SARAS announces first quarter 2008 results[1]

Strong diesel crack supported quarterly earnings

First quarter 2008 highlights

- **Group comparable[2] EBITDA at EUR 148.1 ml**
  - +1% vs Q1/07[3]
  - +25% vs previous quarter
- **Group adjusted[4] net income at EUR 75.4 ml**
  - +14% vs Q1/07
  - +71% vs previous quarter
- **Refining margin at 7.6 $/bl**
  - +13% vs Q1/07
  - +9% vs previous quarter
- **Net financial position: positive by EUR 77 ml** vs a negative of EUR 27 ml at the end of 2007

Milan, 09 May, 2008. - The Board of Directors of Saras S.p.A. met yesterday under Chairman GianMarco Moratti and approved first quarter 2008 results. The Chairman declared: "***We had an excellent first quarter, with growing earnings compared to last year notwithstanding a substantially weaker US dollar and lower benchmark refining margins. The current market scenario, characterized by a buoyant diesel crack spread, supports our long term view and strengthens the competitive positioning of our core asset".***

[1] **The executive manager** responsible for the preparation of the company's financial reporting, Mr. Corrado Costanzo, states, pursuant to the provisions of article 154 bis, paragraph 2, of the Consolidated Finance Act, 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 at LIFO

[3] **2007 first three quarters comparable figures have been restated** after the resolution of the Energy Authority n°249/06 which modified the criteria for the evaluation of the "fuel component" of the electricity price generated by CIP6 plants; details about restated figures can be found at the end of this press release

[4] **Adjusted net income:** Net income adjusted by difference between inventories at LIFO and inventories at FIFO after taxes, non recurring items after taxes and change in the derivatives fair value after taxes

Program of the conference call organized for today 09th May 2008

at **15:00 C.E.T**. conference call for analysts and investors. Slide presentation will be distributed and is available on our website www.saras.it from 07:30 am CET.

Dial in numbers:
For Italy **+39 02 36 00 90 16**
For U.K. **0 808 238 9072**
For U.S. **+1 866 508 8020**

Link for the live webcast
http://phx.corporate-ir.net/phoenix.zhtml?p=irol-eventDetails&c=198291&eventID=1829814

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

For any information please contact:

Marco Schiavetti
Saras – IR Manager
Tel. +39 02 7737301

Giordano Serafini
Saras – IR Officer
Tel + 39 02 7737641

Rafaella Casula
Saras – Head of Financial Communications
Tel. +39 02 7737495

THE SARAS GROUP

The Saras Group, whose operations were launched by Angelo Moratti in 1962, works in the energy industry 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 subsidiary Sarlux S.r.l. and the Parchi Eolici di Ulassai S.r.l. joint-venture. 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 operates in the information services sector through the subsidiary Akhela S.r.l..
The Group, with about 1,900 employees, during 2007 reported total revenues of about EUR 6.7 billion, an operating profit of EUR 509 million and net profit of EUR 323 million.
Saras' operations are mainly centred at the Sarroch refinery near Cagliari on the southern coast of Sardinia. Sarroch is one of the largest refinery in the Mediterranean by production capacity and one the most complex in Europe. The refinery's actual capacity is 15 million tonnes per year (110 million barrels), representing about 15% of Italy's total capacity. Sarlux owns a combined cycle power plant with gross capacity of 575 megawatts and annual production exceeding 4 billion KWhours, all of which is sold to the GSE (the Italian entity that manages renewable sources).

Key Consolidated financial figures

Below are the key consolidated financial figures, shown in comparison with the data from the same period last year.
2007 first three quarters comparable figures have been restated after the resolution of the Energy Authority n°249/06 which modified the criteria for the evaluation of the "fuel component" of the electricity price generated by CIP6 plants; details about restated figures can be found at the end of this press release.

Saras Group income statement figures:

EUR Million	Q1/08	Q1/07	var %	Q4/07
REVENUES	2.054	1.507	36%	1.825
EBITDA	151,4	145,3	4%	168,3
EBITDA *comparable*	**148,1**	**147,1**	**1%**	**118,1**
EBIT	113,3	105,3	8%	37,6
EBIT *comparable*	**110,0**	**107,1**	**3%**	**75,2**
NET INCOME	78,3	51,0	54%	46,2
***adjusted* NET INCOME**	**75,4**	**66,2**	**14%**	**44,2**

Other Group figures:

EUR Million	Q1/08	Q1/07	Q4/07
NET FINANCIAL POSITION	**77**	**(135)**	**(27)**
CAPEX	**59**	**36**	**63**
OPERATING CASH FLOW	**165**	**189**	**173**

Overview of first quarter results

Saras Group registered very good results during the first quarter, showing an improvement versus the same period of last year despite of a much stronger EUR/USD exchange rate (1.50 vs 1.31) and weaker refining benchmark margins (the EMC benchmark was at 2.0 $/bl vs 3.0 $/bl in the first quarter last year).

Group **Revenues** were EUR 2,054 ml up 37% compared to last year in the light of higher oil product prices.

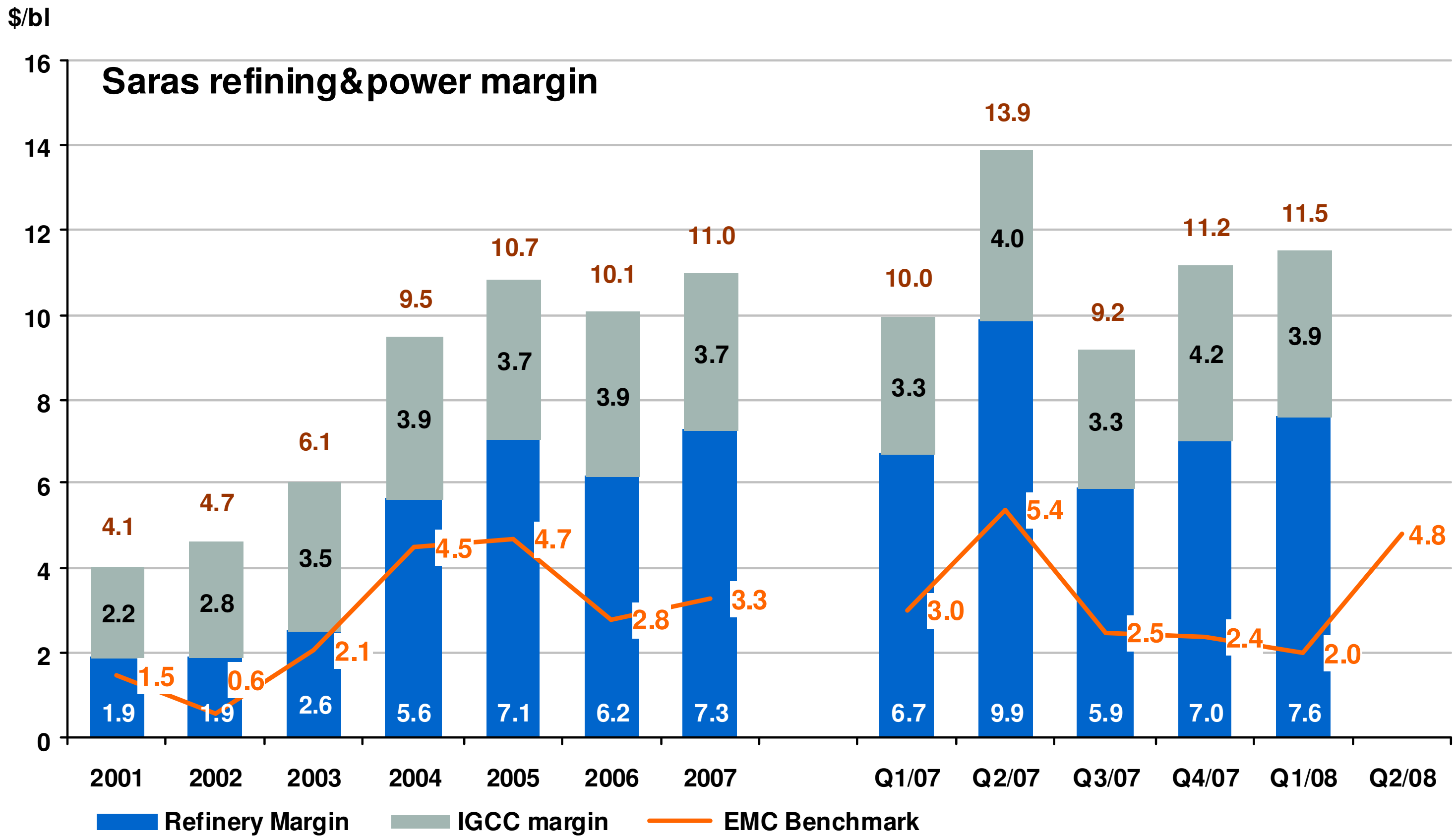
Group **Comparable EBITDA** amounted to EUR 148.1 ml slightly up (+1%) vs last year with a good performance in all segments.

Adjusted net income was EUR 75.4 ml, up 14% vs last year, mainly as a consequence of lower corporate tax rate and interest expenses.

CAPEX amounted to EUR 59 ml in the period, in line with the investment program for 2008.

Net Financial Position turned positive and was at EUR 77 ml, up EUR 104 ml from the negative of EUR 27 ml at the end of 2007, in the light of a strong operating cashflow.

During the quarter a total of 400,000 Saras shares have been bought from the market at an average price of EUR 3.20 per share. Outstanding shares at 31/03/2008 are therefore 949.9 million from 950.3 million at the end of 2007.



Segment Reviews

Below is the main information relating to the various business segments within the Saras Group.
Furthermore, detailed results of the Sardeolica joint venture (Wind segment) are given in order to provide complete information, although the company is consolidated using the equity method.

Refining

EUR Million	Q1/08	Q1/07	var %	Q4/07
EBITDA	91.4	88.5	3%	120.5
EBITDA *comparable*	**94.4**	**95.7**	**-1%**	**61.4**
EBIT	73.8	70.7	4%	100.4
EBIT *comparable*	**76.8**	**77.9**	**-1%**	**41.3**
CAPEX	**38**	**30**	**27%**	**54**

Overview on first quarter results

Refining operations were very good; all the units ran at full capacity until the last days of March, when the planned shut-down of the mildhydrocracking, visbreaking and alkylation units was started for maintenance activities.
Refinery runs were at 28.6 million barrels, up 3% vs Q1/07 (+2% on a daily basis: 314 kbd vs 309 kbd), which represents a record high level for a quarter.
The processing on behalf of third parties was 31% of total runs, down from 36% in Q1/07.

During the quarter we were able to take advantage of two key market trends:

a. on the crude supply side, the profitability of Caspian crude oil; the portion of these crude oils grew significantly in our mix and the amount of light crudes increased to more than 53% of total runs; notwithstanding that, the average crude oil density was substantially unchanged at 33.0°API
b. on the product side, the strong diesel crack in a context of weak gasoline market; thanks to the refinery flexibility we have been able to optimize our production, shifting as much light products as possible to middle distillates, and the result was that middle distillates yield increased to 53.2% (vs 51.7% on average in 2007) while LPG, naphtha and gasoline decreased to a total of 27.6% (vs 29.8 on average in 2007)

Refining margin was 7.6 $/bl, with a premium of 5.6 $/bl above the EMC benchmark that averaged 2.0$/bl in the quarter. This premium exceeded significantly the company guidance of 4.0 to 4.5 $/bl for several reasons that can be analyzed as follows:

1. oil market prices showed a constantly rising diesel crack spread and a constantly weakening of fuel oil crack spread; the conversion spread[5], thus, increased to unprecedented levels (430 $/ton in the quarter, compared to about 310 $/ton both for the FY2006 and FY2007). Saras refinery is more complex than the average refinery represented by the EMC benchmark and has consequently higher yields in middle distillates and lower yields in fuel oil; this means that when the conversion spread widens also the premium that Saras can structurally achieve over the benchmark increases.
2. during the first half of the quarter when market conditions were particularly difficult, processing agreements protected our refining margins
3. the very good operating performance, the optimization of crude supply and the shift of yields from gasoline to diesel allowed us to further increase the premium

As a consequence, the EBITDA of the refining segment was substantially in line with the first quarter of last year (-1%), notwithstanding lower benchmark margins (-1.0 $/bl) and higher EUR/USD exchange rate (+14%).

[5] Conversion spread: difference between diesel price and the average of low sulphur and high sulphur fuel oil prices

Margins and refinery runs

		Q1/08	Q1/07	var %	Q4/07
REFINERY RUNS	Thousand ton	3,920	3,809	3%	3,530
	Million bl	28.6	27.8	3%	25.8
	thousand bl/day	314	309	2%	280
of which: Processing for own account	Thousand ton	2,699	2,420	12%	2,020
Processing on behalf of third parties	Thousand ton	1,221	1,389	-12%	1,510
EXCHANGE RATE	EUR/USD	1.50	1.310	14%	1.450
EMC BENCHMARK MARGIN	$/bl	2.0	3.0	-33%	2.4
SARAS REFINERY MARGIN	$/bl	7.6	6.7	13%	7.0

Production

		Q1/08	2007	2006
LPG	thousand ton	99	306	312
	yield	2.5%	2.1%	2.2%
NAPHTHA + GASOLINE	thousand ton	984	4,039	3,893
	yield	25.1%	27.7%	27.3%
MIDDLE DISTILLATES	thousand ton	2,086	7,541	7,350
	yield	53.2%	51.7%	51.4%
FUEL OIL & OTHERS	thousand ton	245	707	725
	yield	6.3%	4.8%	5.1%
TAR	thousand ton	284	1,120	1,152
	yield	7.2%	7.7%	8.1%

Balance to 100% is Fuel&losses

Crude Oil slate

		Q1/08	2007	2006
Light extra sweet		53.1%	44.8%	42.6%
Light sweet		0.3%	2.2%	4.9%
Medium sweet				1.4%
Light sour				
Medium sour		20.1%	25.7%	23.4%
Heavy Sour		26.5%	27.3%	27.6%
Average crude gravity	°API	33.0	32.9	32.9

Marketing

Below are the financial highlights of the marketing segment, which is primarily focused on the wholesale business where the Saras Group operates through Arcola Petrolifera S.p.A. in Italy and Saras Energia S.A. in Spain.

EUR Million	Q1/08	Q1/07	var %	Q4/07
EBITDA	12.7	3.0		14.5
EBITDA *comparable*	**6.4**	**5.5**	**16%**	**10.1**
EBIT	11.5	1.7		13.2
EBIT *comparable*	**5.2**	**4.2**	**24%**	**8.8**
CAPEX	**10.6**	**0.2**		**5.0**

Sales

		Q1/08	Q1/07	var %	Q4/07
TOTAL SALES	Kton	1,032	934	10%	1,057
of which Italy	Kton	286	255	12%	318
of which Spain	Kton	746	680	10%	740

Overview on first quarter results

Marketing achieved a good performance in the first quarter with EBITDA *comparable* up 16% versus the same period last year.

During the first quarter the trend of growing diesel and declining gasoline consumption has continued both in Italy and Spain. In this context overall sales were in line with Q4/07 and up 10% versus same quarter last year consolidating the wholesale market share achieved during 2007. Wholesale margins were lower compared with Q4/07 but higher than the same period last year thanks to our commercial policy with increased focus on clients with higher contribution margin.

CAPEX of EUR 10.6 million are related to the ongoing construction of the biodiesel production plant close to the Saras Energia depot in Cartagena (Spain). Start of operations is expected in the third quarter 2008.

Power Generation

Below are the main financial data of the Power segment related to operations by Sarlux S.r.l. (2006 figures are proforma).
First three quarters 2007 *comparable* and Italian GAAP figures have been restated on the basis of the new tariff scheme applicable as of 1st January 2007.

EUR Milion	Q1/08	Q1/07	var %	Q4/07
EBITDA	47,7	53,7		22,9
EBITDA *comparable*	**47,7**	**45,8**	**4%**	**47,0**
EBIT	28,9	33,4		-85,8
EBIT *comparable*	**28,9**	**25,5**	**13%**	**26,2**
EBITDA ITALIAN GAAP	**70,5**	**85,4**	**-17%**	**58,5**
EBIT ITALIAN GAAP	**57,0**	**72,2**	**-21%**	**44,7**
NET INCOME ITALIAN GAAP	**37,4**	**43,1**	**-13%**	**34,8**
CAPEX	**9,3**	**4,5**		**3,0**

Other figures

		Q1/08	Q1/07	var %	Q4/07
ELECTRICITY PRODUCTION	MWh/1000	1,121	1,215	-8%	1,095
POWER TARIFF	**Eurocent/KWh**	**13.4**	**12.7**	**6%**	**12.4**
POWER IGCC MARGIN	$/bl	3.9	3.3	18%	4.2

Overview on first quarter results

Results of the Power generation segment were in line with expectations during Q1/08.
Service factor of the IGCC plant has been as usual high with production 8% lower than same period last year due to routine maintenance to one gasification and one production train (last year routine maintenance was performed during Q2).

ITALIAN GAAP EBITDA declined by 17% versus same period last year. Lower production (-8%) was almost compensated by higher power tariff (+6%) but feedstock (TAR) costs increased by about 33% since they are linked to the old indexation methodology of the electricity fuel component. This is the confirmation that the new indexation methodology of the fuel component has a bigger delay (about 10 months) versus the old formula in reflecting oil prices changes.

IFRS EBITDA *comparable* was in line with same period last year thanks to the linearization procedure required by IFRS accounting principles.

Other

The following table shows the financial highlights of the segment related to operations by Sartec S.p.A. and Akhela S.r.l.

EUR Million	Q1/08	Q1/07	var %	Q4/07
EBITDA	(0.4)	0.1		10.4
EBITDA *comparable*	**(0.4)**	**0.1**		**(0.4)**
EBIT	(0.9)	(0.5)		9.8
EBIT *comparable*	**(0.9)**	**(0.5)**		**(1.1)**

Overview on first quarter results

Results in line with expectations.

Wind

Please note that wind segment is a Joint Venture (Saras share 70%) consolidated by the equity method.

Results below are 100% figures.

EUR million	Q1/08	Q1/07	var %	Q4/07
EBITDA	**4.1**	**9.4**	**-56%**	**5.4**
EBIT	**1.9**	**7.1**	**-74%**	**2.0**
NET INCOME	0.0	3.8	-100%	1.0
***Adjusted* NET INCOME (*)**	**0.4**	**3.4**	**-87%**	**1.0**

(*) *Adjusted* Net Income: Net Income adjusted by non recurring items after taxes and change in derivatives fair value after taxes

Other figures

		Q1/08	Q1/07	var %	Q4/07
ELECTRICY PRODUCTION	MWh	49,773	54,910	-9%	51,631
POWER TARIFF	EURcent/KWh	8.5	7.62	11%	8.2
GREEN CERTIFICATES	EURcent/KWh	8.0	11.9	-32%	9.7

Overview on first quarter results

Results during first quarter were considerably lower than Q1/07.

Electricity production was 9% lower than same period last year due to less favourable windy conditions in particular during the first part of the quarter.
In addition an extremely long green certificate market caused prices to drop by 32% versus same period last year only partially compensated by higher power tariffs (+11%).

Worthy of note is that green certificates are accounted during the year on the basis of a provisional price and then typically sold in the market during end of year/beginning of following year. As a consequence about EUR 3 million have been booked in the quarter as additional costs to take in account:

- losses in the sale of some 2007 green certificates (accounted at the price of 9.7 EURcent/KWh)
- the write-down of the value of the remaining 2007 green certificates (accounted at the price of 9.7 EURcent/KWh)

As a consequence of the above mentioned reasons EBITDA declined by 56% versus same period last year.

Strategy and Investments

Continuous upgrading of the Sarroch supersite is the main focus of Saras' investments, and will be the key factor in providing significant organic growth whilst ensuring our operations remain competitive and sustainable in the long term.

This strategy is consistent with our positive view of the refining market for the next few years and reflects our strong confidence that the European deficit of high-quality automotive diesel will persist.

At the same time, Saras carefully scrutinizes M&A opportunities in its core business as well as possible growth opportunities in wind power.

Ongoing construction activities

- The construction of a gasoline desulphurization unit and a tail gas treatment/sulphur recovery plant at the Sarroch refinery is on track. The first is expected to come on stream by mid 2008 and will allow the full production of gasoline with less than 10 ppm sulphur, as required by EU specification starting from 2009. The second will be operational in the second half of 2008 and will allow Saras to be aligned with the best standards in terms of sulphur emissions.

- The construction of the bio-diesel plant in Cartagena has continued during first quarter and the unit will be ready for the start up in the third quarter 2008.

Other activities

- Gas exploration: on-shore seismic tests in Sardinia have been completed an data are in the processing phase with encouraging preliminary findings. Off-shore test will start during 2008.

Capex by segment

	Q1/08	2007	2006
RAFFINAZIONE	38.2	177	108
GENERAZIONE ENERGIA ELETTRICA	10.6	20	12
MARKETING	9.3	11	9
ALTRE ATTIVITA'	0.4	2	1
totale	**58.5**	**210**	**130**

- Capex in the Power Generation segment are related to the upgrade of Hydrogen production from the IGCC;
- Capex in the marketing segment are related to the construction of the Biodiesel plant in Cartagena (Spain).

Outlook

REFINING

- The Q2 average for EMC benchmark is **close to 5 $/bl** thanks to a persisting strong diesel crack spread.

- Change of product specifications (gasoline and diesel from 50 to 10 ppm sulphur as of 1/1/09) will provide further opportunities for high conversion refineries. Saras will be fully compliant with new specification.

- The impact on Q2 EBITDA deriving from the completed maintenance activities (which involved the mildhydrocracking, visbreaking and alkylation units) can be valued at 30M$. No other major shutdown is expected in 2008.

POWER GENERATION

- IGCC has completed the Q1/Q2 routine slowdown, and the next one is confirmed for Q4. Electricity production expected in the range of 4.3-4.5 TWh for the full year.

- Power tariff benefiting from high crude oil prices.

2007 quarterly restated figures

First three quarters 2007 comparable figures have been restated after the resolution of the Energy Authority n°249/06 which modified the criteria for the evaluation of the "fuel component" of the electricity price generated by CIP6 plants.

	Q1/07	Q2/07	Q3/07	Q4/07	2007
refining	88.5	197.2	105.3	120.5	511.5
marketing	3.0	17.3	20.6	14.5	55.4
power	53.7	52.3	53.2	22.9	182.1
other	0.1	-1.1	1.7	10.4	11.1
EBITDA	145.3	265.7	180.8	168.3	760.1
refining	**95.7**	**140.8**	**73.7**	**61.4**	**371.6**
marketing	**5.5**	**7.2**	**10.4**	**10.1**	**33.2**
power	**45.8**	**44.5**	**44.8**	**47.0**	**182.1**
other	**0.1**	**-1.0**	**1.7**	**-0.4**	**0.4**
comparable EBITDA	**147.1**	**191.5**	**130.6**	**118.1**	**587.3**
refining	17.8	17.6	18.6	20.1	74.1
marketing	1.3	1.2	1.3	1.3	5.1
power	20.3	20.5	20.3	108.7	169.8
other	0.6	0.5	0.6	0.6	2.3
depreciation&amortization	**40.0**	**39.8**	**40.8**	**130.7**	**251.3**
refining	70.7	179.6	86.7	100.4	437.4
marketing	1.7	16.1	19.3	13.2	50.3
power	33.4	31.8	32.9	-85.8	12.3
other	-0.5	-1.6	1.1	9.8	8.8
EBIT	105.3	225.9	140.0	37.6	508.8
refining	**77.9**	**123.2**	**55.1**	**41.3**	**297.5**
marketing	**4.2**	**6.0**	**9.1**	**8.8**	**28.1**
power	**25.5**	**24.1**	**24.4**	**26.2**	**100.2**
other	**-0.5**	**-1.6**	**1.1**	**-1.1**	**-2.1**
comparable EBIT	**107.1**	**151.7**	**89.7**	**75.2**	**423.7**
financial inc/expenses	-23.5	-9.2	1.6	-10.9	-42.0
interest expenses	*-5.1*	*-3.2*	*-2.3*	*-7.0*	*-17.7*
derivatives	*3.6*	*-11.8*	*-0.9*	*-2.9*	*-12.1*
fair value	*-22.0*	*5.9*	*4.8*	*-1.0*	*-12.3*
equity companies	2.6	1.3	0.3	0.8	5.0
Profit before taxes	84.4	218.0	141.9	27.5	471.8
taxes	*-33.4*	*-82.0*	*-52.4*	*18.7*	-149.0
	-40.8%	*-37.8%*	*-37.0%*	*69.9%*	*-31.9%*
reported NET INCOME	51.0	136.0	89.5	46.2	322.8
adjustments to net income	15.2	-51.6	-34.7	-2.0	-73.1
adjusted NET INCOME	**66.2**	**84.4**	**54.8**	**44.2**	**249.7**

Saras Group Financial Statements

Consolidated Balance-Sheets as at 31/03/08 and 31/12/07

EUR thousand	31/03/08	31/12/07
ASSETS		
Current Assets	**2,005,671**	**1,772,974**
Cash and cash equivalents	468,406	308,108
Other financial assets held for trading	15,382	15,209
Trade receivables	611,335	690,162
Inventory	825,047	724,715
Current tax assets	5,569	6,131
Other assets	79,932	28,649
Non-current assets	**1,687,742**	**1,669,170**
Property, plant and equipment	1,210,293	1,181,154
Intangible assets	457,568	465,443
Equity interests consolidated under the equity method	13,440	13,369
Other equity interests	1,991	1,841
Other financial assets	4,450	7,363
Total assets	**3,693,413**	**3,442,144**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities	**1,169,853**	**1,008,519**
Short-term financial liabilities	225,326	173,178
Trade and other payables	685,773	655,582
Current tax liabilities	183,147	120,922
Other liabilities	75,607	58,837
Non-current liabilities	**978,887**	**967,166**
Long-term financial liabilities	185,759	186,283
Provisions for risks	23,252	23,296
Provisions for employee benefits	36,270	36,680
Deferred tax liabilities	122,278	133,581
Other liabilities	611,328	587,326
Total liabilities	**2,148,740**	**1,975,685**
SHAREHOLDERS' EQUITY		
Share capital	54,630	54,630
Legal reserve	10,926	10,926
Other reserves	1,400,769	1,078,000
Profit/(loss) for the period	78,348	322,903
Total shareholders' equity	**1,544,673**	**1,466,459**
of which : minority interest		
capital and reserves		
Profit (loss) for the period		
Total minority interest		
Total liabilities and shareholders' equity	**3,693,413**	**3,442,144**

Consolidated Income Statements for the first quarter 2008 and 2007

EUR thousand	1-Jan-2008 31-Mar-2008	1-Jan-2007 31-Mar-2007
Revenues from ordinary operations	2,048,335	1,502,055
Other income	5,570	5,432
Total revenues	**2,053,905**	**1,507,487**
Purchases of raw materials, spare parts and consumables	(1,728,589)	(1,218,037)
Cost of services and sundry costs	(139,606)	(112,891)
Personnel costs	(34,295)	(31,202)
Depreciation, amortization and write-downs	(38,088)	(39,942)
Total costs	**(1,940,578)**	**(1,402,072)**
Operating result	**113,327**	**105,415**
Net income (charges) from equity interests	68	2,633
Other financial income/(charges), net	2,451	(23,539)
Sarlux S.r.l acquisition		
IPO and company restructuring charges		
Profit before taxes	**115,846**	**84,509**
Income tax for the period	(37,498)	(33,446)
Net profit/(loss) for the period	**78,348**	**51,063**
of which		
minority interest		
Net Profit (Loss) for the Group	**78,348**	**51,063**
Earnings per share - base (Euro cent)	**8.24**	**5.37**
Earnings per share - diluited (Euro cent)	**8.24**	**5.37**

Statement of Changes in Consolidated Shareholders' Equity for the periods 31/12/05-31/03/08

EUR thousand	Share capital	Legal reserve	Other reserves	Profit/ (Loss) for the period	Shareholders' equity
Balance as at 31/12/2005	**51,183**	**10,237**	**174,706**	**292,642**	**528,768**
Capital increase (net of IPO costs)	3,447		338,983		342,430
Allocation of previous period profit			152,946	(152,946)	
Dividends			(30,485)	(139,696)	(170,181)
Shareholders' equity increase related to the fair value evaluation of assets and liabilities of the 55% sarlux stake			188,940		188,940
Profit (loss) for the year				395,425	395,425
Balance as at 31/12/2006	**54,630**	**10,237**	**825,090**	**395,425**	**1,285,382**
Allocation of previous period profit		689	252,086	(252,775)	
Dividends				(142,650)	(142,650)
Reserve for employee stock plan			2,106		2,106
Own treasury shares in portfolio			(1,975)		(1,975)
Effect of Corporate tax rate reduction			693		693
Profit (loss) for the year				322,903	322,903
Balance as at 31/12/2007	**54,630**	**10,926**	**1,078,000**	**322,903**	**1,466,459**
Allocation of previous period profit			**322,903**	**(322,903)**	
Reserve for employee stock plan			**499**		**499**
Own share purchase			**(633)**		**(633)**
Profit (loss) for first quarter				**78,348**	**78,348**
Balance as at 31/03/2008	**54,630**	**10,926**	**1,400,769**	**78,348**	**1,544,673**

Consolidated Cash Flow Statements as at 31/03/08, 31/03/07 and 31/12/07

EUR thousand	1-Jan-2008 31-Mar-2008	1-Jan-2007 31-Mar-2007	1-Jan-2007 31-Dec-2007
A - Cash and cash equivalents at the beginning of period (short-term net financial indebteness)	**308,108**	**217,604**	**217,604**
B - Cash generated from/(used in) operating activities			
Profit/ (Loss) for the period of the Group	78,348	51,063	322,903
Non recurring income due to the Sarlux acquisition			
Amortization, depreciation and write-down of fixed assets	38,088	39,942	251,245
Net (income)/charges from equity interests	(68)	(2,633)	(3,399)
Net change in provisions for risks and charges	(44)	(2,785)	(1,189)
Net change in employee benefits	(410)	278	(8,751)
Change in tax liabilities and tax assets	(11,303)	(22,466)	(27,506)
Income tax	37,498	33,446	148,971
Profit (Loss) from operating activities before changes in working capital	**142,109**	**96,845**	**682,274**
(Increase)/Decrease in trade receivables	78,827	7,397	(115,679)
(Increase)/Decrease in inventory	(100,332)	(38,054)	(124,913)
Increase/(Decrease) in trade and other payables	30,191	6,361	103,960
Change in other current assets	(50,721)	25,958	73,314
Change in other current liabilities	42,177	48,489	86,650
Income tax paid			(156,552)
Change in other non-current liabilities	24,002	27,546	72,560
Other non cash items	(984)		949
Total (B)	**165,269**	**174,542**	**622,563**
C - Cash flow from investment activities			
(Investments) in tangible and intangible assets, net of disinvestments and accumulated depreciation and amortization	(58,505)	(35,546)	(209,922)
Change in equity interests valued under the equity method	(150)		(649)
Change in other equity interests			
Dividends from unconsolidated subsidiaries			
45% Sarlux acquisition			
100% acquisition of Estaciones de Servicio Caprabo S.A.(Saras Energia Red S.A.)			
interest received/(paid)	(680)	(4,111)	(12,136)
Total (C)	**(59,335)**	**(39,657)**	**(222,707)**
D - Cash generated from/(used in) financing activities			
Increase/(Decrease) in medium/long term borrowings	(524)	(1,043)	(136,388)
(Increase)/Decrease in other financial assets	2,740	(197)	(1,395)
Increase/(Decrease) in short term borrowings	52,148	29,122	(28,919)
Capital increase			
Dividend distribution to shareholders			(142,650)
Total (D)	**54,364**	**27,882**	**(309,352)**
E - Cashflow for the period (B+C+D)	**160,298**	**162,767**	**90,504**
F - Cashflow from new consolidated subsidiaries			
Sarlux S.r.l.			
Caprabo (Saras Energia Red S.A.)			
G - Cash and cash equivalents at the end of period (short-term net financial indebteness)	**468,406**	**380,371**	**308,108**