ERG Group

Interim Report on Operations at 31 March 2011

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CORPORATE BODIES

Honorary Chairman

Honorary Chairman		Riccardo Garrone

Board of Directors

Chairman		Edoardo Garrone
Deputy Chairman		Pietro Giordano
Deputy Chairman		Giovanni Mondini
Chief Executive Officer		Alessandro Garrone
Directors	Independent	Massimo Belcredi
		Luca Bettonte [1]
	Independent	Lino Cardarelli
		Aldo Garozzo
		Giuseppe Gatti
	Independent	Antonio Guastoni
	Independent	Paolo Francesco Lanzoni
		Graziella Merello [2]

Board of Statutory Auditors

Chairman		Mario Pacciani
Standing auditors		Lelio Fornabaio
		Paolo Fasce

Manager responsible (Italian Law 262/05)

Giorgio Coraggioso

Independent Auditors

Deloitte & Touche S.p.A.

1 Corporate General Manager
2 Executive Director appointed to oversee the functioning of the Internal Control System

Introduction

The Interim Financial Report at 31.03.11, not subjected to audit, was prepared in accordance with the valuation and measuring criteria established by the International Financial Reporting Standards (IFRS) and on the basis of the indications contained in Paragraph 5 of Article 154-ter of the Consolidated Finance Act, implementing Directive 2004/109/EC (Transparency Directive). The consolidation and accounting principles are the same as those set out in the 2010 Consolidated Annual Report, to which reference is made here.

Results at adjusted replacement costs

To facilitate understanding of the operating performance of the *Refining & Marketing* sector, business results are also reported at adjusted replacement cost by taking into account - for the portion attributable to ERG (51%) -, the results at replacement cost of the joint ventures ISAB S.r.l. and TotalErg S.p.A., whose contribution to non-adjusted P&L values is accounted for in the valuation of investments using the equity method. In consistency with the above, net financial debt is also shown at adjusted replacement cost to include, for the portion attributable to ERG (51%), the net financial position of the joint ventures ISAB S.r.l. andTotalErg S.p.A., net of intragroup items.

11% disposal of ISAB

On 31 January 2011, the Board of Directors of ERG S.p.A. resolved to exercise the put option for 11% of ISAB S.r.l. The Company opted for partial exercise to enable the Group to maintain an industrial role in the coastal refining business in partnership with LUKOIL – in line with the Group's *multi-energy* strategy – whilst further strengthening its financial structure.
Following the sale, LUKOIL retains a 60% shareholding in ISAB and ERG has 40%. The company continues to be managed by the two partners on the basis of the existing shareholders' agreement with a joint governance structure for all major business decisions and an *operating agreement* which ensures its operational autonomy and independence.
The transaction was completed on 1 April 2011: on the same date LUKOIL paid ERG a consideration of EUR 241 million, inclusive of inventory and stock value.
Since the transaction was completed on 1 April 2011, it has not impacted the current Interim Report on Operations.

TotalErg Transaction

As previously announced, the merger by absorption of TOTAL Italia S.p.A. into ERG Petroli S.p.A. took effect on 1 October 2010 with the new company taking the name TotalErg S.p.A.
Agreements between the partners include the Joint Governance as well as the operational and financial independence of this joint venture. The proportion of shares held by ERG and TOTAL in the new company are 51% and 49% respectively.
More specifically, ERG brought the assets and liabilities from its "*Integrated Downstream in Italy* [(1)]" to the joint venture, with the exception of activities relating to ERG's marketing in Sicily.
The comparison with 2010 results therefore, reflects the impact of this transaction.

[1] The Integrated Downstream in Italy was set up in the first quarter of 2010 from the assets and liabilities of ERG Petroli and its subsidiaries.

Group profile

The ERG Group, including its subsidiaries and joint ventures with leading international players, operates in the following business segments:

- **Refining & Marketing**

  The Group is active in the segment of coastal refining through the joint venture with LUKOIL which controls the ISAB refinery in Priolo, one of the main sites in the Mediterranean both in terms of capacity (320 thousand barrels/days) and complexity (Nelson index 9.3) and in integrated downstream, from 1 October 2010 through TotalErg, the *joint venture* with TOTAL, with a network of about 3,300 sales outlets (about 12% market share) and fuel sales of 4.2 million m^3/year, and through ERG Oil Sicilia (EOS), a company which, as a result of a partial demerger, received the business unit comprising the assets of ERG Petroli S.p.A. in Sicily.

  TotalErg also operates in the refining segment (the Rome Refinery, a wholly-owned subsidiary, and the Sarpom Refinery in Trecate, with a 26% shareholding).

- **Power & Gas**

  The Group is active in the production and marketing of electric energy, steam and gas. ERG's main equity investments in the segment are:
  - **ISAB Energy S.r.l.**: generation of electricity with a power plant (528 MW), fuelled by a gas obtained from a complex process of gasification of asphalt originating from the ISAB Refinery in Priolo (Sicily);
  - **ERG Power S.r.l.**: the company owns the North Plant of the Priolo site (480 MW), comprising the combined cycle plant fuelled with natural gas and existing counter-pressure plants.

Projects in the authorization phase:
  - **Ionio Gas S.r.l.**: a *joint venture* with Shell Energy Italia for the development of a liquid natural gas regasification plant at Priolo, Sicily.
  - **ERG Rivara Storage**: (15% ERG, 85% Independent Gas Management - Independent Resources Group): a company for the construction and operation of an underground natural gas storage site in Rivara, San Felice sul Panaro – Modena.

- **Renewable energy sources**

  Through its subsidiary ERG Renew, the Group operates in the renewable energy source sector with 310 MW installed in the wind power generation sector, of which 157.8 in Apulia, 40 in Molise 37.5 in Sicily, 9.1 in Lazio, 1.6 in Liguria and 64.4 in France. Two wind farms belonging to ERG Eolica Adriatica S.r.l. are also included for a total of 101.8 MW (formerly IVPC Power 5 S.r.l.). The acquisition was finalised in July 2010. ERG Renew is currently completing its construction of two wind farms, Fossa del Lupo (90MW) and Ginestra (40MW) that will become operational in 2011.

Refining & Marketing

ISAB S.r.l. — 51%

TotalErg S.p.A. — 51%

ERG Oil Sicilia S.r.l. — 100%

Power & Gas

ERG Power S.r.l. — 100%

ISAB Energy S.r.l. — 51%

Rivara Storage S.r.l. — 15%

Ionio Gas S.r.l. — 50%

94,98%
ERG Renew

Renewable
310 MW installed

ERG Stock Market performance

As at 31 March 2011, the reference price of ERG stock (Blue Chips) was EUR 10.03, 4.0% lower than that at the end of 2010, against a growth of 4.5% in the European sector index (Stoxx Energy Index), 3.2% in the FTSE Mid cap index and a decline of 7.3% in the FTSE All Share index.
Figures relating to the prices and volumes of ERG stock during the period 03.01.11 - 31.03.11 are set out below:

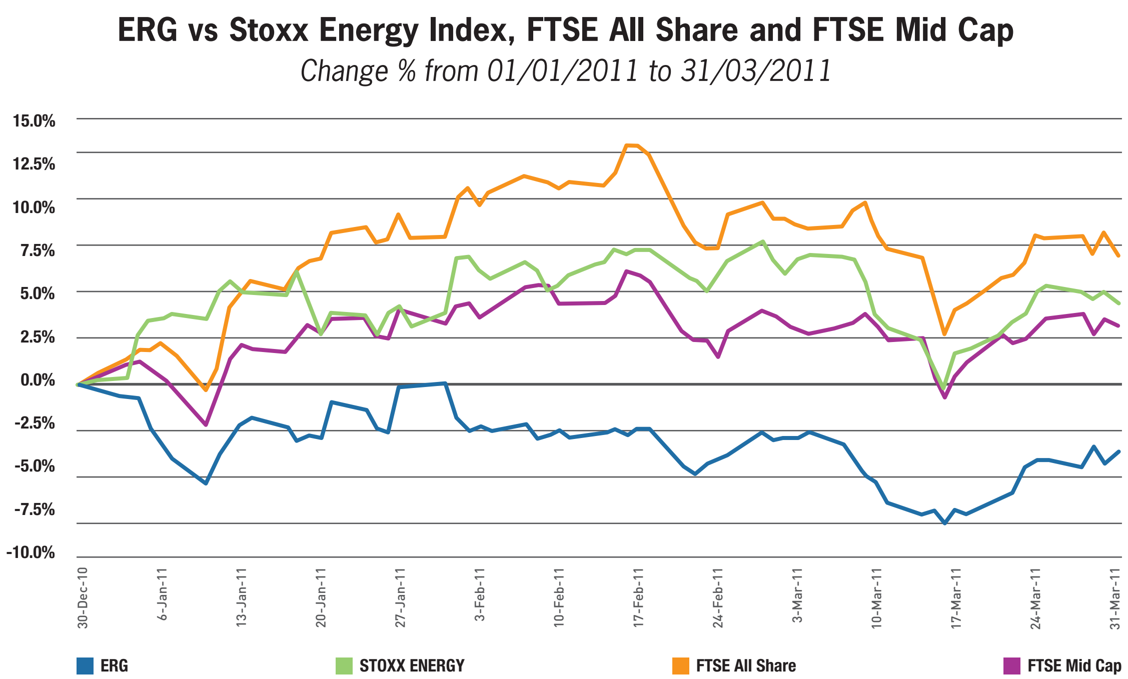
Stock price	EUR
Reference price as at 31.03.11	10.03
Highest price (01.02.11) [1]	10.74
Lowest price (15.03.11) [1]	9.47
Average price	10.07

[1] The lowest and highest prices registered during the day's trading and therefore not the same as the official reference price on the same date

Traded volumes	No. of shares
Maximum volume (01.02.11)	1.572.085
Minimum volume (21.03.11)	64.605
Average volume	288.055

Stock market capitalisation as at 31 March 2011 stood at approximately EUR 1,508 million (EUR 1,571 million at the end of 2010).

ERG's share price performance compared to leading indices (normalised)



Financial highlights

Year 2010	(EUR million)		1st quarter 2011	1st quarter 2010
	Main Income Statement data			
7,899	Total revenues [1]		1,432	1,752
238	EBITDA		40	63
213	**EBITDA at replacement cost [2]**		**17**	**32**
305	**EBITDA at adjusted replacement cost [3]**		**48**	**50**
59	**EBIT at replacement cost [2]**		**(16)**	**(5)**
86	**EBIT at adjusted replacement cost [3]**		**(11)**	**2**
43	Net income		13	14
10	*of which Group net income*		*4*	*6*
(20)	**Group net profit at adjusted replacement cost [4]**		**(32)**	**(16)**
	Key financial highlights			
2,614	**Net invested capital**		**2,830**	**2,694**
1,891	Shareholders' Equity		1,904	1,937
723	Total net financial indebtedness		926	756
793	*of which non recourse Project Financing [5]*		*797*	*328*
28%	Financial leverage		33%	28%
1,082	Total adjusted net financial indebtedness [6]		1,226	685
	Operating data			
201	**Capital Expenditures [7]**	EUR million	**18**	**66**
714	Employees at period-end	units	706	1,561
9.574	**Refinery processing [8]**	thousands of tonnes	**1,728**	**2,231**
192	Refinery processing [8]	thousands of barrels/day	141	182
6.688	**Electrical power generation**	millions of KWh	**1,947**	**1,159**
7,502	Total electrical power sales	millions of KWh	2,061	1,409
4,318	**Export of petroleum products [8]**	thousands of tonnes	**869**	**854**
2,020	Domestic sales [8]	thousands of tonnes	449	474
N.A.	TotalErg Market share	gasoline + diesel	11.8%	n.a.
1.2%	Rete ERG in Sicilia Market share [9]	gasoline + diesel	1.1%	n.a.
1,532	Raw material and product inventories[10]	thousands of tonnes	1,494	1,528
	Market indicators			
79.50	Brent Dated	USD/barrel	105.43	76.36
1.326	EUR/USD rate	EUR/USD	1.368	1.383
0.33	EMC refining margin	USD/barrel	(0.95)	0.32
64.12	Electrical power reference price [11]	EUR/MWh	66.50	62.96

For the definition and reconciliation of results to adjusted replacement cost, please refer to the section "Alternative Performance Indicators".

[1] net of excise taxes
[2] not including inventory gains (losses) and non recurring items
[3] including the results of ISAB S.r.l. (joint venture with LUKOIL) results, for the portion attributable to ERG (51%) and TotalErg (joint venture with TOTAL).
[4] does not include inventory gains (losses), non-recurring items and related applicable theoretical taxes. The values also correspond to the adjusted ones.
[5] including cash and cash equivalents
[6] includes, for the portion attributable to ERG (51%), the net financial positions of ISAB S.r.l. (joint venture with LUKOIL) and TotalErg (joint venture with TOTAL)
[7] in tangible and intangible fixed assets
[8] estimated figures. Include 51% of TotalErg
[9] relating to sales points of the wholly-owned subsidiary, ERG Oil Sicilia, operational since 1 April 2010
[10] also includes 51% of the stock of the joint ventures ISAB e TotalErg
[11] Single National Price

n. a.: not applicable since the companies TotalErg and ERG Oil Sicilia had not yet been established as at 31 March 2010.

Financial highlights by segment

Year 2010	(EUR million)	1st quarter 2011	1st quarter 2010
	Revenues from ordinary operations		
9,175	Refining & Marketing	2,388	1,908
1,384	Power & Gas	355	284
73	Renewable energy sources	24	17
16	Corporate	4	4
(1,712)	Intra-segment revenues	(323)	(454)
8,935	**Total adjusted revenues** [1]	**2,448**	**1,759**
(250)	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*(81)*	*(49)*
(872)	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*(939)*	–
7,813	**Revenues from ordinary operations**	**1,429**	**1,710**
	Gross Operating Margin (EBITDA)		
46	Refining & Marketing	(24)	–
254	Power & Gas	65	49
39	Renewable energy sources	14	11
(33)	Corporate	(7)	(9)
305	**EBITDA at replacement cost** [2]	**48**	**50**
(80)	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*(19)*	*(19)*
(13)	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*(12)*	–
213	**EBITDA at replacement cost** [2]	**17**	**32**
62	*Inventory gains (losses)*	*24*	*31*
(38)	*Non characteristic items*	–	–
238	**EBITDA**	**40**	**63**
	Amortisation, depreciation and write-downs		
(107)	Refining & Marketing	(28)	(25)
(75)	Power & Gas	(21)	(16)
(33)	Renewable energy sources	(9)	(7)
(4)	Corporate	(1)	(1)
(220)	**Amortisation and depreciation at adjusted replacement cost** [2]	**(59)**	**(49)**
52	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*13*	*12*
14	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*14*	–
(154)	**Amortisation and depreciation at replacement cost** [2]	**(33)**	**(37)**
	EBIT		
(61)	Refining & Marketing	(52)	(26)
179	Power & Gas	44	33
5	Renewable energy sources	4	4
(37)	Corporate	(8)	(10)
86	**EBIT at adjusted replacement cost** [2]	**(11)**	**2**
(28)	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*(6)*	*(6)*
1	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*1*	–
59	**EBIT at replacement cost** [2]	**(16)**	**(5)**
	Capital expenditures on tangible and intangible fixed assets		
100	Refining & Marketing	19	21
77	Power & Gas	2	33
89	Renewable energy sources	14	23
4	Corporate	1	1
270	**Total adjusted capital expenditure** [3]	**35**	**78**
(49)	*ISAB S.r.l. capital expenditures (51%)*	*(14)*	*(12)*
(21)	*Total capital expenditure of TotalErg (51%)*	*(4)*	–
201	**Total capital expenditures**	**18**	**66**

For the definition and reconciliation of results to adjusted replacement cost, please refer to the section "Alternative Performance Indicators".

[1] adjusted revenues take account of the 51% in revenues achieved from the joint ventures with ISAB S.r.l. and TotalErg

[2] values at replacement cost do not include gains (losses) on inventory and non-recurring items. Adjusted values also include the results of ISAB S.r.l. and TotalErg S.p.A., for the portion owned by ERG (51%).

[3] adjusted capital expenditure takes account of the 51% of investments made by ISAB S.r.l. and TotalErg S.p.A.

Sales

Oil products

Total sales for the Refining & Marketing segment amounted to 2.6 million tonnes, of which 67% in the domestic market (4.7% of domestic consumption vs. 5.8% in Q1 2010), and the remaining 33% abroad.
A breakdown of ERG oil product sales by distribution channel is provided in the table below. It should be noted that as of the fourth quarter 2010, figures include the 51% contribution from sales of TotalErg.

Year 2010	Refining and logistics (thousand of tonnes)	1st quarter 2011	1st quarter 2010
4,233	Exports via ship	864	820
4,101	Domestic market supply	966	757
8,335	**Total Refining and Logistics**	**1,829**	**1,577**
	Marketing		
2,020	Domestic retail market	449	474
1,552	Domestic wholesale market	328	413
85	Wholesale export	6	34
–	Abroad	–	–
3,657	**Total Marketing**	**783**	**921**
11,992	**TOTAL OIL PRODUCTS**	**2,612**	**2,498**

Power generation

The following table reports the ERG Group's electricity sales:

Year 2010	Power generation (GWh)	1st quarter 2011	1st quarter 2010
3,331	ISAB Energy	997	507
3,718	ERG Power & Gas	908	793
453	ERG Renew	156	109
7,502	**Total**	**2,061**	**1,409**

Steam sales to industrial plants at the Priolo/Melilli site totalled 650 thousand tonnes (559 thousand in 2010), of which 348 thousand tonnes to ISAB S.r.l.
Furthermore, in Q1 2011, 91 million Sm^3 (standard cubic metres) of gas were sold by ERG, of which 47 million to ISAB S.r.l. (66 million in Q1 2010).

Comments on results for the period

Total adjusted revenues in Q1 2011 amounted to EUR 2,448 million, an increase on 2010 that was primarily due to the higher selling prices and the rise in volumes.

EBITDA at adjusted replacement cost[1] stood at EUR 48 million, compared with EUR 50 million registered in Q1 2010. The fall is a result of the following factors:

- Refining & Marketing: EBITDA totalled EUR -24 million (balanced result in 2010), weighted down by the particularly difficult scenario in the Refining sector and by the scheduled maintenance shutdown of the ISAB refinery.
- Power & Gas:EBITDA came to EUR 65 million, a sharp rise from EUR 49 million in 2010, mainly due to the full operations of the ERG power plants and the first powertrain of the ISAB Energy plant in 2011. It should be noted that the first quarter of 2010 also included 28 million Euro in insurance reimbursements related to the ISAB Energy accident in 2008.
- • Renewable energy sources: EBITDA stood at 14 million, up from 11 million in 2010 largely as a result of the increased production of power in the period following the contribution by the company, ERG Eolica Adriatica, acquired on 23 July 2010.

EBIT at adjusted replacement cost [1] totalled EUR -11 million (EUR +2 million in Q1 2010) after amortisation, depreciation and write-downs amounting to EUR 59 million (EUR 49 million in 2010).

Group net income at replacement cost stood at EUR -32 million against EUR -16 million in Q1 2010.

Group EBIT was EUR +4 million (EUR +6 million in Q1 2010), reflecting gains on inventory after taxes of EUR 36 million (EUR +22 million in Q1 2010).

Adjusted Group capital expenditure came to 35 million in Q1 2011 (78 million in Q1 2010) consisting in 52% from Refining & Marketing (27%), 7% from Power & Gas (42%) and 39% from Renewable Energy sources (30%).

Net financial indebtedness totalled EUR 926 million, up by EUR 203 million on 31 December 2010 following the dynamics of working capital impacted by the scheduled shutdown of the ISAB refinery and lower cash flow levels generated in the period.

Adjusted net financial indebtedness, which, for the portion attributable to ERG (51%), includes the net financial position of the joint ventures ISAB and TotalErg, amounted to EUR 1,226 million, an increase on 31 December 2010 (EUR 1,082 million) due to the same reasons reported above.

1 For the definition and reconciliation of results to adjusted replacement cost and details of non-recurring items, please refer to the section "Alternative Performance Indicators"

Material events during the quarter

Takeover bid on ERG Renew

On **3 January 2011** ERG S.p.A. filed a draft document with Consob relating to the takeover bid launched on all ordinary shares making up the entire share capital of ERG Renew S.p.A. not held by ERG S.p.A.

On **13 January 2011** the Board of Directors of ERG Renew S.p.A. approved the notice pursuant to Art. 103, paragraph 3, of Legislative Decree no. 58 of 24 February 1998 relating to the voluntary takeover bid launched by the Parent Company on all shares of ERG Renew S.p.A. not held by ERG S.p.A.
Having taken into account the fairness opinion issued by the independent financial advisor, Merrill Lynch International, the Board of Directors, from a financial viewpoint, deemed ERG S.p.A.'s proposal of EUR 0.97 per share reasonable.

On **18 January 2011** Consob approved the document for the takeover bid launched by ERG S.p.A. on all ordinary shares making up the entire share capital of ERG Renew S.p.A., not held by ERG S.p.A., inclusive of the notice by ERG Renew S.p.A. pursuant to Art. 103, paragraph 3 of Legislative Decree no. 58 of 24 February.

On **18 February 2011** ERG S.p.A. announced that - following the end of the tender offer period on all ordinary shares making up the entire share capital of ERG Renew S.p.A. not already held - it had collected subscriptions for a total of 13,962,309 shares, representing 62.748% of the shares under tender offer and 10.524% of the Issuer's share capital, for a total of EUR 13,543,439.73. Moreover, during the Offering period, ERG made acquisitions outside the tender offer for a total of 952,629 shares, accounting for 0.718% of the Issuer's share capital. As a result - considering the shares tendered in the Offer, the shares already held at the Offer's date of commencement and the shares acquired outside the Tender Offer - the Bidder held a total of 125,557.206 shares on 18 February 2011 which accounted for 94.641% of the Issuer's share capital. Although a minimum of 95% of the Issuer's share capital was not reached, ERG deemed the achieved stake satisfactory, waived the minimum acceptance condition under paragraph A.1.(i) of the Tender Offer Document and announced that the condition for validity of the offer under paragraph A.1.(ii) of the Tender Offer Document was deemed to have been fulfilled.
In view of the above, ERG considered the Offer valid and announced its decision to acquire all shares tendered in the Offer under the terms and conditions set forth in the Offer document.

11% disposal of ISAB S.r.l.

On **31 January 2011**, the Board of Directors of ERG S.p.A. resolved to exercise the put option for 11% of ISAB S.r.l.

The transaction is part of an agreement signed with LUKOIL in 2008, which sought to establish a Joint Venture for the co-management of the ISAB refinery in Priolo, Sicily. Indeed, the agreement provides ERG with a put option on its shareholding, which may be exercised over four years either in whole or in part, and no more than once every twelve months.

The sale of the 11% shareholding in ISAB to LUKOIL (excluding inventory) is valued at EUR 205 million after a reduction of EUR 15 million as provided by subsequent changes to the original agreement of 24 June 2008.

Subsequent to the transaction, LUKOIL will have a 60% shareholding in ISAB and ERG will have 40%. The Company will continue to be managed by the two partners on the basis of the existing shareholders' agreement with a joint governance structure for all major business decisions as well an operating agreement which ensures its operational autonomy and independence.

The transaction was completed on 1 April 2011 for a consideration of EUR 241 million, inclusive of inventory and stock value. The transaction has had no impact on this Interim Report on Operations.

Business Segments

Refining & Marketing

The results from Coastal Refining and Integrated downstream are included under the Refining & Marketing segment.

The breakdown of EBITDA at adjusted replacement cost, and of the capital expenditures between the various activities of the Refining & Marketing business, was as follows:

Year	EBITDA at adjusted replacement cost	1st quarter	
2010	*(EUR million)*	2011	2010
(31)	Coastal Refining	(40)	(16)
77	Integrated Downstream	16	15
46	**Total**	**(24)**	**–**
	Adjusted capital expenditures on tangible and intangible fixed assets		
50	Coastal Refining	14	12
51	Integrated Downstream	5	9
100	**Total**	**19**	**21**

Coastal refining

Reference market [1]

Year		1st quarter	
2010	**Crude oils (USD/barrel)**	2011	2010
79.50	Brent crude price [2]	105.43	76.36
1.36	Brent/Ural differential [3]	2.78	1.32
(1.72)	Brent/Azeri Light differential	(2.80)	(1.64)
	Products (USD/tonne)		
683	Transport diesel price	912	639
729	Unleaded gasoline price	924	718
437	Fuel Oil price	551	435
	Crack Spread (USD/barrel)		
12.01	Transport diesel - Brent	16.86	9.30
7.85	Gasoline - Brent	5.27	9.57
(10.71)	ATZ Fuel Oil - Brent	(18.58)	(7.88)
	Margin indicators		
0.33	EMC (USD/barrel) [4]	(0.95)	0.32
0.25	EMC (Euro/barile) [4]	(0.70)	0.23
1.326	EUR/USD exchange rate	1.368	1.383

Source Platt's

(1) average prices for the period

(2) Brent Dated: Reference light crude, on FOB mean basis

(3) Ural: Reference heavy crude, on CIF mean basis

(4) Value of the EMC notional margin on FOB basis, obtained from a 50-50 mix of Ural and Azeri Light crudes. The EMC notional margin refers to a complex refinery characterised by catalytic conversions dedicated to the production of gasoline (fluid catalytic cracking plant).

Crude oil price

In Q1 2011 the average price of oil (Brent) was USD 105.4/barrel. The significant rise against the same period in 2010 (+29 USD/barrel) was partly due to the strong upturn in global demand already observed in 2010, and partly to the geopolitical situation in Tunisia, Egypt and Libya.
In particular, the start of the Libyan crisis - involving with the loss of approx. 1.3 million barrels/day in crude oil exports - boosted the price of raw material which firmed in the range of 110-120 USD/barrel.
It should also be noted that the negative impact of the Japanese earthquake and subsequent tsunami on consumption and, as a consequence, on the demand for oil was very short-term and thus had little impact on the price of brent crude incurred by the aforementioned events in North Africa.
The Ural/Brent differential widened, going from -1.32 USD/barrel in the first quarter of 2010 to -2.78 USD/barrel in 2011, offsetting, however, just a small part of its lower value owing to the sharp fall in the crack spread of fuel oil, in which this crude is rich.
The elevated values of the Ural crude oil, if compared to the trend of combustile oil, were due to the strong decline in the availability of supply in the Mediterranean, which was already recorded in 2010 and which grew further in the first quarter of 2011 largely due to the significant reductions in loading from the Ukranian terminal of Yuzhny.
On a more general level, European loadings of Ural crude oil suffered – leading to a fall in exports in Northern Europe also - due to the opening of a new export route to the Far East (+300 thousand barrels/day since the start of 2010) and, as of 2011, a direct pipeline link with China (300 thousand barrels/day of crude oil).

The Azeri Light crude differential grew by 1.16 USD/barrel from Q1 2010 as a result of the general rise in the average distillates in which this crude is rich, the Libyan crisis and the return of several refiners in the Mediterranean area from seasonal maintenance.

Products

The crack-spread for transport diesel rose significantly from Q1 2010 as a result of different pricing trends compared to those of crude oil.
The increase also reflects the general recovery in global demand as well as specific growth in the demand for transport diesel in the EU area.
An important contributing factor to the rise in prices also came from the specific change introduced in Turkey as of 1 January 2011, whereby there was a shift from diesel fuel with a sulphur content of 1000 ppm to 10 ppm, in line with European standards. At the same time, the new standard for the so-called “off-road” diesel, mainly used in agriculture and inland navigation (sulphur level from 1000 to 10 ppm), came into effect in the EU area as of the beginning of the year.

The crack spread of gasoline fell to 5 USD/barrel against 10 USD/barrel in Q1 2010 as a result of different pricing trends compared to those of crude oil.
The product was affected by a US market that was not very receptive due to the exceptionally high levels of storage earlier in the year which fell to values more typical of the period only at the end of the quarter.

Moreover, the Mediterranean area was also affected by the uncertainties and the subsequent block on exports of this product to Libya, leading the crack spread to collapse.
As for ATZ fuel oil, there was a sharp decline in the crack spread which dropped from almost 11 USD/barrel to -18.6 USD/barrel; this was also due to the increasing shift towards gas and, in general, towards other non-oil energy sources within the area of electrical energy production and for industrial purposes.
Furthermore, greater availability of the product in the European area reflected the increase in production levels for the period from Q1 2010, partly due to the plan for fewer maintenances overall compared to 2010.
In the Mediterranean, the product found its balance owing to the steady and regular flow of exports to the Far East, a major target market.

Industry refining margins (EMC)

The strong deterioration in the notional margin of reference EMC, which was -0.9 USD/barrel in the quarter, falling almost 1.3 USD/barrel against Q1 2010, mainly reflected the following factors:

– as noted above, the price trends for the two crude oils showed a sharp rise for Azeri and a very slight decrease compared to the fall in the value of ATZ fuel oil;
– the strong decrease with respect to the previous period of 2010 of the crack spread on gasoline given the elevated returns of this product within the EMC notional refinery.

The notional margin and, on a more general level, the overall refining scenario, suffered an abrupt decline in the latter part of the period following the crisis in Libya. This led to a sudden surge in crude oil prices, particularly in the Mediterranean area, which was not followed by a corresponding and rapid increase in product prices (especially with regard to gasoline whose export to Libya itself was also interrupted).

Coastal Refining adjusted financial highlights [(1)]

To facilitate understanding of the operating performance of the Coastal refining segment, business results are reported at adjusted replacement cost, taking into account, for the portion attributable to ERG (51%), the results of ISAB S.r.l., whose P&L impact in terms of non-adjusted replacement cost is contained in the valuation of the stake using the equity method.

Year 2010	*(EUR million)*	1st quarter 2011	1st quarter 2010
3,790	Revenues from third parties	1,057	747
1,256	Intra-segment revenues	270	268
5,047	**Adjusted revenues from ordinary operations**	**1,327**	**1,014**
(31)	**EBITDA at adjusted replacement cost**	**(40)**	**(16)**
(53)	Adjusted amortisation, depreciation and write-downs	(14)	(12)
(84)	**EBIT at adjusted replacement cost**	**(53)**	**(28)**
50	Adjusted capital expenditures on tangible and intangible fixed assets	14	12

(1) the illustrated figures do not include
- gains (losses) on inventory of +23 in Q1 2011, +7 in Q1 2010 and +18 in FY 2010
- non-recurring items as indicated in the section "Alternative Performance Indicators", to which reference should be made for further details

Revenues in Q1 2011 were higher than those in the same period of 2010 due to the sharp rise in oil prices (raw materials and finished products) which more than offset the impact of lower sales volumes following the scheduled maintenance shutdown of the ISAB refinery in Q1 2011.
EBITDA at adjusted replacement cost in Q1 2011 was strongly negative, standing at EUR -40 million, down EUR 24 million against 2010, largely due to the scheduled shutdown, which resulted in lower volumes in a period of positive contribution margins, as well as higher fixed costs, and to the negative trend recorded in refining margins, which were particularly low during the re-start up of plants after the shutdown.

Margins and processing

Year 2010	Unit contribution margins at adjusted replacement cost [1] of ERG Coastal Refining	1st quarter 2011	1st quarter 2010
2.12	USD/barrel	(1.18)	1.57
1.60	EUR/barrel	(0.86)	1.14
11.7	EUR/tonne [2]	(6.4)	8.4
7,043	**Processed volumes (ktons)**	1,058	1,519

[1] net of variable production costs (mainly costs for utilities), not including gains (losses) on inventory and non-recurring items and including the contribution attributable to ERG (51%) of ISAB S.r.l.

[2] Barrel/tonne conversion factor of 7.374 in Q1 2011, 7.339 in Q1 2011 and 7.336 in FY 2010

The unit contribution margins in EUR/barrel for Q1 2011 were exceptionally poor as a result of the penalising plant structures in the transitional periods before and after the scheduled maintenance shutdown of the ISAB refinery and the negative trends in oil prices mentioned previously.
Lower processing volumes were largely the consequence of the scheduled maintenance shutdown of plants in the South in Q1 2011, which lasted for approximately 45 days.
In this regard, note that the shutdown of the Refinery's plants in the South, which mostly produce diesel, had a significant impact, given the premium margins of diesel over gasoline.

The API grade in Q1 2011 (34.0) was higher than in Q1 2010 (33,3), largely the result of lower processing volumes for residual oil compared to crude oil.

Finally, it should also be noted that, in a period which saw a huge surge in crude oil prices, results for the Coastal Refining segment were weighted down by the time lag with which the price of feedstock supplied by ISAB Energy is adjusted under the contract for long-term supply. The price is indeed linked, among other things, to the price of gas for thermoelectric power generation, which tends to follow that of crude oil with a delay of some months.

ISAB S.r.l. financial highlights

The figures reported below refer to 100% of the company.

Year 2010	(EUR million)	1st quarter 2011	1st quarter 2010
156	**EBITDA at replacement cost [1]**	**38**	**36**
(101)	Amortisation, depreciation and write-downs	(26)	(24)
55	**EBIT at replacement cost [1]**	**11**	**13**
96	Capital expenditures on tangible and intangible fixed assets	27	24

[1] the figures reported do not include gains (losses) on inventory of +5 in Q1 2011, +8 in Q1 2010 and +36 in FY 2010

It should be noted that as at 31 March 2011, ISAB S.r.l. reported a positive net financial position of EUR 64 million (75 million as at 31 December 2010).

Integrated Downstream

Reference market

Year 2010		1st quarter 2011	1st quarter 2010
-1.6%	**Italian retail market (consumption trend) [1]**	-2.6%	-1.3%
-6.0%	Gasoline	-5.3%	-6.4%
1.0%	Diesel	-1.1%	1.8%
-7.4%	**Italian wholesale market (consumption trend) [1]**	-0.6%	-15.0%
12.3%	Gasoline	13.5%	7.2%
-2.9%	Diesel	5.4%	-5.8%
-4.5%	Heating oil	-15.6%	-8.3%

[1] estimated figures for the changes from the same period of the previous year

Italian Retail market: in 2011, the retail market reported a fall in consumption of 2.6% against the same period of the previous year; specifically, there was a decline in the demand for gasoline (-5.3%) and diesel (-1.1%).
The cause of the decline in demand in the Retail market can be put down to the effects of the ongoing economic crisis plus the rise in prices to the public, driven by the sudden rise of International quotations. The above events are combined with the more structural phenomena that have been conditioning consumption in recent years, such as the improvement in the energy efficiency of motor vehicles and the fall in the average distances travelled by motorists.

Italian Wholesale market: in Q1 2011, a higher demand for diesel (automobile, marine and agricultural) was registered in the Wholesale market compared to that of 2010 (+5.4%); the increase was largely due to the rise in demand for transport diesel (+6.7%) partially offset by the drop in demand for marine diesel (-11.1%).
As for heating gas oil, industry demand continues to fall (-15.6% on the previous year).

Refining: for information regarding this market, please refer to the section on Coastal Refining. However, it should be noted that the characteristics of Inland Refineries as compared with Coastal Refining can produce different results in individual periods due to market changes.

Integrated Downstream adjusted financial highlights

To facilitate understanding of the operating performance of the Integrated downstream segment, business results in 2011 are reported at adjusted replacement cost, taking into account, for the portion attributable to ERG (51%), the consolidated Q1 2011 results from the joint venture, TotalErg.

Year		1st quarter	
2010	*(EUR million)*	**2011**	**2010**
3.901	Revenues from third parties	1.058	788
226	Intra-segment revenues	3	106
4.128	**Revenues from ordinary operations**	**1.062**	**894**
77	**EBITDA at replacement cost (1) (2)**	**16**	**15**
(54)	Amortisation, depreciation and write-downs (2)	(15)	(13)
23	**EBIT at replacement cost (1) (2)**	**1**	**2**
51	Capital expenditures on tangible and intangible fixed assets	5	9

(1) figures do not included gains (losses) on inventory of + 30 in Q1 2011, +23 in Q1 2010 and +45 in FY 2010
(2) not including non-recurring items indicated in the section "Alternative Performance Indicators" to which reference should be made for further details

Results for the quarter were significantly penalised by the events in North Africa, which led to a sharp surge in light crude oil prices in the Mediterranean due to the lower availability of Libyan crude oil.
Against this backdrop, marketing results (Retail, Wholesale and Specialties) were substantially in line with expectations with the contribution of the Integrated Downstream of Q1 2010, despite the falling trend in industry consumption, which conditioned the performance of the Wholesale market.

Downstream in Sicily

Downstream activities in Sicily were mainly carried out through ERG Oil Sicilia (EOS), a company which became operational as of 1 April 2010 as part of the agreements for the setup of TotalErg, which took over all the assets of ERG Petroli in the region.
ERG Oil Sicilia operates in both the Retail and Wholesale markets. As at 31 March 2011, ERG Oil Sicilia's market comprised 309 sales outlets with a market share in the period of 1.1% on a domestic basis. Results for Q1 were satisfactory for both the Retail and Wholesale markets, recording total sales of 141 thousand tonnes.

TotalErg Q1 2011 financial highlights

The figures reported below refer to 100% of the company, operational as of 1 October 2010.

4th quarter 2010	*(EUR million)*	1st quarter 2011
25	**EBITDA at replacement cost (1) (2)**	**24**
(27)	Amortisation, depreciation and write-downs (2)	(26)
(2)	**EBIT at replacement cost (1) (2)**	**(2)**
40	Capital expenditures on tangible and intangible fixed assets	8

(1) figures do not include gains (losses) on inventory of 58 million in Q1 2011 and +10 million in Q1 2010
(2) In Q4 2010 figures did not include non-recurring items of 37 million mainly relating to costs linked to the integration of ERG and Total

The quarterly result was affected by the refining scenarios which were heavily penalised by the events in North Africa (in particular with regard to the growth of light crude oil in the Mediterranean area due to the lower availability of Libyan crude oil) and in Japan.
Against this backdrop, marketing results were substantially in line with Q1 2010, despite the fall in consumption.
The process to integrate the joint venture was completed, and the process to achieve the planned synergies resulting from the joint management of the key business and support processes.

Retail network

The retail network arising from the joint venture between TOTAL and ERG is the third leading player in the Italian market. Fuel sales for TotalErg in **the first quarter** came to approximately 722 thousand tonnes with a market share in Italy of 11.8%.
As at 31 March 2011 TotalErg 's network in Italy was composed of 3,330 plants (of which 2,045 company-related). At the same date, the re-branding plan was going ahead according to schedule with the completion of 1,900 plants completed.

Wholesale network

TotalErg operates in the wholesale market with the sale of oil products primarily to companies which, in turn, re-sell them to end-users on their local markets and directly to consumers through subsidiaries. In Q1 2011, TotalErg diesel sales, including heating oil, totalled approximately 387 thousand tonnes.
These results include the subsidiaries Restiani S.p.A. and Eridis S.r.l., which operate in the marketing of oil products and heat management services for household users, particularly in the Northwest. The marketing of consumer oil products by Eridis s.r.l. also extends to the Central-South of the country.

Abroad – Switzerland

As at 31 March 2011, TotalErg is present in Switzerland's Retail market with 18 outlets and in its Wholesale market through the sale of petrol and diesel to re-sellers.
Retail sales in **the first quarter** totalled approximately 3.1 thousand tonnes while those for Wholesale amounted to approximately 7.5 thousand tonnes.

Specialties

TotalErg operates in the Specialties sector with the sale of lubricants (acquiring the basis which it then mixes with additives in its plant in Savona and in plants belonging to third-parties), normal and modified bitumen (produced by its own Refineries), and LPG made both directly and through the wholly-owned company, TotalGaz.
Sales of lubricants in **the first quarter** totalled 12.2 thousand tonnes with an overall market share of 11% covering various sales channels, including car manufacturers, retail, industrial, resellers and trucking companies.
As for bitumen, volumes sold in Q1 came to 34.9 thousand tonnes.
LPG sale volumes came to 52.5 thousand tonnes with sales increasing in the Business-to-Business segment but falling slightly in the Business-to-Consumer segment.

Inland refineries

Domestic refineries, located in two of the areas with the greatest intensity of consumption, have a total annual balanced distillation capacity – for the TotalErg share – of 6.0 million tonnes (approximately 120 thousand barrels/day) and differ according to the type of conversion. The Rome Refinery is equipped with thermal conversion, whereas the Sarpom Refinery is equipped with catalytic conversion, capable of producing higher quantities of light distillates. Both refineries primarily process low sulphur content oil; high sulphur content oil is processed for the production of bitumen.

Margins and processing

4th quarter 2010	Unit contribution margins at replacement cost (1) TotalErg Inland Refineries	1st quarter 2011
1.48	USD/barrel	0.94
1.09	EUR/barrel	0.69
8.0	EUR/tonne (2)	5.0
1,255	**Processed volumes (ktons)**	**1,314**
	of which	
328	Sarpom (Trecate)	368
927	Rome	945

(1) Unitary refining margins at replacement cost, shown net of variable production costs (mainly utilities costs) do not include gains (losses) on inventory

(2) Barrel/tonne conversion factor of 7.290 in Q1 2011, 7.333 in Q1 2010 and 7.303 in FY 2010

Processing volumes for TotalErg in **the first quarter** amounted to 1,314 thousand tonnes, having been affected by the scheduled maintenance shutdown of one of the primary distillation scrubbers and of the gasoline line of the Sarpom refinery from 3 February 2011 to 23 march 2011 and by the slowdown in production of the Rome Refinery, largely due to the gradual decline in the international oil market.

Unit contribution margins were impacted by the shutdown of the Sarpom Refinery and by the difficult international oil scenario that emerged following the crisis in Libya.

Power & Gas

Reference market

Year 2010	Italian electricity market (GWh) [1]	1st quarter 2011	1st quarter 2010
326,165	Demand	83,259	82,385
43,944	Import	11,987	11,691
286,531	Domestic production [2]	71,911	72,045
	of which		
222,157	Thermoelectric	58,117	57,231
36,939	CIP 6	7,327	9,226
	Sale prices (EUR/MWh)		
64.12	PUN [3]	66.50	62.96

(1) Terna estimates
(2) Output net of consumption for auxiliary services
(3) Single National Price

The demand for electricity [1] in Q1 2011 was 83.259 GWh, up slightly (+1.1%) on the previous year in continuation of the upturn in demand registered in the course of 2010 following the severe drop in 2009.
In Q1 2011, 69.8% of supply was covered by thermoelectric generation, 11.7% by hydroelectric sources, 4.8% by geothermal, wind and photovoltaic sources, and the remaining 14.4% by foreign sources.
In Q1 2011, domestic net electricity demand, which totalled 71,911 GWh, reflected a slight fall (-0.2%) on the same quarter in 2010, while the net foreign balance came to 11,987 GWh with an increase of 2.5% compared to Q1 2010. CIP 6 output in Q1 2011 was estimated at 7,327 GWh, down 20.6% on the same period in 2010.
During Q1 2011, the demand for electricity was mainly concentrated in Northern Italy (38.6 TWh, accounting for 46.3% of total domestic demand) while in Sicily, a target market for the ERG Group, consumption of electricity came to 5.6 TWh, showing a sharp rise (+5.7%) from the same quarter in 2010.

[1] Including network losses and not including electricity for pumping

Financial highlights for the period

Year 2010	EUR million)	1st quarter 2011	2010
1,171	Revenues from third parties	306	209
214	Intra-segment revenues	49	75
1,384	**Revenues from ordinary operations**	**355**	**284**
254	**EBITDA at replacement cost** [1]	**65**	**49**
(75)	Amortisation, depreciation and write-downs [1]	(21)	(16)
179	**EBIT at replacement cost** [1]	**44**	**33**
77	Capital expenditures on tangible and intangible fixed assets	2	33

[1] Figures do not include non-recurring items as indicated in the section "Alternative Performance Indicators" which should be referred to for further details

The breakdown of EBITDA at replacement cost between the various Power & Gas businesses was as follows:

Year 2010	EBITDA at replacement cost	1st quarter 2011	2010
167	ISAB Energy / ISAB Energy Services	47	39
87	ERG Power & Gas / ERG Power Plants	19	10
254	**Total**	**65**	**49**

Sales of electric power

Year 2010	Sales (GWh)	1st quarter 2011	2010
7,049	**Total Sales**	**1,905**	**1,300**
3,331	ISAB Energy	997	507
3,718	ERG Power & Gas	908	793
218	of which to ISAB S.r.l.	50	54
	Generation (GWh)		
6,234	**Total Generation**	**1,792**	**1,050**
3,331	of which ISAB Energy S.r.l.	997	507
2,903	of which ERG Power S.r.l.	795	543
	Sale price (EUR/MWh)		
95.4	CIP 6	104.6	97.2

ISAB Energy

The results of ISAB Energy are partly subject to changes in market conditions, due to the index linking of prices contained in the contracts for the sale of electricity and the purchase of raw material.
The selling prices of electrical power produced by ISAB Energy are regulated by Interministerial Price Committee Order no. 6 dated 29 April 1992 (CIP 6/92). As of 2000, ISAB Energy has a twenty-year agreement with GSE, on the basis of which the selling price includes the avoided cost component of fuel which, in turn, reflects the price trends for natural gas. The feedstock, the major raw material used in the production of electricity, is acquired by ISAB S.r.l. under a multi-year "take or pay" contract and is tied to the change in the avoided cost of fuel. In Q1 2011 electricity output came to 997 GWh (507 GWh in Q1 2010), with capacity utilisation of 87% (45% in Q1 2010). The marked improvement in capacity utilisation is related to the full restoration of the production capacity over the first half of 2010, which had been halved following an accident on 13 October 2008.
Consequently, the EBITDA at replacement cost came to EUR 47 million, a significant improvement on EUR 39 million in Q1 2010. It should be remembered that Q1 2010 included insurance settlements which had already been paid out in 2009 to cover the EUR 28 million in indirect damage accrued for the period following the aforementioned accident in October 2008. It should be noted that, pending the resolution of the complex dispute regarding resolutions 154/08 and 50/09, currently pending before the State Council, for the purposes of these accounts, the calculation criteria and general methodology provided for by resolution AEEG no. 249/06 were applied.
Finally, as at 31 March 2011, ISAB Energy reported a fully consolidated net debt of approximately EUR 66 million (86 million as at 31 December 2010).

ERG Power & Gas / ERG Power Plants

The total output of electrical power for ERG Power in Q1 2011came to 795 GWh, against 543 GWh in the same period of 2010. The increased output was largely due to the gradual entry into operations of the new combined cycle cogeneneration facility in the North Plant in early 2010, whose net output in the first quarter of 2011 came to 746 GWh (474 GWh in Q1 2010).
About 6% of total production was used to cover the consumption of the North Refinery of ISAB S.r.l. The net supply [1] of steam by ERG Power plants to the Priolo industrial site was approx. 650 thousand tonnes, of which 348 thousand tonnes for ISAB S.r.l.'s North Refinery.
Q1 2011 registered an improvement in economic performance against the same period in 2010, mainly as a consequence of increased production for the market by the new highly-efficient CCGT plant with significant modular capacity, within a pricing scenario for Sicily's electrical market that continued to be generally favourable.
The improvement was boosted further by the application of new long-term agreements for the supply of utilities to customers of the multi-company site in Priolo.
Furthermore, activities continued to be developed in Q1 2011 for the trade and marketing of electrical energy on the free market with a view to creating a stable customerbase of end users to protect generation margins.
As at 31 March 2011, the number of customers stood at 16,000 (12,000 in Q1 2010) with expected sales volumes in 2011 of 1.3 TWH.

[1] ie. the supply of steam to the industrial site in Priolo Gargallo, excluding network losses, not including withdrawals of steam from the same customers

Renewable Energy Sources

The ERG Group operates in the sector of Renewable energy through ERG Renew, a company in which it has a 94.98% shareholding as of 31 March 2011 following the takeover bid on the entire share capital made in the early months of the year.
The performance of ERG Renew is based mainly on the wind power generation business.
Wind farms consist of wind-power generators that can transform the kinetic energy of wind into mechanical energy, which is used in turn to generate electricity. Aside from the availability of the plants, the performance expected from each wind farm is obviously influenced by the wind speed profile of the site on which the wind farm is located.
The economic performance is also influenced by electricity selling prices and by the price of green certificates.

Reference market [1]

Year 2010		1st quarter 2011	1st quarter 2010
	Italian Renewable Energy Market [2]		
68.174	Generation from renewable sources [3]	13.794	14.814
8.374	of which Wind Power	2.225	2.439
	French Renewable Energies Market (GWh) [2]		
76.772	Generation from renewable sources [4]	17.129	20.866
9.412	of which Wind Power	3.077	2.755
	Sale price (Euro/MWh)		
64,12	PUN (Italy) [5]	66,50	62,96
85,09	Feed In Tariff (Francia)	86,31	85,07

(1) Estimated output for March
(2) output net of consumption for auxiliary services
(3) sources considered: hydroelectric, geothermal, wind power, and photovoltaic energy
(4) sources considered: hydroelectric and wind power
(5) Single National Price

On 3 March 2011 the Council of Ministers finally approved the Legislative Decree transposing Directive 2009/28/EC promoting the use of energy from renewable sources.
The Decree provides that for wind power plants that are already operational, or that will become operational by 31 December 2012, the GSE, as end-purchaser, will continue to withdraw Green Certificates issued for the production from renewable energy sources up to 2015, at a price equal to 78% of the difference between 180 Euro/MWh and the average annual selling price registered for electrical energy in the previous year and communicated by the Authority for Electrical Energy and Gas, by 31 January each year, as per Art. 13, paragraph 3, of Legislative Decree 387 of 29 December 2003.

Summary of the main financial highlights

Year 2010		1st quarter 2011	1st quarter 2010
	Operating results		
72	Revenues from third parties	24	17
–	Intra-segment revenues	–	–
73	**Revenues from ordinary operations**	**24**	**17**
39	**EBITDA at replacement cost** [1]	**14**	**11**
(33)	Amortisation, depreciation and write-downs [1]	(9)	(7)
5	**EBIT at replacement cost** [1]	**4**	**4**
89	Capital expenditures on tangible and intangible fixed assets	14	23
	Operating data		
453	Generation (thousands of MWh)	156	109
	of which		
336	Italy	121	73
117	France	35	36
	Valuation of green certificates (EUR/MWh)		
–	2011 Green certificates	81,78	–
87,25	2010 Green certificates	–	86,85

[1] not including non-recurring items indicated in the chapter "Alternative Performance Indicators," to which reference should made for further details

Consolidated revenues in Q1 2011 were higher compared to those in Q1 2010, boosted by the revenues from ERG Eolica Adriatica, acquired on 23 July 2010.
More specifically, ERG Renew registered an output in Italy of 121 GWh (73 GWh in 2010), partly affected by greater network restrictions on certain wind farms and by a total wind power that was lower than the one registered for the same period in the previous year. Electricity selling prices were down (-3.4%) as were those for green certificates (-5.8%).
The output of wind farms in France came to 35 GWh, down 2% on Q1 2010 as a result of the lower wind power, despite the contribution from the facility in Plogastel (9.2MW) which became operational in April 2010.
Consolidated EBITDA for the first quarter 2011 amounted to approx. EUR13.9 million, an increase of approx. 31% on the same period in 2010 thanks to the increased output registered for the period.

Capital expenditure

The adjusted [1] figure for capital expenditure by the ERG Group in Q1 2011 came to EUR 35.4 million (EUR 78.5 million in Q1 2010) of which 1.3 million for intangible fixed assets (EUR 2.7 million in 2010) and EUR 34.1 million for tangible fixed assets (EUR 75.8 million in 2010).

The breakdown of capital expenditure by business segment is shown in the following table:

Year 2010	*(EUR million)*	**1st quarter 2011**	**1st quarter 2010**
100	Refining & Marketing	19	21
77	Power & Gas	2	33
89	Renewable energy sources	14	23
4	Corporate	1	1
270	**Total**	**35**	**78**

[1] capital expenditure for Refining & Marketing includes 51% of the investments made by ISAB S.r.l. and, as of 1 October 2010, 51% of those made by TotalErg S.p.A.

Refining & Marketing

- With regard to Coastal Refining, in Q1 investments for the increased production of transport diesel were put into operation as were those relating to the general shutdown, which mainly involved the increase in production of distillates and improvement in efficiency as well as plant health and safety.
  The plan of investments also continued for the further relaunch of the useful life of equipment with a specific focus on the North Plant, as did further initiatives in the area of Health, Safety and the Environment.

- As for Integrated Downstream: in Q1 2011, approx. EUR 5 million worth of investments were made, of which EUR 4 million relating to the 51% of TotalErg and EUR 1 milion to ErgOil Sicily. With regard to TotalErg, the majority of investments for the period (approx. 3 million) involved the retail network and were mostly targeted at development activities (new sales outlets, reconstruction, new agreements, upgrade of existing sales points, etc.).

Power & Gas

In Q1 2011 the North Plant of ERG Power continued with the implementation of a new water demineralisation plant that supplies treated water for the processes of the Priolo production site. Furthermore, in both the North Plant of ERG Power and ISAB Energy Plant targeted investment activities aimed at boosting operating efficiency and plant reliability went ahead, as did the activities planned within the area of Health, Safety and the Environment.
It should be noted that the sharp reduction compared to the same period of the previous year was consequent to the completion of the new ERG Power plant in the first half of 2010, the reconstruction of ISAB Energy and, to a lesser degee, the Hydrogen Project.

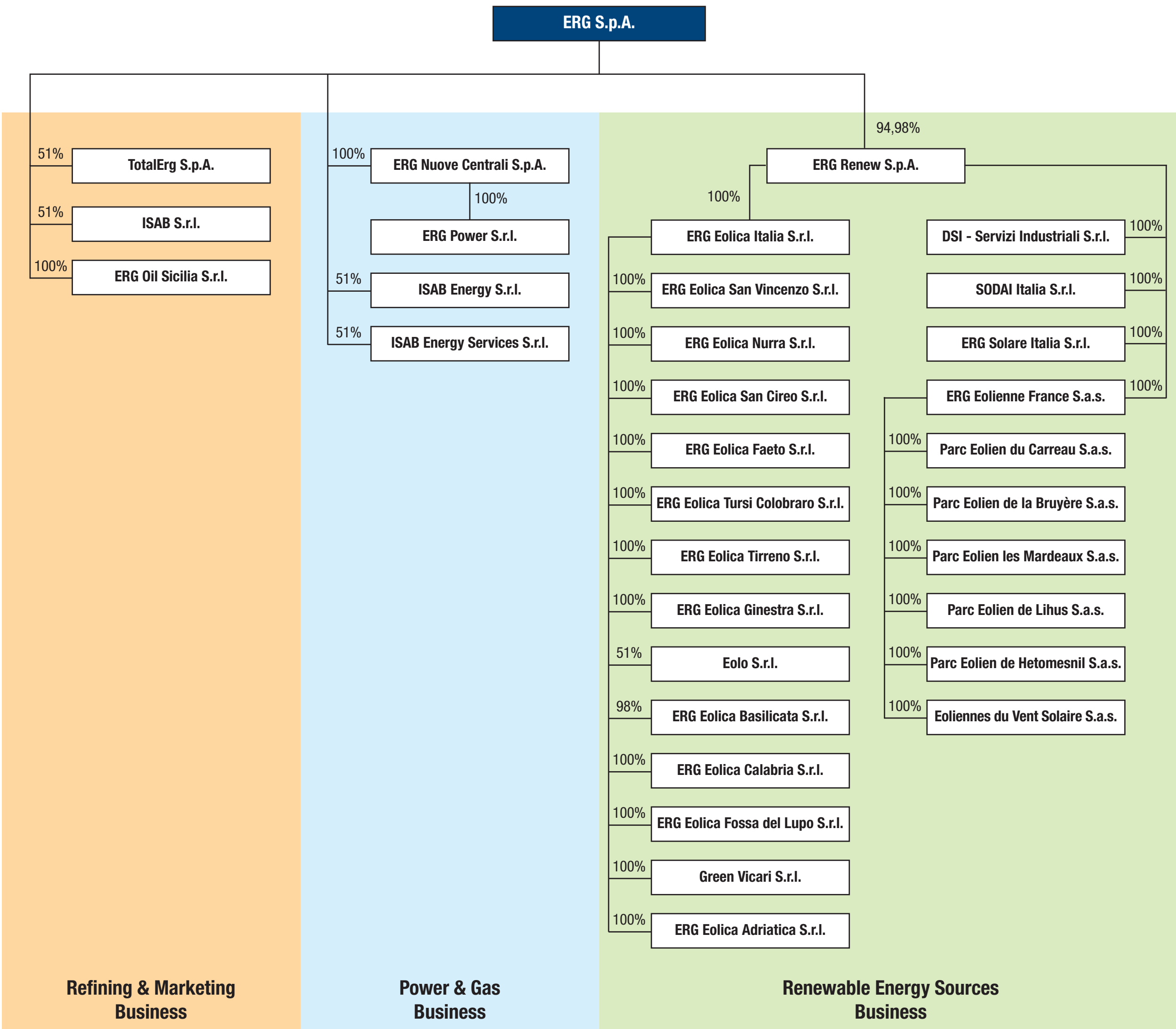
Renewable energy sources

With regard to the wind farm in Ginestra (40 MW), installation was completed for 19 wind turbines (out of a total of 20) and the wind farm will become operational in the second quarter of 2011. While construction of the Fossa del Lupo wind farm (90 MW) is behind schedule, the aim to complete the entry into operation of the entire farm by the end of 2011 remains; as at 31.03.11, the installation of 30 wind turbines had been completed (out of 39). With regard to the wind farm in Greneville (20 MW), authorisation is expected to be obtained in 2011 – later than originally anticipated – with the subsequent delay of its entry into operations, originally planned for April 2011.

Financial statements

Scope of consolidation and business segments

The table below reports the fully consolidated companies as at 31 March 2011. There were no changes to the scope of consolidation from 31 December 2010.



Financial statements

It should be noted that the comparison with Q1 2010 is affected by the TotalErg transaction which led to the deconsolidation of companies in the Joint Venture with TOTAL as of 1 October 2010. Please refer to the section "Alternative Performance Indication" for a like-for-like comparison with adjusted figures.

Income Statement

Year 2010	Reclassified Income Statement *(EUR million)*	1st quarter 2011	1st quarter 2010
7,812.9	Revenues from ordinary operations	1,428.7	1,709.8
86.6	Other revenues and income	3.5	42.4
7,899.5	**TOTAL REVENUES**	**1,432.2**	**1,752.2**
(6,666.0)	Purchase expenses and changes in inventory	(1,216.2)	(1,446.0)
(995.8)	Costs for services and other operating costs	(175.6)	(243.6)
237.7	**EBITDA**	**40.5**	**62.5**
(190.7)	Amortisation, depreciation and write-downs of fixed assets	(32.5)	(36.6)
63.4	Proceeds from sale of business unit	–	–
(38.4)	Net financial income (expenses)	(11.9)	(9.6)
11.0	Net income (loss) from equity investments	22.7	8.8
83.0	**Profit before taxes**	**18.7**	**25.1**
(39.6)	Income taxes	(5.6)	(10.7)
43.4	**Profit for the period**	**13.1**	**14.4**
(33.0)	Minority interests	(9.4)	(8.3)
10.4	**Group's net profit (loss)**	**3.7**	**6.1**

Revenues from ordinary operations

Revenues in **Q1** came to EUR 1.429 million compared to EUR 1,710 million Q1 2010. The decrease is the result of the following factors:

- the fall in **Refining & Marketing** mainly linked to the deconsolidation of revenues of Erg Petroli as of 1 October 2010 following the TotalErg transaction and the scheduled shutdown of the refinery, partially offset by the increase in average selling prices;
- increased **Thermoelectric Energy** revenues, as a result of the higher quantities sold and of the higher sale prices;
- increased revenues from **Renewable Energy Sources**, mainly because of the higher sale volumes as a consequence of increased production capacity, also as a result of the acquisition of ERG Eolica Adriatica.

Other revenues and income

These consist principally of rental income, insurance indemnifications, gains on disposals, indemnities and expense recoveries.
The decline on Q1 2010 is largely due to ISAB Energy insurance settlements relating to the accident in 2008 (+28 million in 2010) and to the deconsolidation of other revenues and income of ERG Petroli.

Purchase expenses and changes in inventory

Purchase expenses mainly refer to the purchase of crude oil and other semi-finished products and also include transport and transaction costs.
These were approx. EUR 312 million lower in **the first quarter** of 2011 than in Q1 2010, despite the increase in the price of raw material, subsequent to the deconsolidation of Erg Petroli costs and the scheduled shutdown of the ISAB refinery.
With regard to inventories, raw materials increased by approximately EUR 27 million (with a fall of 9 thousand tonnes on 31 December 2010) and approximately EUR 22 million for finished products (-11 thousand tonnes).

In the first quarter of 2010, an increase of approx. EUR 69 million was recorded for raw materials and approx. EUR 62 million for finished products.
It should be noted that on the basis of the weighted average cost method, the inventory change is impacted not only by the exact level of inventories in stock at the end of the period, but also by the variation in raw material and finished product purchase prices.

Costs for services and other operating costs

Costs for services include the processing costs of the ISAB, maintenance costs, commercial expenses (including costs for the transport of products and electrical energy), costs for utilities, consulting services, insurance, marketing and for services rendered by third parties.
The other operating costs mainly relate to cost of labour, rent, provisions for risks and charges and to taxes other than income taxes.
The reduction against the first quarter of 2010 is largely linked to the changes in the scope of consolidation following the TotalErg transaction.

Amortisation, depreciation and write-downs

The decrease in amortisation and depreciation is due to the effects from the TotalErg transaction partially offset by the increase in amortisation following the operational start-up of the new plants in the Power & Gas and Renewable Energy Sources divisions.

Net financial income (expenses)

Net financial expenses in **the first quarter** of 2011 amounted to EUR 12 million, compared with EUR 10 million in Q1 2010.
The change is mainly linked to:

- the positive impact of exchange rate fluctuations, mainly from sales (+ EUR 6 million);
- higher net interest expenses (-6 million) as a result of higher interest rates and higher level of debt;
- negative impact of the changes in the fair value of interest rate hedging transactions (EUR -2 million);
- other changes (+2 million) largely resulting from the impact of the TotalErg transaction and, in particular, the deconsolidation of ERG Petroli.

Net income (loss) from equity investments

These consist primarily of the profits of the investee companies valued using the equity method of accounting.
Specifically, the item includes the results form the Joint Ventures, ISAB S.r.l. and TotalErg S.p.A., which benefitted in the quarter from the positive impact in price increases on inventory value.

Income taxes

Income taxes in **the first quarter** amounted to EUR 6 million (EUR 11 million in the first quarter 2010) and include EUR 12 million in current taxes as well as EUR 6 million in positive deferred taxes.
The tax rate at adjusted replacement cost, obtained from the ratio between income taxes and pre-tax profit not including inventory gains/losses and non-recurring items, was not representative in view of the negative results for the period.

Balance sheet

31.03.2010	Reclassified balance sheet *(EUR million)*	31.03.2011	31.12.2010
2,741.2	Fixed assets	2,850.9	2,837.2
344.8	Working capital	246.8	49.8
(11.7)	Employees' severance indemnities	(4.2)	(4.6)
453.5	Other assets	390.8	360.5
(834.3)	Other liabilities	(654.6)	(628.6)
2,693.6	**Net invested capital**	**2,829.7**	**2,614.4**
1,788.1	Group Shareholders' Equity	1,759.8	1,740.4
149.1	Minority interests	144.3	151.1
756.4	Net financial indebtedness	925.6	722.9
2,693.6	**Shareholders' equity and financial debt**	**2,829.7**	**2,614.4**

At 31.03.11 net invested capital was EUR 2,830 million.
Financial leverage, represented as the ratio between total net debt (including project financing) and net invested capital, was 33% (28% as at 31 December 2010).

Fixed assets

Fixed assets include tangible, intangible and financial assets. The slight increase in the quarter is largely attributable to capital expenditure and to the change in equity valuation of the Joint ventures.

Working capital

Net working capital includes inventory, trade receivables and payables, and excise duties payable. The increase on 31 December 2010 is mainly the result of the rise in the total value of inventories due to higher average prices and specifics linked to the dynamics of working capital.

Other assets

These mostly comprise deferred tax assets, receivables from Tax Authorities for tax prepayments and payments already made against current provision of services.

Other liabilities

These mainly concern the deferred tax liabilities calculated on the differences between statutory reporting values and corresponding fiscal values (principally fixed assets and inventories), the estimate of income taxes owed for the period, the provisions for liabilities and charges, excise tax and VAT payables and the deferred income resulting from deferred recognition in the income statement of the CIP 6 tariff increase on sales of electricity by subsidiary ISAB Energy.

Net financial indebtedness

31.03.2010	Summary of Group indebtedness *(EUR million)*	31.03.2011	31.12.2010
743.3	Medium/long-term financial indebtedness	1,210.1	1,221.7
13.2	Short-term financial indebtedness	(284.5)	(498.9)
756.4	**TOTAL**	**925.6**	**722.9**

The following table illustrates the medium/long-term financial debt of the ERG Group:

31.03.2010	Medium/long-term financial indebtedness *(EUR million)*	31.03.2011	31.12.2010
900.2	Medium/long-term bank borrowings	626.8	667.6
(449.1)	Current portion of mortgages and loans	(191.4)	(227.6)
44.7	Medium/long-term financial payables	60.0	67.5
495.8	**Total**	**495.3**	**507.5**
328.5	Medium/long-term project financing	797.0	792.8
(81.0)	Current portion of Project Financing	(82.3)	(78.6)
247.5	**Total Project Financing**	**714.7**	**714.2**
743.3	**TOTAL**	**1,210.1**	**1,221.7**

The medium-long term financial payables refer to interest-bearing loans granted to ISAB Energy S.r.l. by IPM Eagle (EUR 21 million) which, through its subsidiaries, owns 49% of the company. Repayment is subject to the conditions set out in the project financing agreement. These include payables from the valuation at fair value of derivative instruments and the mid-long term portion of financial indebtedness towards non-consolidated Group companies (mainly ISAB S.r.l.)

The payables for “medium-long term project financing” are for:

- EUR 104 million in loans granted to ISAB Energy S.r.l. by a pool of international banks. These loans were granted at origin for an amount equal to about 90% of the cost of the co- generation plant;
- EUR 299 million in loans granted to ERG Power S.r.l. for the construction of the new CCGT plant;
- EUR 394 million in loans granted to companies in the Renewable Energy division for the construction of wind farms.

In compliance with IAS 39, ancillary expenses incurred to obtain the loans were entered in reduction of the payable to which they refer, according to the amortised cost method.

The breakdown of short-term financial indebtedness is shown below:

31.03.2010	Short term financial indebtedness (cash and cash equivalents) *(EUR million)*	31.03.2011	31.12.2010
1,029.2	Short-term bank borrowings	271.7	527.5
449.1	Current portion of mortgages and loans	191.4	227.6
104.5	Other short-term financial payables	33.7	33.4
1,582.8	**Short-term financial liabilities**	**496.9**	**788.5**
(1,275.1)	Cash and cash equivalents	(626.4)	(1.141.7)
(88.9)	Securities and other short-term financial receivables	(29,3)	(53.4)
(1,364.0)	**Short-term financial assets**	**(655.7)**	**(1.195.1)**
81.0	Short-term Project Financing	82.3	78.6
(286.6)	Cash and cash equivalents	(208.0)	(170.8)
(205.6)	**Project Financing**	**(125.7)**	**(92.3)**
13.2	**TOTAL**	**(284.5)**	**(498.9)**

Other short-term financial payables mainly comprise:
- Financial payables to non-consolidated companies in the Group (primarily ISAB S.r.l.);
- Liabilities arising from the fair value valuation of derivatives (EUR 8.5 million);
- Short-term payables to companies controlled by IPM Eagle.

Total cash and cash equivalents mainly include liquidity from collections in December 2008 and February 2009, the consideration for the disposal of 49% of ISAB S.r.l. and current accounts bound by the conditions set out in the project financing agreements.
The result as at 31March 2011 was lower due to use for the reduction of short-term payables to banks with a view to structurally optimising cash management.

Short-term financial assets also include short-term securities used to invest liquidity.

The change in net financial indebtedness is broken down as follows:

Year 2010		1st quarter 2011	1st quarter 2010
	CASH FLOWS FROM OPERATING ACTIVITIES *(EUR million)*		
67.2	Adjusted cash flow from current operations [1]	(12.5)	(17.4)
(15.0)	Income tax paid	–	–
(9.2)	Working capital	(174.2)	(59.7)
75.9	Change in other operating assets and liabilities:	8.0	53.8
119.0	**Total**	**(178.7)**	**(23.2)**
	CASH FLOWS FROM INVESTING ACTIVITIES		
(192.6)	Net investments in tangible and intangible fixed assets [2]	(17.8)	(65.2)
6.5	Net investments in financial fixed assets	0.1	(2.1)
(186.1)	**Total**	**(17.7)**	**(67.3)**
	CASHFLOW FROM SHAREHOLDERS' EQUITY		
(80.7)	Dividends paid	–	(5.3)
0.6	Other changes in shareholders' equity	(6.3)	(0.7)
(80.1)	**Total**	**(6.3)**	**(5.9)**
86.5	**CHANGE IN SCOPE OF CONSOLIDATION**	**–**	**2.2**
(60.7)	**CHANGE IN NET FINANCIAL INDEBTEDNESS**	**(202.7)**	**(94.3)**
662.2	**NET FINANCIAL DEBT AT BEGINNING OF PERIOD**	**722.9**	**662.2**
60.7	***CHANGE DURING THE PERIOD***	**202.7**	***94.3***
722.9	**NET FINANCIAL INDEBTEDNESS AT PERIOD-END**	**925.6**	**756.4**

(1) Item does not include inventory gains (losses), deferral of the CIP 6 tariff increase, current income tax for the period and the 2010 portion of the insurance reimbursements, already collected in 2009

(2) Item does not include capitalised costs for cyclical maintenance

The increase in net financial debt from 31 December 2010 was largely attributable to the specific trends in working capital affected also by the scheduled shutdown of the ISAB refinery, and to the lower cashflow generated in the period.
It should be noted that other changes in assets and liabilities for Q1 2010 were largely due to the reimbursement of expenses relating to ISAB Energy's emission trading in 2008, which stood at EUR 49 million.

A detailed analysis of capital expenditure effected may be found in the specific section.

Alternative performance indicators

To facilitate understanding of the operating performance of the business divisions, results are also shown adjusted replacement cost, excluding gains (losses) on inventory and non-recurring items and including, for the portion attributable ERG (51%), results at replacement cost from the joint ventures ISAB S.r.l. and TotalErg S.p.A.

The results at replacement cost and the results at adjusted replacement cost are indicators that are not defined within the International Financial Reporting Standards (IAS/IFRS). Management deems that these indicators are important parameters for measuring ERG Group's operating performance, and are generally used by petroleum industry operators in their financial reporting.
Since the composition of these indicators is not regulated by the applicable accounting standards, the method used by the Group to determine these measures may not be consistent with the method used by other operators; as a result, they might not be fully comparable.

The components used to determine the calculation of results at adjusted replacement cost are described below.

Inventory gains (losses) are equal to the difference between the replacement cost of sold products in the period and the cost resulting from application of the weighted average cost. They represent the higher (lower) value, in the event of price increases (decreases), applied to the quantities corresponding to levels of inventories physically present at the beginning of the period and still present at the end of the period.

Non-recurring items include significant but unusual earnings.

Results also include the contribution from the joint ventures, ISAB S.r.l. and TotalErg S.p.A. for the portion attributable to ERG (51%).
To facilitate understanding of the operating performance of the Refining & Marketing sector, business results are also shown at adjusted replacement cost, taking account, for the portion attributable to ERG (51%), the results at replacement cost of ISAB S.r.l. and TotalErg S.p.A., whose contribution to non-adjusted P&L values is accounted for in the valuation of investments by using the equity method.

In accordance with the above, net financial indebtedness is also shown at adjusted replacement cost to include, for the portion attributable to ERG (51%), the net financial position of the joint ventures ISAB S.r.l. and TotalErg S.p.A., net of intragroup items.

Reconciliation with operating results at adjusted replacement cost

Year 2010	EBITDA	1st quarter 2011	1st quarter 2010
237,7	**EBITDA**	**40,5**	**62,5**
(62.4)	*Excluding inventory Gains / Losses*	*(23.8)*	*(30.6)*
	Excluding non-recurring Items:		
	Corporate division		
11.3	*– Ancillary expenses on TotalErg transaction*	–	–
	Coastal refining		
1.5	*– Restructuring costs*	–	–
25.0	*– Environmental costs*	–	–
213.2	**EBITDA at replacement cost**	**16.7**	**31.9**
79.6	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*19.1*	*18.5*
12.5	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*12.3*	-
305.4	**EBITDA at adjusted replacement cost**	**48.2**	**50.4**

Year 2010	AMORTISATION. DEPRECIATION AND WRITE-DOWNS	1st quarter 2011	1st quarter 2010
(190.691)	**Depreciation**	**(32.5)**	**(36.6)**
	Excluding non characteristic Items:		
	Renewable energy sources		
36.6	*– Writedowns in the Wind Power segment*	–	–
(154.1)	**Amortisation and depreciation at replacement cost**	**(32.5)**	**(36.6)**
(51.6)	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*(13.4)*	*(12.1)*
(13.8)	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*(13.5)*	–
(219.5)	**Adjusted amortisation and depreciation at replacement cost**	**(59.5)**	**(48.7)**

Year 2010	EBIT	1st quarter 2011	1st quarter 2010
59.1	**EBIT at replacement cost**	**(15.8)**	**(4.7)**
28.0	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*5.7*	*6.4*
(1.2)	*ISAB S.r.l. 51% contribution at adjusted replacement cost*	*(1.2)*	–
85.9	**EBIT at adjusted replacement cost**	**(11.3)**	**1.7**

Year 2010	GROUP'S NET PROFIT (LOSS)	1st quarter 2011	2010
10.4	**Group's net profit (loss)**	**3.7**	**6.1**
(52.8)	*Excluding inventory Gains / Losses*	*(36.1)*	*(21.7)*
	Excluding non -recurring Items		
11.1	*Excluding ancillary expenses on TotalErg transaction*	–	–
(62.3)	*Excluding capital gain on TotalErg transaction*	–	–
7.7	*Excluding items relating to ERG Petróleos*	–	–
1.5	*Excluding items relating to "restructuring costs"*	–	–
12.2	*Excluding non-recurring items:*	*0.8*	–
6.2	*Excluding Stralcio tax asset 2009*	–	–
18.1	*Excluding non-recurring items relating to "Coastal refinery environmental costs"*	–	–
27.8	*Excluding non-recurring items relating to "Writedowns in the wind power segment "*	–	–
(20.1)	**Group net profit at adjusted replacement cost** [1]	**(31.7)**	**(15.6)**

[1] also corresponds to Group net profit at adjusted replacement cost

Non-recurring items in Q1 2011 refer to expenses borne by TotalErg for the integration of TOTAL Italia and ERG Petroli activities.
As for non-recurring items in 2010, please refer to the 2010 Annual Report.

Reconciliation with adjusted net financial indebtedness

31.03.2010	Adjusted net financial indebtedness	31.03.2011	31.12.2010
756.4	**Net financial indebtedness**	**925.6**	**722.9**
(65.6)	*Net financial position of ISAB S.r.l.*	*(32.5)*	*(38.3)*
–	*Net financial position of TotalErg*	*338.9*	*403.4*
(5.9)	*Elimination of intra-group items*	*(6.0)*	*(6.0)*
684.9	**Adjusted net financial indebtedness**	**1.226,0**	**1.082,0**

The adjusted figures for net financial debt take into consideration, for the portion attributable to ERG (51%), the net financial position of ISAB S.r.l. excluding related intra-group items.

Material events after the closing of the quarter

No material events following the closing of the quarter are reported.

Business outlook

Risks and uncertainties facing the business outlook in 2011

In reference to the estimates and forecasts set out in this section, it is emphasised that actual results may differ significantly from forecasted results due to a multitude of factors, including: future trends in crude oil prices, the operating performance of plants, the impact of regulations for the oil and energy industry and for the environment, other changes in business conditions and in the action of the competition.
The expected outlook for the main operating and performance indicators is as follows:

Refining & Marketing

Coastal Refining

Performance for the remaining part of 2011 will be strongly influenced by developments in the Libyan crisis: while it is expected that the global demand for oil will continue to rise (albeit at a more modest pace than in 2010), helping to prop up the price of crude oil and average distillates in particuar, the re-entry, or not, of approx. 1.3 million barrels/day of Libyan crude oil on the market may lead to the continuation or elimination of the "premium" estimated by several analysts at approx.15USD/barrel, consequently moderating the differentials of other oil qualities similar to those of Libya (crude oil from West Africa, North Sea and the Caspian area).
It is expected that results for Coastal refining may continue to be weighted down by the effects from the Libyan crisis, penalising refining margins which, nevertheless, ought to return to levels higher than the exceptionally low ones registered in the period.
Furthermore, there are growing fears that the continuation of price levels reached for crude oil – in excess of 120USD/barrel - will begin to take a negative toll on real economic growth and thus on the overall demand in oil estimated so far.

Integrated Downstream

With regard to the marketing sector, satisfying results are expected to be delivered, partly on the back of the synergies achieved through the joint venture with Total and of the improvement in business performances linked to results from the scheduled launch of sales and marketing initiatives in the new joint venture, particularly with regard to the network and sector of Lubricants. As for domestic refining, refining margins for the remainder of 2011 are expected to be higher than those of the first quarter (which was weighted down by lower output following production slowdown in the Sarpom refinery owing to the scheduled shutdown) while results will be strongly linked to developments in the market scenario and, particularly, the Libyan crisis which significantly altered results in the first quarter.

Results for the Refining & Marketing sector in 2011 are expected to be in line with those of 2010.

Power & Gas

2011 will benefit entirely from the final configuration of production plants since both the ISAB Energy plant and the ERG Power plant will be fully operational, although production from ISAB Energy will be weighted down by the scheduled maintenance shutdown.
Energy marketing activities will be aimed at consolidating the customer base in order to minimise risk while providing, at the same time, an adequate level of coverage on generation margins.
Consequently, the level of profitability for the Power & Gas segment is expected to be satisfactory, albeit lower than that of 2010, partly on the back of a market scenario that is expected to decline in terms of gas plant generation margins.

Renewable energy sources

ERG Renew will continue to follow up on implementation actions set out in the Industrial Plan.
More specifically, production at the wind farm in Ginestra (40 MW) is expected to be launched in the first half of 2011 with the gradual start up of operations.
Due to the possibility of ongoing congestion in the National Transmission Network in the region of Apulia, production of the wind farms in this region may suffer in 2011 also, in line with the output limits incurred in 2010.
The first half of 2011 will see the launch of production for the photovoltaic plant of approximately 1 MW at ISAB Energy's industrial site in Priolo Gargallo, Siracuse.

Genoa, 12 May 2011

On behalf of the Board of Directors
The Chairman
Edoardo Garrone

Declaration by the manager responsible for the preparation of company accounting documents pursuant to the provisions of article 154-bis, paragrapgh 2 of Italian Legislative Decree 58/1998 (Consolidated Law on Finance)

The Manager responsible for the preparation of company accounting documents of ERG S.p.A. Giorgio Coraggioso, declares pursuant to paragraph 2 of article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this Interim report on Operations, on the basis of his knowledge, corresponds to the contents of company documents, register and accounts.

Genoa, 12 May 2011

The Manager responsible for the preparation
of company accounting documents

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