



SARAS: approval of 2010 Group Consolidated and Saras S.p.A. draft financial statements¹

- **Group reported EBITDA** at EUR 223.5 ml (vs. EUR 345.5 ml in FY2009)
- **Group comparable² EBITDA** at EUR 149.2 ml (vs. EUR 141.2 ml in FY2009)
- **Group reported Net Result** at EUR -9.5 ml (vs. EUR 72.6 ml in FY2009)
- **Group adjusted³ Net Result** at EUR -43.9 ml (vs. EUR -54.5 ml in FY2009)
- **Net financial position** to EUR -560 ml as of 31st Dec 2010, substantially in line with the position as of 31st Dec 2009 (which was EUR -533 ml)

Milan, 25th March 2011: The Board of Directors of Saras S.p.A. met yesterday and approved the draft of Saras Group Consolidated Financial Statements and of Saras S.p.A. Financial Statements, for the year ended 31st December 2010, which closed respectively with a consolidated net result of EUR -9.5 ml, and a net result of EUR -110.1 ml for the parent company. The results and comments for each business segment are the same as those for the 2010 preliminary figures; please refer to the press release dated 25th February 2011.

2010 Annual Report has been submitted to the Board of Statutory Auditors and to the external auditors, for their review, and it will be subsequently published on Saras website www.saras.it.

Herewith enclosed are the 2010 Statement of Financial Position, Income Statement and Statement of Comprehensive Income, Statement of Changes in Consolidated Shareholders' Equity, and Cash Flow Statement for both the Saras Group and for the parent company Saras S.p.A..

Comments to Saras Group Full Year 2010 results

The global economic recovery in 2010 proceeded unevenly: in advanced economies, industrial activity and GDP growth remained subdued, amid high unemployment, reduced household income, and limited consumer confidence. Sovereign and financial troubles in peripheral countries of the Euro zone contributed to the downside risks. By contrast, in emerging economies, industrial activity was buoyant, and also job creation, GDP and investments grew significantly, bringing along some unwanted consequences, such as inflationary pressure and signals of overheating. In the above context, demand for oil products followed the same patterns as GDP, and European refining margins could not post any meaningful improvement versus

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 **Comparable EBITDA:** calculated evaluating inventories based on LIFO methodology (which does not include revaluations and write downs), and adjusting for non recurring items and change of the derivatives fair value.

³ **Adjusted Net Result:** Net Income or Loss adjusted for the differences between LIFO and FIFO inventories after taxes, non recurring items after taxes and change in the derivatives fair value after taxes.

Comparable and adjusted results are not subject to audit review.



the previous year. As a matter of fact, our EMC benchmark refining margin stood at 0.6 \$/bl in 2010 (even lower than the disappointing 0.7 \$/bl posted in FY 2009).

The performance of Saras Refining and Marketing segments was unavoidably influenced by the above mentioned weak market scenario. On the other hand, the Power Generation segment provided an important effect of stabilization to the overall Group EBITDA and, similarly, the Wind segment achieved a very strong performance, thanks to favourable wind conditions in the first and in the last quarters of the year.

Group Revenues in FY 2010 were EUR 8,615 ml up 62% vs. FY 2009, with substantially higher revenues coming from the Refining and Marketing segments, in the light of a reduction in the percentage of third party processing activity, as well as significantly higher oil products' prices.

Group reported EBITDA in FY 2010 was EUR 223.5 ml, (down 35% vs. FY 2009). This result comes despite a higher operational performance of the Sarroch refinery in 2010 versus 2009 (thanks to a lighter planned maintenance schedule, which allowed a better margin capture), and also stronger results in the Power Generation segment. Indeed, 2009 *reported* results benefited from a much stronger revaluations of the oil inventories at year end, related to the growing trends followed by oil prices throughout the year.

Group reported Net Result stood at EUR -9.5 ml in FY 2010, down 113% vs. EUR 72.6 ml in FY 2009, for the same reason explained at EBITDA level. Moreover, in FY 2010 depreciation and amortization charges stood at EUR 207.4 ml (vs. EUR 193.1 ml in FY 2009).

Group comparable EBITDA amounted to EUR 149.2 ml in FY 2010, up 6% vs. EUR 141.2 ml in FY 2009, and **Group adjusted Net Result was EUR -43.9 ml**, up 19% vs. EUR -54.5 ml in FY 2009. As previously commented, these improvements can be primarily explained with the higher operational efficiency and availability of the refinery, and also with the stronger results from the Power Generation segment. The contributions of these two segments more than offset the weaker results of the Marketing segment.

As it is well known, *comparable* and *reported* figures differ 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. In FY 2010, the above mentioned LIFO/FIFO difference after tax was equal to EUR -49.5 ml, due to the increase in crude and oil products prices. The remaining difference relates to changes in fair value of derivative instruments net of taxes, worth approximately EUR 15.1 ml.

CAPEX in FY 2010 stood at approx. EUR 129 ml, in line with the previously announced 2010 investment programme, and distributed primarily between the Refining Segment (EUR 92.5 ml) and the Wind segment (EUR 14.9 ml).

On 31st December 2010, the Group Net Financial Position was negative by EUR 560 ml, substantially in line with the position as of 31st December 2009, which was negative by EUR 533 ml. The year on year change in NFP can be explained primarily by the negative cashflow for the CAPEX of the period (EUR 129 ml), almost entirely compensated by the positive cashflow from operations (EUR 102 ml, related to a decrease in working capital requirements, as well as self-financing from provisions for depreciation and amortisation).

Comments to Saras S.p.A. Full Year 2010 results

In FY 2010 refinery runs stood at 104.7 ml barrels (corresponding to 14.3 ml tons). This operating performance was 8% higher than same period last year, because the scheduled maintenance activities carried out on the crude distillation units in FY 2009 were significantly heavier than in FY 2010, hence causing a larger reduction on runs.



Processing on behalf of third parties went down to 7% of total runs (vs. 30% in FY 2009), because a processing contract expired at the end of 2009 and was not renewed, due to unfavourable market conditions.

With an average density of 32.4°API in FY 2010, the crude mix was overall in line with the average of last year. However, the percentage of “sour” crude oils (both heavy and medium) slightly decreased in FY 2010 vs. FY 2009 levels, mainly to the advantage of “light sweet” crude oils. This switch derives from a decision to use heavier crude oils as a feed for the gasification cycle, and a resulting acquisition of a basket of lighter crude oils, in order to bring the topping units to full utilization.

Revenues of Saras S.p.A. in FY 2010 were EUR 7,502 ml, up 64% vs. FY 2009. This increase can be primarily explained when considering the higher prices for oil products, as well as the reduction in the percentage of third party processing activity.

EBITDA reported for Saras S.p.A. was EUR -41 ml in FY 2010, down 153% versus FY 2009. Such result is the consequence primarily of a negative effect from the evaluations of oil inventories, due to the trend of oil prices during 2010. Furthermore, it should be noted that **the average of the exchange rate USD/EUR stood at 1.326 in FY 2010**, versus an average of 1.395 in FY 2009.

Net Result reported of Saras S.p.A. was EUR -110,1 ml, down 241% vs. EUR 78,0 ml in FY 2009.

CAPEX in FY 2010 was approx. EUR 95 ml (versus EUR 244 ml in FY 2009), in line with investment plan for the period.

Net Financial Position for Saras S.p.A. on 31st December 2010 was negative by EUR 501 ml, increased versus the Net Financial Position of EUR -345 ml as of 31st December 2009. The year on year change in NFP can be explained primarily by the negative cashflow from operations and for the CAPEX of the period.

Dividend

Coherently with the negative *adjusted* net result posted by Saras Group in FY 2010, and in line with our dividend policy, the Board of Directors will propose to the AGM no dividend distribution.

Buyback of own shares

During yesterday’s meeting, the Board of Directors of Saras S.p.A. decided to propose to the forthcoming Shareholders’ meeting to resolve on the authorisation for the following matters:

- (i) a “share buyback programme”, up to a maximum number of 72,423,602 ordinary shares of Saras S.p.A., to be implemented also in several stages as appropriate, and to take place in the twelve months following the expiry of the “share buyback programme” previously approved by the AGM on the 27th April 2010 (which means, in the twelve months following the 27th October 2011);
- (ii) the disposal of the shares purchased under the above “share buyback programme”, to be done also in several stages as appropriate, pursuant to Article 2357 of the Italian Civil Code, Article 132 of the Legislative Decree no. 58/1998 (the Italian Financial Services Act, also known as “TUF”) and related norms, and Article 2357-ter of the Italian Civil Code.

The share buyback programme shall not alter the Group’s current growth plans, and it represents a good opportunity to maximise value creation for shareholders. Purchased shares may be used to take advantage of any investment opportunities and they will therefore be held in treasury.



Annual Shareholders meeting

Shareholders of Saras S.p.A. are invited to attend the Annual General Meeting of ordinary shareholders to be held at Palazzo Turati, Via Meravigli 9b – Milano, on 28th April 2011 at 10:30 for the first call, and if necessary, on 29th April 2011 at the same time and venue for the second call, to resolve on the following

Agenda:

1. Approval of the financial statements at 31st December 2010 and presentation of the consolidated financial statements at 31st December 2010. Related resolutions;
2. Changes to the following articles of the “AGM Regulations”: Article 2 (Participation in the AGM), Article 10 (Duration of contributions), Article 11 (Answers and follow-ups) and Article 18 (Election of Directors and Auditors);
3. Authorisation for the “share buyback programme” and disposal of the shares purchased under the “share buyback programme”. Related resolutions.

Main Events after the end of the year 2010

In the past few days, the dramatic developments of the Libyan crisis forced the United Nations Organization to impose a “no fly zone” over the Libyan territories, followed by the adoption of restrictive measures imposed by the European Union. Among the companies affected by the above measures, there is also the Libyan national oil company NOC. Therefore, at the moment, the Saras Group suspended purchases of crude oil from NOC.

Traditionally, Sarroch refinery runs have been planned using a meaningful quantity of Libyan crude oils (between 35% ÷ 40% of the total runs). Approximately half of this volumes have some peculiar characteristics, such as low sulphur, high content of paraffins, etc. On the other hand, the Saras Group has always demonstrated, among its major strengths, a large operational flexibility (which allows our refinery to process more than twenty different crude oils each year), and also a constant presence in the international oil markets. Therefore, at this stage, the Saras “Supply and Trading” department is already active to optimise the supply of crude oil to the refinery, with the objective of maintaining the units at full capacity, and of minimising the potential economic impact of the above mentioned situation.

2011 financial results could be affected by the aforementioned factors, depending on the duration and intensity of the Libyan crisis. However, Libya will eventually restart crude oil production and export activities, since those are a necessary source of revenues for the country. Saras will therefore continue to be an obvious outlet channel for Libyan oil production, also thanks to its logistic position in the Mediterranean sea.



For further information please contact:

Massimo Vacca

Saras – Head of Investor Relations

Tel +39 02 7737376

Alessandra Gelmini

Saras – IR Officer

Tel +39 02 7737642

Rafaella Casula

Saras – Financial Communications

Tel. +39 02 7737495

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 it will achieve its full capacity of 96MW already 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.



CONSOLIDATED FINANCIAL STATEMENTS

Statement of Consolidated Financial Position as of 31st December 2010 and as of 31st December 2009

EUR thousand	31/12/2010	31/12/2009
ASSETS		
current assets	1,936,994	1,405,678
Cash and cash equivalents	80,835	111,372
Other financial assets held for trading or available for sale	28,800	21,301
Trade receivables	868,537	396,954
<i>of which with related parties:</i>	<i>107</i>	<i>90</i>
Inventories	812,162	732,077
Current tax assets	39,266	39,983
Other assets	107,394	103,991
Non-current assets	1,956,224	2,019,986
Property, plant and equipment	1,473,284	1,525,547
Intangible assets	414,206	445,549
Other equity interests	571	571
Deferred tax assets	67,283	46,932
Other financial assets	880	1,387
Total assets	3,893,218	3,425,664
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities	1,495,547	1,181,771
Short-term financial liabilities	187,790	379,562
Trade and other payables	1,123,500	646,992
<i>of which with related parties:</i>	<i>68</i>	<i>30</i>
Current tax liabilities	89,900	67,955
Other liabilities	94,267	87,262
Non-current liabilities	1,177,286	1,015,853
Long-term financial liabilities	481,937	289,552
Provisions for risks and charges	78,533	41,118
Provisions for employee benefits	30,547	35,420
Other liabilities	586,269	649,763
Total liabilities	2,672,833	2,197,624
EQUITY		
Share capital	54,630	54,630
Legal reserve	10,926	10,926
Other reserves	1,164,297	1,089,884
Profit/(loss) for the year	(9,468)	72,552
Total equity attributable to owners of the company	1,220,385	1,227,992
Minority interest		48
Total Equity	1,220,385	1,228,040
Total liabilities and equity	3,893,218	3,425,664



Consolidated Income Statement and Statement of Comprehensive Income for the periods: 1st January –31st December 2010 and 2009

Consolidated Income Statement for the periods: 1st January - 31st December 2010 and 2009

EUR thousand	1 January 31 December 2010	of which non recurring	1 January 31 December 2009	of which non recurring
Revenues from ordinary operations	8,529,750		5,229,506	
Other income	84,888		87,083	
<i>of which with related parties:</i>	107		91	
Total revenues	8,614,638	0	5,316,589	0
Purchases of raw materials, spare parts and consumables	(7,629,722)		(4,293,713)	
Cost of services and sundry costs	(611,033)		(534,844)	
<i>of which with related parties:</i>	1,280		1,650	
Personnel costs	(150,482)		(142,499)	
Depreciation, amortization and write-downs	(207,327)		(193,130)	
Total costs	(8,598,564)	0	(5,164,186)	0
Operating results	16,074	0	152,403	0
Net income (charges) from equity interests	0		(3)	
<i>of which with related parties:</i>	0		(3)	
Financial income	37,463		16,623	
Financial charges	(67,344)		(50,343)	
Profit before taxes	(13,807)	0	118,680	0
Income tax for the period	4,339		(46,122)	
Net profit/(loss) for the period	(9,468)	0	72,558	0
Net profit/(loss) for the period attributable to:				
Equity holders of the company	(9,468)		72,552	
Minority interest	0		6	
Earnings per share - basic (Euro cent)	(1.02)		7.82	
Earnings per share - diluted (Euro cent)	(1.02)		7.82	

Statement of Comprehensive Income for the periods: 1st January - 31st December 2010 and 2009

EUR thousand	1 January 31 December 2010	1 January 31 December 2009
Net result of the period (A)	(9,468)	72,558
Effect of exchange rate on financial accounts	(10)	2
Income / (loss), net of fiscal effect (B)	(10)	2
Consolidated Comprehensive Result of the period (A + B)	(9,478)	72,560
Net consolidated Comprehensive Result of the period pertaining to :		
Parent Company shareholding	(9,478)	72,554
Minority Interest	0	6



Statement of Changes in Consolidated Shareholders' Equity from 31st December 2008 to 31st December 2010

EUR thousand	Share Capital	Legal Reserve	Other Reserves	Profit (Loss)	Total equity attributable to owners of the company	Minority interest	Total Equity
Balance as of 31/12/2008	54,630	10,926	1,183,675	61,822	1,311,053	0	1,311,053
Allocation of previous year profit			61,822	(61,822)			0
Reserve for employees stock plan			2,051		2,051		2,051
Dividends			(157,721)		(157,721)		(157,721)
Effect of Corporate tax rate reduction (IRES)			55		55		55
Minority on Artemide Srl acquisition					0	42	42
Effect of exchange rate on financial accounts			2		2		2
Net profit (loss) for the period				72,552	72,552	6	72,558
Balance as of 31/12/2009	54,630	10,926	1,089,884	72,552	1,227,992	48	1,228,040
Allocation of previous year profit			72,552	(72,552)	0		0
Reserve for employees stock plan			2,219		2,219		2,219
Effect of exchange rate on financial accounts			(10)		(10)		(10)
Acquisition 49% Artemide S.r.l.			(348)		(348)	(48)	(396)
Net profit (loss) for the period				(9,468)	(9,468)	0	(9,468)
Balance as of 31/12/2010	54,630	10,926	1,164,297	(9,468)	1,220,385	0	1,220,385



Consolidated Cash Flow Statements as of 31st December 2010 and as of 31st December 2009

EUR thousand	1/1/2010 - 31/12/2010	1/1/2009 - 31/12/2009
A - Cash and cash equivalents at the beginning of year	111,372	65,180
B - Cash generated from/(used in) operating activities		
Net Profit / (Loss) for the period	(9,468)	72,558
Amortization, depreciation and write-down of fixed assets	207,327	193,130
Net (income)/charges from equity interests	0	3
Net change in provisions for risks and charges	37,415	11,923
Net change in employee benefits	(4,873)	(2,074)
Net Change in tax liabilities and tax assets	(20,351)	12,021
Income tax	(4,339)	46,122
Change in Fair Value of negotiable financial assets, and of financial liabilities	13,561	
Other non cash items	2,209	2,150
Profit (Loss) from operating activities before changes in working capital	221,481	335,833
(Increase)/Decrease in trade receivables	(471,583)	242,372
<i>of which with related parties:</i>	<i>(17)</i>	<i>183</i>
(Increase)/Decrease in inventory	(80,085)	(254,987)
Increase/(Decrease) in trade and other payables	476,508	86,125
<i>of which with related parties:</i>	<i>38</i>	<i>(211)</i>
Change in other current assets	(5,917)	(27,288)
Change in other current liabilities	71,373	69,570
Income tax paid	(21,943)	(130,250)
Change in other non-current liabilities	(63,494)	(45,785)
Total (B)	126,340	275,590
C - Cash flow from (to) investment activities		
(Investments) in tangible and intangible assets	(128,951)	(316,972)
(Investments) disinvestments in other holdings	0	529
Change in financial assets	5,450	1,431
Interest received	213	777
Other non cash items	5,230	1,195
Total (C)	(118,058)	(313,040)
D - Cash generated from/(used in) financing activities		
Increase/(Decrease) in medium/long term borrowings	192,385	120,693
Increase/(Decrease) in short term borrowings	(214,544)	135,582
Dividend distribution to shareholders	0	(157,721)
Interest paid	(16,264)	(14,912)
Acquisition 49% Artemide S.r.l.	(396)	0
Total (D)	(38,819)	83,642
E - Cashflow for the year (B+C+D)	(30,537)	46,192
F - Cash from new consolidated subsidiaries	0	0
G - Cash and cash equivalents at the end of year	80,835	111,372



SARAS S.p.A. FINANCIAL STATEMENTS

Saras S.p.A. Statement of Financial Position as of 31st December 2010
and as of 31st December 2009

(EUR thousand)	31/12/2010	31/12/2009
ASSETS		
Current assets	1,533,695	960,959
Cash and cash equivalents	46,906	22,104
Other financial assets held for trading or available for sale	16,243	17,541
Trade receivables	699,119	244,975
<i>of which with related parties:</i>	<i>309,763</i>	<i>130,695</i>
Inventories	622,652	552,613
Current tax assets	36,843	35,610
Other assets	111,932	88,116
<i>of which with related parties:</i>	<i>82,687</i>	<i>60,999</i>
Non-current assets	1,217,243	1,194,562
Property, plant and equipment	771,727	787,909
Intangible assets	15,602	11,490
Other Equity interests at cost	303,891	306,336
Other equity interests	495	495
Deferred tax assets	49,764	17,917
Other financial assets	75,764	70,415
<i>of which with related parties:</i>	<i>75,350</i>	<i>70,000</i>
Total assets	2,750,938	2,155,521
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities	1,374,703	947,094
Short-term financial liabilities	285,642	345,335
<i>of which with related parties:</i>	<i>151,012</i>	<i>59,440</i>
Trade and other payables	1,004,720	520,373
<i>of which with related parties:</i>	<i>30,208</i>	<i>26,991</i>
Current tax liabilities	14,034	17,469
Other liabilities	70,307	63,917
Non-current liabilities	575,062	299,387
Long-term financial liabilities	437,005	188,795
Provisions for risks and charges	69,649	32,239
Provisions for employee benefits	28,013	32,996
Other liabilities	40,395	45,357
<i>of which with related parties:</i>	<i>40,034</i>	<i>45,005</i>
Total liabilities	1,949,765	1,246,481
EQUITY		
Share capital	54,630	54,630
Legal reserve	10,926	10,926
Other reserves	845,703	765,443
Profit/(loss) for the period	(110,086)	78,041
Total Equity	801,173	909,040
Total liabilities and equity	2,750,938	2,155,521



Saras S.p.A. Income Statement and Statement of Comprehensive Income for the periods: 1st January –31st December 2010 and 2009

SARAS S.p.A. - INCOME STATEMENT FOR THE YEAR PERIODS: 1ST JANUARY - 31ST DECEMBER 2010 AND 2009

(EUR Thousand)	1 January December 2010	31 of which non recurring	1 January December 2009	31 of which non recurring
Revenues from ordinary operations	7,394,327		4,478,195	
<i>of which with related parties:</i>	<i>2,070,034</i>		<i>1,398,720</i>	
Other income	107,958		100,374	
<i>of which with related parties:</i>	<i>90,181</i>		<i>74,427</i>	
Total revenues	7,502,285	0	4,578,569	0
Purchases of raw materials, spare parts and consumables	(6,975,911)		(4,006,871)	
<i>of which with related parties:</i>	<i>(36,904)</i>		<i>(55,646)</i>	
Cost of services and sundry costs	(461,265)		(390,225)	
<i>of which with related parties:</i>	<i>(77,233)</i>		<i>(69,725)</i>	
Personnel costs	(105,860)		(103,688)	
Depreciation, amortization and write-downs	(106,945)		(95,887)	
Total costs	(7,649,981)	0	(4,596,671)	0
Operating results	(147,696)	0	(18,102)	0
Net income (charges) from equity interests	(2,445)		103,549	
<i>of which with related parties:</i>	<i>(2,445)</i>		<i>103,549</i>	
Other financial income	39,232		18,547	
<i>of which with related parties:</i>	<i>2,686</i>		<i>2,093</i>	
Other financial charges	(58,948)		(36,882)	
<i>of which with related parties:</i>	<i>(1,240)</i>		<i>(865)</i>	
Profit before taxes	(169,857)	0	67,112	0
Income tax for the period	59,771		10,929	
Net profit/(loss) for the period	(110,086)	0	78,041	0

SARAS S.p.A. - STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIODS: 1ST JANUARY - 31ST DECEMBER 2010 AND 2009

(EUR Thousand)	1 January December 2010	31	1 January December 2009	31
Result of the year (A)	(110,086)		78,041	
Income / (loss), net of fiscal effect (B)	0		0	
Consolidated Comprehensive Result of the period (A + B)	(110,086)		78,041	



Saras S.p.A. Statement of changes in Shareholders' Equity for the period from 31st December 2008 to 31st December 2010

(EUR thousand)	Share Capital	Legal Reserves	Other Reserves	Profit (loss)	Totale equity
Balance as of 31/12/2008	54,630	10,926	860,223	60,834	986,613
Allocation of previous year profit			60,834	(60,834)	0
Reserve for employees stock plan			2,052		2,052
Dividends			(157,721)		(157,721)
Effect of Corporate tax rate reduction (IRES)			55		55
Profit (loss) for the year				78,041	78,041
Balance as of 31/12/2009	54,630	10,926	765,443	78,041	909,040
Allocation of previous year profit			78,041	(78,041)	0
Reserve for employees stock plan			2,219		2,219
Profit (loss) for the year				(110,086)	(110,086)
Balance as of 31/12/2010	54,630	10,926	845,703	(110,086)	801,173



Saras S.p.A. Cashflow statement as of 31st December 2010 and 31st December 2009

(EUR thousand)	1/1/2010 - 31/12/2010	1/1/2009 - 31/12/2009
A - Cash and cash equivalents at the beginning of year	22,104	3,316
B - Cash generated from/(used in) operating activities		
Profit/ (Loss) for the period	(110,086)	78,041
Amortization, depreciation and write-down of fixed assets	106,945	95,887
Net (income)/charges from equity interests	2,445	(3,549)
<i>of which with related parties:</i>	2,445	(3,549)
Net change in provisions for risks and charges	37,410	13,578
Net change in employee benefits	(4,983)	(2,068)
Net Change in tax liabilities and tax assets	(31,847)	3,876
Dividends from subsidiaries	0	(100,000)
<i>of which with related parties:</i>	0	(100,000)
Income tax	(59,771)	(10,929)
Change in Fair Value of negotiable financial assets, and of financial liabilities	25,710	
Other non cash items	2,219	2,107
Profit / (Loss) from operating activities before changes in working capital	(31,958)	76,943
(Increase) / Decrease in trade receivables	(454,144)	217,280
<i>of which with related parties:</i>	(179,068)	64,589
(Increase) / Decrease in inventory	(70,039)	(226,777)
Increase / (Decrease) in trade and other payables	484,347	26,800
<i>of which with related parties:</i>	3,217	(12,765)
Change in other current assets	(28,280)	(73,732)
<i>of which with related parties:</i>	(5,350)	(32,401)
Change in other current liabilities	83,246	94,101
Income tax paid	(10,097)	(94,728)
Change in other non-current liabilities	(4,962)	(18,289)
<i>of which with related parties:</i>	(5,021)	(4,972)
Total (B)	(31,887)	1,598
C - Cash flow from / (to) investment activities		
Investments in tangible and intangible assets	(94,502)	(244,421)
Dividends	0	100,000
<i>of which with related parties:</i>	0	100,000
Changes in Equity interests	0	(1,000)
Change in financial assets	(4,136)	(1,708)
<i>of which with related parties:</i>	0	0
Interest received	2,718	2,347
<i>of which with related parties:</i>	2,686	2,093
Other non cash items	(373)	11
Total (C)	(96,293)	(144,771)
D - Cash generated from / (used in) financing activities		
Increase / (Decrease) in medium/long term borrowings	248,210	188,795
Increase / (Decrease) in short term borrowings	(82,087)	139,588
<i>of which with related parties:</i>	91,572	842
Dividend distribution to shareholders	0	(157,721)
Interest paid	(13,141)	(8,701)
<i>of which with related parties:</i>	(1,240)	(865)
Total (D)	152,982	161,961
E - Cashflow for the year (B+C+D)	24,802	18,788
F - Cash and cash equivalents at the end of year	46,906	22,104