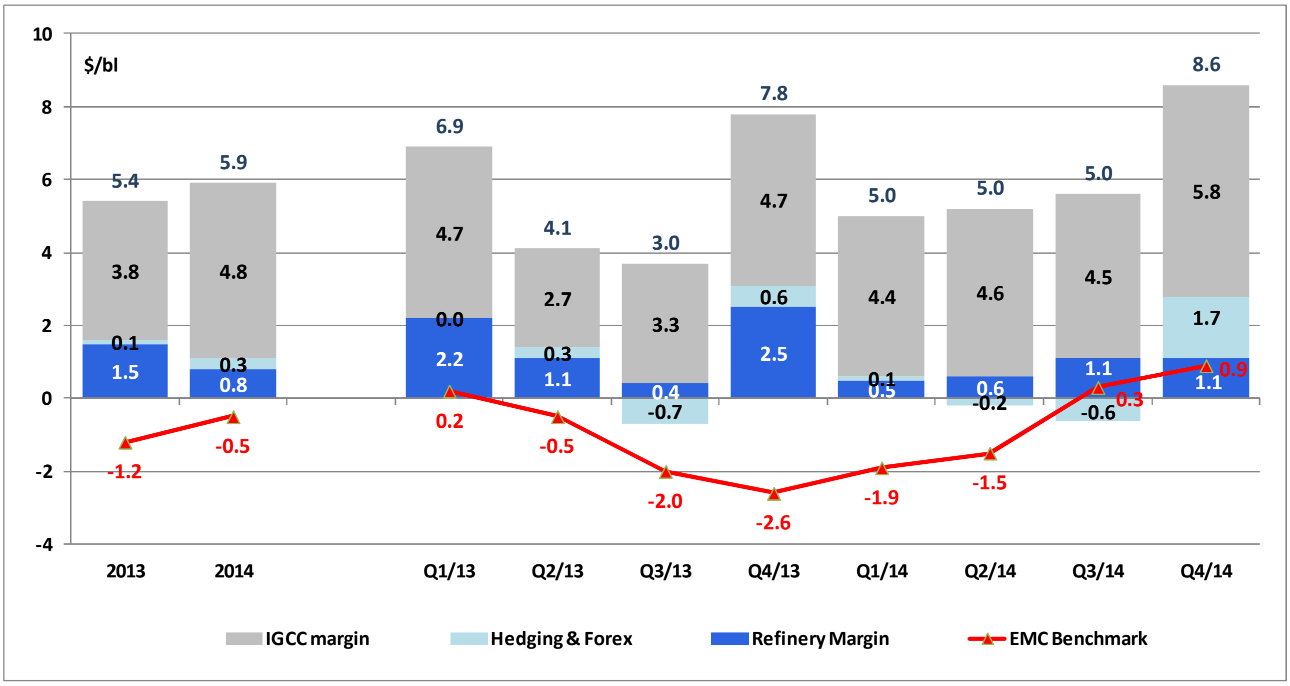
***Crack spreads* of the main products** (i.e. the difference between the value of the product and the price of the crude):
During Q1/14, the gasoline *crack spread* progressively increased, posting a quarterly average equal to 6.9 $/bl. Such robust performance came as a consequence of growing demand in the Persian Gulf region, and also in Central America and in the United States. Towards the end of the quarter, gasoline *crack spread* got a further boost due to the switch to summer grades, which are notoriously more challenging.
Later, in April, gasoline *crack spread* peaked at around 15 $/bl, thanks to healthy demand in North Africa and Turkey, but also in the Persian Gulf and in West Africa, right at the same time when various European refineries were in the middle of their maintenance activities. Finally, in the remaining part of Q2/14, spring maintenance ended in Europe and production increased also in the USA, cooling down the gasoline market, hence the *crack spread* stabilised at around 10 $/bl. The quarterly average settled at 11.1 $/bl in Q2/14.
Subsequently, in Q3/14 gasoline *crack spread* had quite a volatile trend: during the month of July and the first half of August the *crack* went down, because the effects of sluggish demand prevailed over the decline of the crude oil prices. However, during the second half of August, unexpected maintenance in some US refineries contributed to re-open the arbitrage towards the USA, and the gasoline *crack spread* posted a good recovery. As such, Q3/14 average for the *crack spread* stood at 11.9 $/bl.
Finally, notwithstanding the remarkable drop in crude oil quotations, the gasoline *crack spread* progressively weakened during Q4/14, closing the year at just 3.7 $/bl, with a quarterly average at 7.7 $/bl. Among the main reasons for this trend, the sluggish demand for transportation fuels in Europe, and the switch to winter specs.

Moving with the analysis to the complex of the middle distillates, the ULSD *crack spread* remained at a reasonable level in Q1/14, even without the traditional support from heating gasoil consumption, which failed to materialise due to mild winter weather. Conversely, consumption of automotive gasoil (ULSD) strengthened globally, Europe included, thanks to signals of economic recovery. Overall, the ULSD *crack spread* posted an average of 15.0 $/bl in Q1/14.
Nonetheless, in Q2/14 the ULSD *crack spread* moved downwards, setting an average of 13.3 $/bl. The weak performance came as a consequence of the conclusion of refinery maintenance activities, and the simultaneous increase in gasoil imports, both in the Mediterranean Sea and in North-East Europe, coming from the USA and Russia.
In the first part of Q3/14, ULSD *crack spread* continued to be under pressure, at approx. 14 $/bl, due to persistent stagnation of consumption in most of the Euro Zone. In August, however, the previously discussed fall in crude oil prices led to remarkable improvements of the *crack spread*, which reached a peak of 17.7 $/bl on 19th August. Support came also from the increased travels during summer holidays (both by air and by road), and the decreased export-flows of Russian gasoil to Europe. Consequently, the average of the ULSD *crack spread* stood at 15.8 $/bl in Q3/14, up by approx. 20% versus previous quarter.
Finally, the collapse of crude oil prices during Q4/14, allowed the ULSD *crack spread* to reconfirm the same average of the previous quarter (15.8 $/bl). Nonetheless, expectations for even higher values were disregarded, due to mild autumn weather, with temperatures above seasonal averages. Hence, the demand for heating gasoil remained subdued. At the same time, demand for transportation fuels, including ULSD, was also limited, due to macroeconomic headwinds.

Refining Margin:
Moving to the profitability analysis of the refining industry, Saras traditionally uses, as a reference, the refining margin calculated by EMC (Energy Market Consultants) for a mid-complexity coastal refinery, located in the Mediterranean Sea, which processes a feedstock made of 50% Brent and 50% Urals crude oils.

The above mentioned EMC Benchmark margin has been continuously negative for more than one year, form Q2/13 until Q2/14 included, reaching its historical quarterly minimum in Q4/13 (with an average of -2.6 $/bl), because of the unfavourable macroeconomic context, which continued to weigh on demand for refined oil products, while at the same time numerous geopolitical tensions kept crude oil prices at high levels. Subsequently, during 2014 the EMC Benchmark margin posted a progressive recovery and its average settled at -1.9 $/bl in Q1/14, -1.5 $/bl in Q2/14, +0.3 $/bl in Q3/14, and finally it reached +0.9 $/bl in Q4/14. Such improvement is mainly due to the decrease in crude oil prices, for the reasons which were previously illustrated.

Finally, as shown in details in the graph here below, the Saras Group's refinery, thanks to the flexibility and complexity of its industrial units, constantly managed to achieve a refining margin sustainably higher than the EMC Benchmark, with a premium which varies from quarter to quarter, according to the specific market conditions and the operating performance of the refinery.



Refining Margin: (*comparable* EBITDA Refining + Fixed Costs) / Refinery runs in the period
IGCC Margin: (EBITDA IGCC plant + Fixed Costs) / Refinery runs in the period
EMC Benchmark: margin calculated by EMC (Energy Market Consultants) with 50% Urals – 50% Brent crude oil slate

Segment Review

Within the corporate reorganisation project approved by the Board of Directors of Saras SpA in January 2013, all the refining activities held by Saras SpA have been transferred to the subsidiary Sarlux Srl with a contribution in kind, effective from 1st July 2013, aimed at concentrating in a single company all the activities carried out in the Sarroch industrial site, in order to achieve higher organisational and operational efficiencies.

However, with the purpose of providing a consistent disclosure of the results for each individual business of the Saras Group and given that Group management's methods of monitoring and managing the activities have not changed, it has been decided to calculate and report the financial information according to the same business segments which have always been used in all the previous Financial Reports, including also the intercompany services, which ceased to exist as a consequence of the above-mentioned contribution in kind, using the same economic conditions applied in the previously existing contracts.

Refining

Sarroch refinery is strategically positioned on the South-Western coast of Sardinia, and it is one of the largest and most complex refineries in the Mediterranean area. It has a production capacity of 15 million tons per year, which corresponds to approximately 15% of Italy's total refining capacity.

EUR Million	Q4/14	Q4/13	Change %	Q3/14	FY2014	FY2013	Change %
EBITDA	(314.4)	(24.5)	-1183%	(81.3)	(501.3)	(153.6)	-226%
***Comparable* EBITDA**	**(24.2)**	**(16.3)**	**-48%**	**(34.5)**	**(165.4)**	**(127.5)**	**-30%**
EBIT	(371.2)	(53.7)	-591%	(111.6)	(645.8)	(261.0)	-147%
***Comparable* EBIT**	**(58.3)**	**(45.5)**	**-28%**	**(64.8)**	**(287.2)**	**(234.9)**	**-22%**
CAPEX	**40.4**	**21.5**		**48.4**	**123.4**	**87.1**	

Margins and refinery runs

		Q4/14	Q4/13	Change %	Q3/14	FY2014	FY2013	Change %
REFINERY RUNS	Tons (thousand)	3,144	3,222	-2%	2,866	12,430	12,980	-4%
	Barrels (million)	22.9	23.5	-2%	20.9	90.7	94.8	-4%
	Bl/day (thousand)	249	256	-2%	227	249	260	-4%
EXCHANGE RATE	EUR/USD	1.250	1.361	-8%	1.326	1.329	1.328	0%
EMC BENCHMARK MARGIN	$/bl	0.9	(2.6)		0.3	(0.5)	(1.2)	
SARAS REFINERY MARGIN	$/bl	1.1	2.5		1.1	0.8	1.5	

Comments to preliminary Full Year 2014 Group results

Refinery runs in 2014 stood at 12.43 ml tons (90.7 million barrels, corresponding to 249 thousand barrels per calendar day), down 4% versus the refinery runs in the previous year. This can be explained both with the difference in the maintenance activities carried out in the two periods under comparison, and also with some economic run-cuts, which took place during the first half of 2014.

***Comparable* EBITDA was EUR -165.4 ml**, down versus EUR -127.5 ml in FY 2013. This difference is due the lower refinery runs (-4%) mentioned in the previous paragraph, to the higher impact on EBITDA of the scheduled maintenance activities (approx. EUR 68 ml in FY 2014, versus approx. EUR 29 ml in FY 2013), and also to the poor market conditions during the first half of 2014, which were only partially offset by the rebound in the refining margins during the second half of the year: on average, the EMC Benchmark margin stood at -0.5 $/bl in FY 2014. Conversely, in 2013 refining margins had the opposite trend, standing close to break-even during the first semester, and sharply deteriorating in the second half of the year (with the yearly average of the EMC Benchmark at -1.2 $/bl in FY 2013).

However, from a practical stand-point, the performance of the Refining segment in FY 2014 was significantly better than what appears when considering only the EBITDA. Indeed, the result of FY 2014 should also take into account net gains for approx. EUR 22 ml (formally included within the "Financial Income/Expense"), which relate to hedging transactions on crude oil, refined products and Forex. Therefore, when considering also the above mentioned transactions, whose result is particularly meaningful at times of large changes in oil prices, the corresponding Saras refining margin in FY 2014 goes to 1.1 $/bl (with a premium of 1.6 $/bl on top of the EMC benchmark, versus a premium of 2.7 $/bl in FY 2013). For sake of comparison, in FY 2013 the net result of the hedging transactions was equal to just EUR 2 ml, due to stable trends in oil prices.

The exchange rate EUR/USD was broadly the same in the two years under comparison (with an average of 1.329 US Dollars for 1 Euro in FY 2014, versus the average of 1.328 US Dollars for 1 Euro in FY 2013).

Refining CAPEX in FY 2014 was EUR 123.4 ml, in line with the programme for the year, which included an important maintenance cycle, between the third and the fourth quarter, for the five-year "*turnaround*" of the Fluid Catalytic Cracking unit (FCC), and its two main ancillary units: the Alkylation unit (Alky) and the Etherification unit (TAME).

Comments to Fourth Quarter 2014 results

Refinery runs in Q4/14 stood at 3.14 ml tons (22.9 million barrels, corresponding to 249 thousand barrels per calendar day), down 2% versus the same period of last year, mainly because of the shut-down for maintenance of the crude distillation unit called T1, whose activities began in the last month of Q3/14 and they were completed in the first month of Q4/14. Conversely, no maintenance activities were carried out in Q4/13.

***Comparable* EBITDA was EUR -24.2 ml,** slightly lower than EUR -16.3 ml in Q4/13, mainly because of the EBITDA reduction due to the five-year "*turnaround*" maintenance of the Fluid Catalytic Cracking unit (EUR 32 ml in Q4/14, compared with no penalisations in Q4/13), and also because of the lower refinery runs (-2% versus Q3/13). On the contrary, oil markets were more favourable in Q4/14, with refining margins gradually picking-up, as a consequence of the decrease in oil prices. The EMC Benchmark margin posted an average equal to +0.9 $/bl, versus the average of -2.6 $/bl in Q4/13.

However, as already explained in the comments for the full year, the net contribution from the hedging transactions on crude oil, refined products and Forex, was particularly meaningful in Q4/14 mainly because of the sharp drop in oil prices. Indeed, the net gains amount to EUR 32 ml, formally included within the "Financial Income/Expense". As a matter of fact, such gains should be included in the result from operations, because these transactions are standard practice in our commercial activities. Therefore, when including the above mentioned transactions, Saras' refining margin increases to the average of 2.8 $/bl in Q4/14 (with a premium of 2.1 $/bl on top of the EMC benchmark, versus a premium of 5.1 $/bl in Q4/13). Finally, for sake of comparison, it should be mentioned that the net gain from the hedging transactions in Q4/13 was equal to approx. EUR 10 ml.

Moreover, it should be noticed that the US Dollar strengthened against the Euro in Q4/14, setting the average of 1.250 dollars for 1 Euro (-8% versus the average of 1.361 in Q4/13). As it is well known, the strengthening of the US Dollar is beneficial for the results of the Refining segment, because in this business the fixed and variable costs are denominated in Euros, while the gross margin is gained in US dollars.

Finally, Refining CAPEX in Q4/14 was EUR 40.4 ml, coherently with the scheduled *turnaround* maintenance previously discussed.

Crude Oil slate and Production

The crude mix processed by the Sarroch refinery in FY 2014 had an average density of 32.0°API, fundamentally in line with the mix processed in FY 2013. However, when looking in detail at the various crude grades used in the feedstock, it can be noted a strong reduction (-11%) in the percentage of light crude oils with extremely low sulphur content ("*light extra sweet*"), with a corresponding increase (+8%) in the percentage of the *heavy* crude oils and of the "*straight run*" residues. This change in the feedstock mix was mainly due to the shortage of Libyan crude oil, for various prolonged periods during 2014, but also to the important maintenance activities carries out in 2014, and to some economic and commercial choices.

		Q4/14	FY2014	FY2013
Light extra sweet		28%	34%	45%
Light sweet		22%	8%	2%
Medium sweet/extra sweet		0%	3%	2%
Medium sour		25%	22%	26%
Heavy sour/sweet		24%	33%	25%
Average crude gravity	°API	32.9	32.0	32.3

Moving on to the product slate, it can be observed that in FY 2014 the yield in middle distillates (54.1%) was very high, and actually higher than the already impressive yield (53.6%) achieved in FY 2013. On the contrary, the yield in light distillates slightly decreased (26.8% versus 27.4% in FY 2013) due to the important five-year *turnaround* of the Fluid Catalytic Cracking unit (FCC), which was carried out during the months of September and October 2014. Moreover, an increase in the TAR yield can be observed (9.2%) as a consequence of the heavier crude slate, and a decrease in the LPG yield (1.2%), which in 2013 was unusually high (2.1%), owing to the maintenance activities carried out on the Alkylation unit in the first half of last year. Overall, the cumulative yield of high value added products (i.e. middle distillates, light distillates and LPG) stood at 82.0% in FY 2014, which represents an excellent performance within the European competitive context.

		Q4/14	FY2014	FY2013
LPG	Tons (thousand)	24	146	267
	yield (%)	0.8%	1.2%	2.1%
NAPHTHA + GASOLINE	Tons (thousand)	885	3,328	3,558
	yield (%)	28.2%	26.8%	27.4%
MIDDLE DISTILLATES	Tons (thousand)	1,674	6,725	6,959
	yield (%)	53.2%	54.1%	53.6%
FUEL OIL & OTHERS	Tons (thousand)	104	377	304
	yield (%)	3.3%	3.0%	2.3%
TAR	Tons (thousand)	283	1,149	1,123
	yield (%)	9.0%	9.2%	8.6%

Note: Balance to 100% of the production is "Consumption & Losses".

SARAS

Marketing

The Saras Group is active in the Marketing segment in Italy and Spain, directly and through its subsidiaries, primarily in the wholesale channel. Below are the financial and operational highlights of the segment.

EUR Million	Q4/14	Q4/13	Change %	Q3/14	FY2014	FY2013	Change %
EBITDA	(16.2)	2.4	-775%	8.5	(4.6)	16.0	-129%
***Comparable* EBITDA**	**3.1**	**11.9**	**-74%**	**8.5**	**15.8**	**33.7**	**-53%**
EBIT	(21.2)	0.2	-10700%	6.5	(14.4)	7.6	-289%
***Comparable* EBIT**	**0.7**	**9.7**	**-93%**	**6.5**	**7.3**	**25.3**	**-71%**
CAPEX	**0.9**	**1.1**		**0.6**	**3.0**	**3.7**	

Sales

		Q4/14	Q4/13	Change %	Q3/14	FY2014	FY2013	Change %
TOTAL SALES	Tons (thousand)	949	963	-1%	936	3,683	3,652	1%
of which: in Italy	Tons (thousand)	646	603	7%	637	2,449	2,342	5%
of which: in Spain	Tons (thousand)	303	360	-16%	298	1,234	1,310	-6%

Comments to preliminary Full Year 2014 Group results

The persistently difficult macroeconomic conditions in various countries of the Euro zone during FY 2014 had a negative influence on the demand for refined oil products. In particular, in Italy, total demand for oil products in FY 2014 declined by 4.4% versus FY 2013. Arcola Petrolifera still managed to increase its sales (+5%), thanks to its discounting policies in the regions with higher competition, and it also reduced the decline in its unit margin, thanks to lower biofuels' blending costs.
In the Spanish market, the contraction in oil products' demand was less steep than in Italy, and total demand overall was down by 1.9% versus FY 2013. The Spanish subsidiary Saras Energia continued its policy aimed at the optimization of the sale channels, minimising the decline in sales (-6% versus FY 2013), while increasing its unit margin.

Overall, ***comparable* EBITDA stood at EUR 15.8 ml in FY 2014.** The difference versus EUR 33.7 ml in FY 2013 can be primarily attributed to the disappointing performance of the segment in the first quarter of 2014. Moreover, FY 2014 variable costs were penalised with a charge of approx. EUR 2 ml, related to the second half of the year, and due to the introduction in Spain, during summer 2014, of the so called "Mandatory contribution for Energy Efficiency".

Comments to Fourth Quarter 2014 results

The decline of oil products' consumption in the Italian market continued also in Q4/14, with a total decline of 6.9%, mainly due to reduced demand for gasoil for agricultural/fishing applications and for heating gasoil. Conversely, interesting signals of improvement came from the consumption of road-transportation fuels. Arcola Petrolifera continued to develop its customer base, increasing its sales by 7%. Moreover, also the unit margin improved in the quarter, thanks to the progressive decline of oil prices versus their monthly averages, and also to the previously mentioned reduction of blending costs with biofuels.
Also the Spanish market had a contraction of oil products' demand (-2.2% versus Q4/13), with gasoline down by 2.6% and total gasoil also down by 1.6%. In such context, Saras Energia reduced its sales by 16% versus Q4/13, but it managed to increase its unit margin, thanks to the above mentioned decline in oil prices.

Overall, ***comparable* EBITDA of the Marketing segment stood at EUR 3.1 ml in Q3/14,** down from EUR 11.9 ml achieved in Q4/13, both because of the previously mentioned charge related to the Spanish "Mandatory contribution for Energy Efficiency", and also because of the negative quarterly result of the Biodiesel plant. In that respect, it should be mentioned that, on December 30th 2014, Saras Energia finalised the sale transaction of its biodiesel business.

Power Generation

Below are the main financial and operational data of the Power Generation segment, which relates to an IGCC plant (Integrated Gasification Combined Cycle) with an installed capacity of 575MW, fully integrated with the Group's refinery, and located within the same industrial complex in Sarroch (Sardinia).

EUR Milion	Q4/14	Q4/13	Change %	Q3/14	FY2014	FY2013	Change %
EBITDA	87.4	61.2	43%	50.4	241.7	182.4	33%
***Comparable* EBITDA**	**87.4**	**61.2**	**43%**	**50.4**	**241.7**	**182.4**	**33%**
EBIT	251.0	40.5	520%	33.9	356.0	(123.0)	389%
***Comparable* EBIT**	**71.0**	**40.5**	**75%**	**33.9**	**176.0**	**109.5**	**61%**
EBITDA ITALIAN GAAP	**48.3**	**59.8**	**-19%**	**37.5**	**148.0**	**184.8**	**-20%**
EBIT ITALIAN GAAP	**32.8**	**40.1**	**-18%**	**21.9**	**86.0**	**131.2**	**-34%**
CAPEX	**1.9**	**4.1**		**0.3**	**6.8**	**16.9**	

Other figures

		Q4/14	Q4/13	Change %	Q3/14	FY2014	FY2013	Change %
ELECTRICITY PRODUCTION	MWh/1000	1,068	1,111	-4%	1,085	4,353	4,217	3%
POWER TARIFF	**Eurocent/KWh**	**10.1**	**11.9**	**-15%**	**10.0**	**10.1**	**11.9**	**-15%**
POWER IGCC MARGIN	$/bl	5.8	4.7	23%	4.5	4.8	3.8	26%

Comments to preliminary Full Year 2014 Group results

The Power Generation segment had a solid operating performance in FY 2014, with **electricity production reaching approx. 4.35 TWh,** up 3% versus the production in FY 2013.

IFRS EBITDA (coincident with *comparable* EBITDA) was EUR 241.7 ml in FY 2014, strongly increased (+33%) versus FY 2013. Such difference is primarily due to the recent update of the outlook for the future prices of crude oil and gas, used in the calculation of the IFRS results, according to the projections made by primary international institutions, which specialise in this field. According to the new scenarios, the weakness in crude oil should reduce the purchasing cost of the feedstock, while revenues should only have a moderate decline, because of their correlation to gas prices. The equalization procedure required by the IFRS principles implies that the effects of the above mentioned update are included already in Q4/14 results. Moreover, further support to the results of FY 2014 came from the higher sales of hydrogen and steam (up by approx. EUR 4.7 ml versus FY 2013), whose revenues are not subject to the IFRS equalization procedure.

Finally, it should be noticed that, as already highlighted in the comments to the Group Results, the IFRS EBIT includes a reversal of the write-off of the CIP6/92 contract between Sarlux and the GSE, equal to EUR 180 ml pre-tax, due to the adoption of the updated outlook for the future prices of crude oil and gas.

The **Italian GAAP EBITDA stood at EUR 148.0 ml in FY 2014,** down versus EUR 184.8 ml in FY 2013, primarily because of the decline in the CIP6/92 power tariff (-15%), due to the application of the Decree Law 69 of 21st June 2013. More specifically, such Decree introduced a change in the calculation methodology of the tariff, requesting that the "Avoided Fuel Cost" component of the tariff (CEC) shall be determined taking as a reference spot market gas prices (and not anymore Brent crude oil prices). The effects of such revision were modest on the 2013 Italian GAAP results, but they became relevant starting with the financial year 2014.

Nonetheless, positive contributions to FY 2014 EBITDA came from the lower cost of the feedstock, from the higher production and sale of electricity (+3%), and also from the higher sales of steam and hydrogen, as disclosed in the previous paragraph.

Finally, CAPEX in FY 2014 was EUR 6.8 ml, coherently with the maintenance activities carried out in the period.

Comments to Fourth Quarter 2014 results

The production of electricity in Q4/14 stood at 1.07 TWh, slightly lower (-4%) than the production achieved in Q4/13.

IFRS EBITDA (coincident with the *comparable* EBITDA) was EUR 87.4 ml, significantly increased versus EUR 61.2 ml achieved in Q4/13. As already mentioned in the comments to the FY 2014, such remarkable increase (+43%) can be explained mainly with updated scenarios used in the equalization procedure required by IFRIC 4 and IAS 17.

Italian GAAP EBITDA stood at EUR 48.3 ml, versus EUR 59.8 ml in Q4/13. Actually, the purchasing cost of the feedstock in Q4/14 was significantly lower than in the same quarter of the last year, and this allowed to compensate most of the decline in the CIP6/92 tariff (-15%), as well as part of the lower production and sale of electricity (-4%), and also the lower sales of hydrogen and steam (down by approx. EUR 1.3 ml, versus Q4/13).

Wind

Saras Group is active in the production and sale of electricity from renewable sources, through its subsidiary Sardeolica Srl, which operates a wind park located in Ulassai (Sardinia). Here below are the main financial and operational data:

EUR million	Q4/14	Q4/13	Change %	Q3/14	FY2014	FY2013	Change %
EBITDA	4.9	5.1	-4%	3.1	20.9	22.7	-8%
***Comparable* EBITDA**	**4.9**	**5.1**	**-4%**	**3.1**	**20.9**	**22.7**	**-8%**
EBIT	3.7	4.1	-10%	2.0	13.8	18.3	-25%
***Comparable* EBIT**	**3.7**	**4.1**	**-10%**	**2.0**	**16.3**	**18.3**	**-11%**
CAPEX	**0.3**	**(0.5)**		**0.0**	**0.6**	**0.2**	

Other figures

		Q4/14	Q4/13	Change %	Q3/14	FY2014	FY2013	Change %
ELECTRICITY PRODUCTION	MWh	38,929	40,212	-3%	34,302	171,657	197,042	-13%
POWER TARIFF	EURcent/KWh	5.7	5.6	2%	4.5	4.8	5.7	-16%
GREEN CERTIFICATES	EURcent/KWh	9.0	8.7	4%	9.5	9.7	8.9	9%

Comments to preliminary Full Year 2014 Group results

In FY 2014 the IFRS EBITDA of the Wind segment (which is equal to the *comparable* EBITDA) stood at EUR 20.9 ml, slightly down versus EUR 22.7 ml in FY 2013. The difference can be explained mainly with the lower production of electricity (-13% versus 2013, which was a year characterised by extraordinary wind conditions) and, to a lesser degree, it can be explained also by the lower value of the power tariff (which decreased by 0.9 EURcent/kWh). Nonetheless, it should be noted that the decline in the power tariff was almost entirely offset by the increase in the value of the Green Certificates (up by 0.8 EURcent/kWh).

Comments to Fourth Quarter 2014 results

In Q4/14 the IFRS EBITDA of the Wind segment (which is equal to the *comparable* EBITDA) stood at EUR 4.9 ml, substantially in line with EUR 5.1 ml in Q4/13. Indeed, the slight decrease in the production of electricity (-3% versus the production in Q4/13) was almost entirely offset by the increase in the value of the Green Certificates (which were up by 0.3 EURcent/kWh) and also of the power tariff (+0.1 EURcent/kWh).

Other Activities

The following table shows the financial highlights of the subsidiaries Sartec SpA, Reasar SA and others.

EUR Million	Q4/14	Q4/13	Change %	Q3/14	FY2014	FY2013	Change %
EBITDA	2.4	2.5	-4%	(0.2)	3.5	4.2	-17%
***Comparable* EBITDA**	**2.4**	**2.5**	**-4%**	**(0.2)**	**3.5**	**4.2**	**-17%**
EBIT	2.2	2.3	-4%	(0.3)	3.1	3.9	-21%
***Comparable* EBIT**	**2.2**	**2.3**	**-4%**	**(0.3)**	**3.1**	**3.9**	**-21%**

Strategy and Outlook

The year 2015 started in a very positive manner. Indeed, the rebound of the refining margins started in Q4/14 has now become even stronger. The reference margin EMC Benchmark climbed from the average of +0.9 $/bl in Q4/14, up to the current average of +3.5 $/bl in Q1/15-to-date (according to the data available at the time of publishing this document). Such trend can be primarily attributed to a situation of persistently growing production and supply of crude oil, at a time of stagnating global demand for oil products.

Besides the decline in absolute value of the crude oil quotations, the current production surplus creates also interesting changes in the discounts/premia paid for different grades of crude oil versus Brent; in particular, high discounts are being recognised to the heavy grades, leading to meaningful advantages for the configuration of our refinery, that is capable of processing even the most complicated and unconventional kind of feedstock.

Further positive signals for 2015 outlook are related to the strengthening of the US dollar which, in recent months stands at an average of approx. 1.15 US dollars for 1 Euro (which means 10% stronger versus the values of the fourth quarter of 2014). As it is well known, a strong dollar supports the results of the Refining segment, which earns a gross margin in US dollars, and it pays fixed and variable costs in Euro.

Moreover, Saras maintenance programme for the year 2015 will be light, with reduced impact on EBITDA and on refinery runs. In particular, the refinery shall process approx. 15 million tons of crude oil (equivalent to 110 million barrels), which represents an increase of more than 2.5 million tons versus FY 2014, with obvious positive impact on the results.

It is also important to highlight the completion of the acquisition, on December 29th 2014, of a business branch of Versalis SpA, made of approx. 80% of the production units of the Versalis' petrochemical plant in Sarroch (Cagliari). With this transaction, Saras benefited from a positive consideration of approx. EUR 50 ml paid by Versalis; additionally, it is expected that, in due course, the profitability of the Refining segment shall increase of approx. EUR 10 ml per year, thanks to several production synergies and optimisations.

Moving to the analysis of the Power Generation segment, its financial results are expected to improve in FY 2015, mainly as a consequence of the weakness of crude oil. Conversely, the revenues of the segment are not expected to change in a significant manner, because the power tariff should remain firm.

With regards to the Marketing segment, its margin in FY 2015 is expected to remain substantially stable, thanks to a gradual recovery in the consumption of oil products in Europe, and notwithstanding the introduction of the "Mandatory contribution for Energy Efficiency" in Spain.

Finally, the abolition of the so called "Robin Hood Tax" is very welcome, and it shall reduce by 6.5% the direct tax burden of the Group, starting from 2015.

CAPEX by Business Segment

EUR Million	Q4/14	FY2014	FY2013
REFINING	40.4	123.4	87.1
POWER GENERATION	1.9	6.8	16.9
MARKETING	0.9	3.0	3.7
WIND	0.3	0.6	0.2
OTHER	0.0	0.9	1.7
Total	**43.4**	**134.8**	**109.6**

The investments in the Refining segment include also the portion of CAPEX, made between the end of the third quarter and the beginning of the fourth quarter 2014, related to the important activities for the five-year "*turnaround*" of the Fluid Catalytic Cracking unit (FCC) and of its main ancillary units: the Alkylation unit (Alky) and the Etherification unit (TAME).

Main events after the end of the FY 2014

On **February 11th 2015**, the Italian Constitutional Court declared that the so called "Robin Hood Tax" is illegitimate, as of the first day following the publication of the Court's sentence in the Official Gazette of the Italian Republic (i.e. the official journal of record of the Italian government). The Robin Hood Tax, an additional corporate tax introduced with Decree Law 112/2008, applied only to the energy sector, with a tax rate which changed several times over the years, and it was equal to 6.5% in the year 2014. Given that this tax could not be compensated in the Group's tax consolidation, the companies of the Group with fiscal losses accumulated total "Tax Assets" worth approx. EUR 51 ml, over the years when the tax was applicable. In the results of the fourth quarter of 2014 such Tax Assets have been entirely written-off, as indicated in the Group's report on operations, because the sentence of the Italian Constitutional Court explicitly excluded retroactive effects.