



**Board of Directors approves the draft financial statements as of
31st December 2008¹**

Saras Board of Directors approves the draft of financial statements as of 31st December 2008, confirming preliminary figures already released:

- Group Net Income at EUR 61.8 million
- Group *adjusted*² Net Income at EUR 327.1 ml
- Saras S.p.A. Net Income at EUR 61 million
- Group Net Financial Position at EUR -333 million, vs. EUR -27 million at end 2007

The Board of Directors will propose the following to the Annual General Meeting:

- a dividend distribution of EUR 0.17 per share (payout 48% of adjusted net income)

Milan, 27 March 2009. - The Board of Directors met yesterday under Chairman Gian Marco Moratti who declared:

“The excellent operational performance in all business segments allowed our Group to achieve, also in 2008, extremely satisfactory results. 2009 instead started as a difficult year, characterised by a deep economical crisis on a global scale, with serious implications on oil product demand and also on margins in our industrial sector.

In this context, Saras will need to be capable of adapting and reacting quickly to the changes in market conditions, critically reviewing the choices made in the past, with the objective of re-evaluating their appropriateness to the new scenarios.

Accordingly, we have already started to review the timing of the investment plan for the years starting from 2010, with the objective of realigning the various projects with the new market scenario, hence defending the interests of our shareholders.

We are sure that, in the mid term, our multi-year strategy of organic growth and our solid balance sheet, will be the catalysts that will allow our Group to retain its competitive advantage.”

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 **adjusted Net Income:** Net Income adjusted for differences between LIFO and FIFO inventory calculations after tax, non-recurring items after tax, and changes in the fair value of derivatives after tax; (unaudited)



Saras Group results

SARAS GROUP – KEY INCOME STATEMENT FIGURES

EUR Million	2008	2007	%
REVENUES	8,673	6,699	29%
EBITDA	256.6	760.1	-66%
comparable EBITDA³	673.3	587.3	15%
EBIT	88.7	508.8	-83%
comparable EBIT	505.4	423.7	19%
NET INCOME	61.8	322.7	-81%
adjusted NET INCOME	327.1	249.6	31%

SARAS GROUP – OTHER FIGURES

EUR Million	2008	2007
NET FINANCIAL POSITION	(333)	(27)
CAPEX	257	210
OPERATING CASHFLOW	275	610

MAIN FINANCIAL INDEXES

	2008	2007
Leverage ⁴	20%	2%
ROACE ⁵	21%	17%
ROAE ⁶	24%	18%

DETAIL OF CONSOLIDATED PROFORMA NET INCOME ADJUSTMENTS

EUR Million	2007	2006
Net Income (A)	61.8	322.7
(inventories at LIFO-inventories at FIFO) net of taxes	269.3	(95.8)
Non recurring items net of taxes	(3.5)	15.4
Change of derivatives fair value net of taxes	(0.4)	7.3
Total (B)	265.3	(73.1)
Adjusted Net Income (A+B)	327.1	249.6

In 2008 Saras Group registered a strong set of results, thanks to its operational performance, and a robust market for middle distillates, towards which our production is heavily geared. Comparable figures show a solid growth versus 2007, mainly driven by the good performance of Refining and Power segments.

Group Revenues were EUR 8,673 ml, up 29% compared to last year, in the light of significantly higher oil product prices during the first semester of 2008.

³ **comparable EBITDA/EBIT**: calculated using IFRS accounting principles, but evaluating inventories at LIFO and deducting non-recurring items

⁴ **Leverage**: net debt / (net debt + equity)

⁵ **ROACE**: return on average capital employed

⁶ **ROAE**: return on average equity



Group comparable EBITDA amounted to EUR 673.3 ml, an increase of 15% vs. 2007. In particular, the Sarroch refinery achieved record runs in excess of **15.5 million tons (113.3 ml barrels)**, and the refining margin reached **8.7 \$/bl**, up 20% versus 7.3 \$/bl in 2007, while EMC benchmark at 3.2 \$/bl was slightly lower than the 3.3 \$/bl registered in 2007.

Saras premium on the EMC benchmark was 5.5 \$/bl, up from 4.0 \$/bl in 2007, an increase due to our exposure to middle distillates, and the superior flexibility and operational efficiency of our assets.

Group reported EBITDA in 2008 was EUR 256.6 ml. The major difference from the EUR 760.1 ml reported for 2007, can be explained with a pre-tax inventory gain of approx. EUR 165 ml recorded in 2007, and a subsequent pre-tax loss of approx. EUR 310 ml in 2008, due to the dramatic fall of oil prices.

Group adjusted Net Income was EUR 327.1 ml, up 31% vs. 2007, mainly due to the increase in *comparable* EBITDA, and also to the difference in financial charges, which in 2007 were negative for EUR 42.0 ml, while in 2008 were positive for EUR 1.4 ml.

Group reported Net Income for 2008 was EUR 61.8 ml. The main difference versus the EUR 322.7 ml booked in 2007 can be explained with the same factors discussed at the EBITDA level, net of taxes, plus the difference in financial charges (negative for EUR 42.0 ml in 2007, and positive for EUR 1.4 ml in 2008).

Finally, it is worth reminding that “*comparable*” and “*adjusted*” figures differ from IFRS “*reported*” figures because they do not include non recurring items, changes in derivatives fair value, and for the methodology used for the evaluation of oil inventories.

In particular, under International Financial Reporting Standards (IFRS), inventories are accounted with the “first-in, first-out” (FIFO) methodology and valued at the lower of cost or net realizable value. On the contrary, “*comparable*” and “*adjusted*” figures exclude inventory revaluations and write downs, and provide a clean methodology, more appropriate for an accurate evaluation of the company’s results in conditions of extreme price volatility, like the ones which characterise the oil industry.

2008 CAPEX amounted to EUR 257 ml, in line with the investment programme announced for the year. In particular, during 2008, Saras completed the construction of a gasoline desulphurization unit, which allows its Sarroch refinery to achieve the new EU specification of 10 ppm sulphur in the commercial gasoline, as per 1st January 2009, and a tail gas treatment/sulphur recovery plant, which brings Saras among the best in class refineries in terms of sulphur emissions.

Net Financial Position at the end of 2008 was negative for EUR 333 ml, compared to a negative figure of EUR 27 ml at the end of 2007. This is mainly due to CO2 allocations (which will be reimbursed by the end of 2009), higher operating and compulsory inventories, the acquisition of the minority interest in Parchi Eolici Ulassai Srl (PEU), and the buyback programme.

In particular, with reference to the **share buyback programme**, the Group bought back a total of 22,787,703 Saras shares in 2008, at an average price of EUR 3.089 per share, of which 18.4 ml shares were purchased following the AGM approval of the share buyback programme, on the 29th April 2008. Therefore, as of 31st December 2008, the total number of shares in treasury is approximately 23.2 ml. Outstanding shares as of 31st December 2008 are 927.5 million, versus 950.3 million at the end of 2007.

The results and comments by business segment are the same as those for the 2008 preliminary figures; please refer to the press release dated 24 February 2009.



Parent company financial statements

Saras S.p.A. is the Parent company and also operates in the refining segment.

KEY INCOME STATEMENT FIGURES

Euro million	2008	2007	Var. %
Revenues	7.942	6.054	+31%
EBITDA	103	515	-80%
EBIT	23	441	-95%
NET ICOME	61	429	-86%

During 2008 the company registered a good operational performance with record **runs exceeding 15.5 ml tons (113.3 ml barrels)**, up 6% when compared to 2007; the higher runs however implied also higher maintenance costs. Processing was at 35% of total runs, down 38% compared to the previous year.

The crude mix was slightly heavier when compared to last year (with an average density of 32.7 °API in 2008, vs. 32.9 °API in 2007), but the total combined yield of light and middle distillates in 2008 remained in line with the previous year, at a remarkable 81.6%. Moreover, we successfully managed to further increase the production of middle distillates (rising their yield from 51.7% in 2007, up to 53,3% in 2008), at the expenses of gasoline and other lighter fractions, in order to fully exploit the record year for the diesel crack.

Revenues were EUR 7,942 ml up 31% compared to 2007, in the light of significantly higher oil product prices during the first semester of 2008.

EBITDA amounted to EUR 103 ml, down 80% compared to 2007. Notwithstanding refining margins have been higher than those registered in the previous year, the sharp decrease of oil product prices, in particular in the second half of the year, had a negative effect on oil inventories, leading to a reduction in EBITDA. Moreover, in 2008, the exchange rate between US dollar/EUR was weaker than in 2007.

2008 Net Profit of EUR 61 ml was down 86%, when compared to EUR 429 million in 2007.

2008 CAPEX amounted to EUR 182 ml (versus EUR 177 ml in 2007), in line with the investment programme 2008 / 2011.

Net Financial Position at the end of 2008 was negative for EUR 88 ml compared to a positive figure of EUR 155 ml in 2007; the difference was mainly due to higher operating and compulsory inventories, the acquisition of the minority interest in Parchi Eolici Ulassai S.r.l. (PEU) and the buyback programme.

Dividend distribution

The Board of Directors has decided to propose a dividend distribution of 0.17 EUR per share at the AGM. The dividend will be paid on 21 May 2009, with coupon date on 18 May 2009.

Annual Shareholders meeting of Saras S.p.A.

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 28 April 2009 at 10:30am for the first call, and if necessary, on 29 April 2009 at the same time and venue for the second call, to resolve on the following Agenda:



1. Approval of the financial statements at 31 December 2008 and presentation of the consolidated financial statements at 31 December 2008. Related resolutions. Motion for the allocation of Net Income for the year and distribution of dividend.
2. Appointment of the Board of Directors: resolution of the duration of the mandate; appointment of the members and resolution of their compensation;
3. Appointment of the members of the Statutory Auditors and resolution on their compensation.

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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. (IGCC plant) and Parchi Eolici Ulassai S.r.l. (wind plant). 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 2,000 employees, during 2008 reported total revenues of about EUR 8.7 billion, operating profit *comparable* of EUR 505 million, and *adjusted* Net Income of EUR 322 million (*comparable* and *adjusted* are calculated evaluating oil inventories based on LIFO methodology).

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 refining capacity. Sarlux S.r.l. 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).



Consolidated Financial Statements

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

EUR thousand	31/12/2008	31/12/2007
ASSETS		
current assets	1,310,954	1,772,974
Cash and cash equivalents	65,180	308,108
Other financial assets held for trading or available for sale	20,464	15,209
Trade receivables	639,326	690,162
Inventories	469,298	724,715
Current tax assets	7,770	6,131
Other assets	108,916	28,649
Non-current assets	1,925,304	1,669,170
Property, plant and equipment	1,377,018	1,181,154
Intangible assets	484,575	465,443
Equity interests consolidated under the equity method	0	13,369
Other equity interests	1,103	1,841
Advanced tax assets	58,953	0
Other financial assets	3,655	7,363
Total assets	3,236,258	3,442,144
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities	988,757	1,008,519
Short-term financial liabilities	243,980	173,178
Trade and other payables	560,867	655,582
Current tax liabilities	107,746	120,922
Other liabilities	76,164	58,837
Non-current liabilities	936,448	967,166
Long-term financial liabilities	174,211	186,283
Provisions for risks	29,195	23,296
Provisions for employee benefits	37,494	36,680
Deferred tax liabilities	0	133,581
Other liabilities	695,548	587,326
Total liabilities	1,925,205	1,975,685
SHAREHOLDERS' EQUITY		
Share capital	54,630	54,630
Legal reserve	10,926	10,926
Other reserves	1,183,675	1,078,000
Profit/(loss) for the period	61,822	322,903
Total shareholders' equity	1,311,053	1,466,459
Total liabilities and shareholders' equity	3,236,258	3,442,144



Consolidated Income Statements for the periods closed on 31/12/08 and 31/12/07

EUR thousand	1 JANUARY 31 DECEMBER 2008	1 JANUARY 31 DECEMBER 2007
Revenues from ordinary operations	8,555,842	6,663,671
Other income	116,927	36,309
Total revenues	8,672,769	6,699,980
Purchases of raw materials, spare parts and consumables	(7,677,346)	(5,364,316)
Cost of services and sundry costs	(592,948)	(454,752)
Personnel costs	(145,840)	(120,819)
Depreciation, amortization and write-downs	(167,916)	(251,245)
Total costs	(8,584,050)	(6,191,132)
Operating results	88,719	508,848
Net income (charges) from equity interests	421	5,067
Other financial income/(charges), net	1,402	(42,041)
Profit before taxes	90,542	471,874
Income tax for the period	(28,720)	(148,971)
Net profit/(loss) for the period	61,822	322,903
Earnings per share - base (Euro cent)	6.56	33.96
Earnings per share - diluted (Euro cent)	6.56	33.96



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

EUR thousand	Share Capital	Legal Reserve	Other Reserves	Profit (Loss)	Shareholders Equity
Balance as of 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)	0
Dividends			(30,485)	(139,696)	(170,181)
Shareholder's 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 of 31/12/2006	54,630	10,237	825,090	395,425	1,285,382
Allocation of previous period profit		689	252,086	(252,775)	0
Dividends				(142,650)	(142,650)
Reserve for employees stock plan			2,106		2,106
Share buyback			(1,975)		(1,975)
Effect of Corporate tax rate reduction (IRES/IRAP)			693		693
Profit (loss) for the period				322,903	322,903
Balance as of 31/12/2007	54,630	10,926	1,078,000	322,903	1,466,459
Allocation of previous period profit			162,060	(162,060)	0
Dividends				(160,843)	(160,843)
Reserve for employees stock plan			2,460		2,460
Share buyback			(70,307)		(70,307)
Share premium reserve adjustment			615		615
Shareholder's equity increase related to the fair value evaluation of asset of Sardeolica S.r.l. r for the stake of 70%			10,373		10,373
Renounce of receivable from minority shareholder of the subsidiary Parchi Eolici Ulassai Srl			474		474
Profit (loss) for the period				61,822	61,822
Balance as of 31/12/2008	54,630	10,926	1,183,675	61,822	1,311,053



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

EUR thousand	1/1/2008 - 31/12/2008	1/1/2007 - 31/12/2007
A - Cash and cash equivalents at the beginning of period	308,108	217,604
(short-term net financial indebtedness)		
B - Cash generated from/(used in) operating activities		
Profit/ (Loss) for the period of the Group	61,822	322,903
Amortization, depreciation and write-down of fixed assets	167,916	251,245
Net (income)/charges from equity interests	(421)	(3,399)
Net change in provisions for risks and charges	5,899	(1,189)
Net change in employee benefits	801	(8,751)
Net Change in tax liabilities and tax assets	(193,462)	(27,506)
Income tax	28,720	148,971
Profit (Loss) from operating activities before changes in working capital	71,275	682,274
(Increase)/Decrease in trade receivables	56,147	(115,679)
(Increase)/Decrease in inventory	256,067	(124,913)
Increase/(Decrease) in trade and other payables	(99,006)	103,960
Change in other current assets	(78,914)	73,314
Change in other current liabilities	167,072	86,650
Income tax paid	(191,463)	(156,552)
Change in other non-current liabilities	108,165	72,560
Other non cash items	0	949
Total (B)	289,343	622,563
C - Cash flow from (to) investment activities		
(Investments) in tangible and intangible assets, net of disinvestments and accumulated depreciation and amortization	(275,685)	(209,922)
Change in equity interests valued under the equity method	(1,420)	(649)
Change in other equity interests	773	0
Acquisition of 30% PEU Srl	(32,000)	0
Interest received/(paid)	(14,485)	(12,136)
Total (C)	(322,817)	(222,707)
D - Cash generated from/(used in) financing activities		
Increase/(Decrease) in medium/long term borrowings	(76,807)	(136,388)
(Increase)/Decrease in other financial assets	10,891	(1,395)
Increase/(Decrease) in short term borrowings	62,389	(28,919)
Buyback own shares	(70,307)	0
Dividend distribution to shareholders	(160,843)	(142,650)
Other non-monetary movements	13,922	0
Total (D)	(220,755)	(309,352)
E - Cashflow for the period (B+C+D)	(254,229)	90,504
F - Cash from new consolidated subsidiaries		
PEU S.r.l.	11,301	
G - Cash and cash equivalents at the end of period		
(short-term net financial indebtedness)	65,180	308,108



Saras S.p.A. Financial Statements

Sara S.p.A. Balance-Sheets as at 31/12/08 and 31/12/07

(EUR Thousand)	31/12/2008	31/12/2007
ASSETS		
Current Assets	927,245	1,361,106
Cash and cash equivalents	3,316	154,419
Altre attività finanziarie negoziabili	15,844	15,203
Trade receivables	462,255	557,513
Inventory	325,836	541,920
Current tax assets	5,954	819
Other assets	114,040	91,232
Non Current Assets	975,355	819,023
Property, plant and equipment	639,272	538,479
Intangible assets	11,604	9,815
Equity interests consolidated under the equity method	301,787	269,787
Other equity interests	495	495
Assets for advanced taxes	21,793	0
Other financial assets	404	447
Total assets	1,902,600	2,180,129
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities	798,616	789,065
Short-term financial liabilities	205,747	86,687
Trade and other payables	493,573	575,511
Current tax liabilities	44,267	73,584
Other liabilities	55,029	53,283
Non-current liabilities	117,371	237,211
Long-term financial liabilities	0	10,000
Provisions for risks	18,661	13,526
Provisions for employee benefits	35,064	33,830
Deferred tax liabilities	0	121,369
Other liabilities	63,646	58,486
Total liabilities	915,987	1,026,276
SHAREHOLDERS' EQUITY		
Share capital	54,630	54,630
Legal reserve	10,926	10,926
Other reserves	860,223	659,106
Profit/(loss) for the period	60,834	429,191
Total shareholders' equity	986,613	1,153,853
Total liabilities and shareholders' equity	1,902,600	2,180,129



Saras S.p.A. Income Statements for the periods closed on:
31/12/08 and 31/12/07

(EUR Thousand)	1 JANUARY 31 DECEMBER 2008	1 JANUARY 31 DECEMBER 2007
Revenues from ordinary operations	7,820,135	6,005,379
Other income	121,671	48,163
Total revenues	7,941,806	6,053,542
Purchases of raw materials, spare parts and consumables	(7,292,721)	(5,143,977)
Cost of services and sundry costs	(436,514)	(303,721)
Personnel costs	(109,832)	(91,227)
Depreciation, amortization and write-downs	(79,550)	(74,102)
Total costs	(7,918,617)	(5,613,027)
Operating Result	23,189	440,515
Net income (charges) from equity interests	22,200	147,586
Other financial income/(charges), net	20,163	(20,572)
Profit before taxes	65,552	567,529
Income tax for the period	(4,718)	(138,338)
Net profit/(loss) for the period	60,834	429,191
Earnings per share - basic (Euro cent)	6.46	45.14
Earnings per share - diluted (Euro cent)	6.46	45.14



Statement of Changes in Saras S.p.A. Shareholders' Equity for the periods 31/12/05 - 31/12/08

(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	128,685	246,579	436,684
Capital increase (net of IPO costs)	3,447		338,984		342,431
Allocation of previous period profit			106,884	(106,884)	0
Dividends			(30,485)	(139,695)	(170,180)
Profit (loss) for the year				257,553	257,553
Balance as at 31/12/2006	54,630	10,237	544,068	257,553	866,488
Allocation of previous period profit		689	114,214	(114,903)	0
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				429,191	429,191
Balance as at 31/12/2007	54,630	10,926	659,106	429,191	1,153,853
Allocation of previous period profit			268,348	(268,348)	0
Dividends				(160,843)	(160,843)
Reserve for employee stock plan			2,461		2,461
Buyback			(70,307)		(70,307)
Share premium reserve adjustment			615		615
2008 Net profit				60,834	60,834
Balance as at 31/12/2008	54,630	10,926	860,223	60,834	986,613



Saras S.p.A. Cash Flow Statements as at 31/12/08 and 31/12/07

(EUR Thousand)	1/1/2008 - 31/12/2008	1/1/2007 - 31/12/2007
A - Cash and cash equivalents at the beginning of period	154,419	41,152
B - Cash generated from/(used in) operating activities		
Profit/ (Loss) for the period of the Group	60,834	429,191
Amortization, depreciation and write-down of fixed assets	79,550	74,102
Net (income)/charges from equity interests	2,400	(1,780)
Net change in provisions for risks and charges	5,135	0
Net change in employee benefits	1,234	(8,396)
Change in tax liabilities and tax assets	(143,162)	45,785
Dividends	(24,600)	(149,071)
Income tax	4,718	138,338
Other non cash income and costs	0	793
Profit (Loss) from operating activities before changes in working capital	(13,891)	528,962
(Increase)/Decrease in trade receivables	95,258	(188,544)
(Increase)/Decrease in inventory	216,084	(89,718)
Increase/(Decrease) in trade and other payables	(81,938)	82,943
Change in other current assets	(27,943)	72,704
Change in other current liabilities	141,075	68,923
Income tax paid	(176,991)	(137,882)
Change in other non-current liabilities	5,160	(4,663)
Total (B)	156,814	332,725
C - Flusso monetario da (per) attività di investimento		
(Investments) in tangible and intangible assets, net of disinvestments and accumulated depreciation and amortization	(182,132)	(177,231)
Dividends	24,600	149,071
Equity interests	(32,000)	0
Change in other equity interests	0	1
Interest received/(paid)	3,627	1,831
Total (C)	(185,905)	(26,328)
D - Cash generated from/(used in) financing activities		
Increase/(Decrease) in medium/long term borrowings	(10,000)	(43,333)
(Increase)/Decrease in other financial assets	(598)	(1,691)
Increase/(Decrease) in short term borrowings	119,060	(5,456)
Capital increase	(70,307)	0
Dividend distribution to shareholders	(160,843)	(142,650)
Other non monetary movements	676	0
Total (D)	(122,012)	(193,130)
E - Cashflow for the period (B+C+D)	(151,103)	113,267
G - Cash and cash equivalents at the end of period (short-term net financial indebtedness)	3,316	154,419