



1Q 2009 Results and Strategic Update

Alessandro Garrone
Group CEO



Forward-looking statements

This document contains certain forward-looking information that is subject to a number of factors that may influence the accuracy of the statements and the projections upon which the statements are based.

There can be no assurance that the projections or forecasts will ultimately prove to be accurate; accordingly, the Company makes no representation or warranty as to the accuracy of such information or the likelihood that the Company will perform as projected.



Highlights

Key financials:

1Q 2009:

- Adjusted RC Ebitda* at Eu12mn, Eu173mn in 1Q08
- RC Net Profit at -Eu20mn, Eu39mn in 1Q08

Balance Sheet

- 31.03.2009 NFP at Eu321mn vs Eu1,408mn same period last year
- Leverage at 14%

Excluding change in scope of consolidation, results penalized by the general shutdown of ISAB refinery as well as ISAB Energy incident, net of insurance reimbursement

*RC Ebitda includes Eu28mn of insurance reimbursement for business interruption



“Safety“ Project: becoming a priority

Focus on safety and reliability

- Increased sensitivity after 2006 and 2008 incidents
- Improve current procedure but above all their full knowledge and execution with extensive training programs
- By the end of June 2009 complete “gap analysis”, supported by an external consultant (DuPont), and identify Road Map
- top-management compensation scheme also based on safety and asset reliability KPI

Committed to establishing a best in industry track record



1Q 2009 Results

Luca Bettonte
Group CFO



Results of 1Q 2009

4Q 2008	Euro millions	1Q 2009	1Q 2008
2,012	Revenues	1,194	2,849
66	Adjusted RC EBITDA	12	173
14	- Coastal refining	(24)	84
56	- Integrated downstream	16	19
(2)	- Power & gas	21	70
6	- Renewables	5	8
(7)	- Corporate	(7)	(8)

Worse results vs 1Q08 (-93%) and 4Q08 (-81%)



1Qs at a glance - Income statements

4Q 2008	Euro millions	1Q 2009	1Q 2008
14	Adjusted EBIT at replacement cost	(30)	123
(1)	- 51% ISAB contribution at replacement cost	5	0
13	EBIT at replacement cost	(35)	123
(574)	- Gain (loss) on inventory	14	46
(219)	- Non-characteristic items	0	0
889	- Net income from equity investments	9	3
51	- Net financial income (expenses)	5	(34)
159	Pretax reported	(7)	137
92	- Income taxes	(1)	(50)
39	- Minorities	(3)	(17)
290	Net profit reported	(11)	70
365	- Net gain (loss) on inventory	(9)	(31)
(667)	- Net non-characteristic items	0	0
(12)	Net profit at replacement cost	(20)	39



Review by business



Coastal refining: key figures

4Q 2008	Euro millions	1Q 2009	1Q 2008
122	Gross refining margin	31	171
14	Adjusted RC EBITDA ⁽¹⁾	(24)	84
(16)	Adjusted Depreciation ⁽¹⁾	(10)	(18)
(2)	Adjusted RC EBIT ⁽¹⁾	(34)	67

**Excluding change in scope of consolidation,
results penalized by general shutdown of
ISAB refinery**

(1) Adjusted for 51% stake in ISAB Srl as of December 1st, 2008



Coastal refining: performance

4Q 2008		1Q 2009	1Q 2008
Refining margin at replacement cost:			
4.86	US\$/bbl	1.52	8.48
3.69	Euro/bbl	1.16	5.66
2,936	Volumes processed (ktons)	1,312	3,390
4.76	EMC (US\$/bbl)	3.17	2.37
3.61	EMC (Eu€/bbl)	2.43	1.58
0.10	Variance versus EMC (US\$/bbl)	(1.65)	6.11
0.08	Variance versus EMC (Eu€/bbl)	(1.27)	4.08



Integrated downstream: key figures

4Q 2008	Euro millions	1Q 2009	1Q 2008
56	RC EBITDA	16	19
49	- <i>Marketing</i>	15	16
7	- <i>Inland refining and logistics</i>	2	3
(14)	Depreciation	(13)	(12)
42	RC EBIT	4	7

Lower RC EBITDA vs 1Q08 (-14%) and vs 4Q08 (-71%)



Integrated downstream: marketing

4Q 2008		1Q 2009	1Q 2008
489	Retail sales (ktons)	468	470
510	Wholesale sales (ktons)	410	486
6.9%	Retail market share	7.2%	7.0%
10.0%	Wholesale market share - gasoil	8.5%	8.8%

Retail performance better than Industry trends



Integrated downstream: inland refining

4Q 2008		1Q 2009	1Q 2008
	Refining margin at replacement cost		
7.68	US\$/bbl	2.68	2.39
5.83	Euro/bbl	2.05	1.60
	Volumes processed (ktons)		
398	Sarpom (Trecate)	435	498
288	Rome	252	296
686	Total volumes	687	793



ISAB Energy: key figures

4Q 2008		1Q 2009^(*)	1Q 2008
268	Sales (GWh)	471	1,195
43	Sales (Eu mn)	85	155
(11)	RC EBITDA (Eu mn)	25	69
(23)	RC EBIT (Eu mn)	13	57
23%	Net capacity utilization (%)	41%	100%
142	CIP6 tariffs (Eu/MWh)	89	137
9	EBITDA IT GAAP (Eu mn)	14	82

(*) 1Q 2009 Results include Eu28mn of insurance reimbursement for business interruption



ERG Power & Gas / NuCe: key figures

4Q 2008	Euro millions	1Q 2009	1Q 2008
273	Electricity Production (GWh)	120	431
9	RC EBITDA	(3)	1
(2)	Depreciation	(1)	(3)
7	RC EBIT	(5)	(1)

Note: Turbogas Sud conferred into ISAB Srl as of December 1st, 2008



Renewables: key figures

4Q 2008		1Q 2009	1Q 2008
60	Electricity Production (GWh)	85	87
28	of which in France (GWh)	31	43
189	Italian price (Eu/MWh)	164	180
91	Electricity price (Eu/MWh)	77	85
98	Green Certificates price (Eu/MWh)	87	95
84	France reference feed-in tariff (Eu/MWh)	86	84
6	RC EBITDA (Eu mn)	5	8
(7)	Depreciation (Eu mn)	(6)	(4)
(1)	RC EBIT (Eu mn)	0	3



Investments

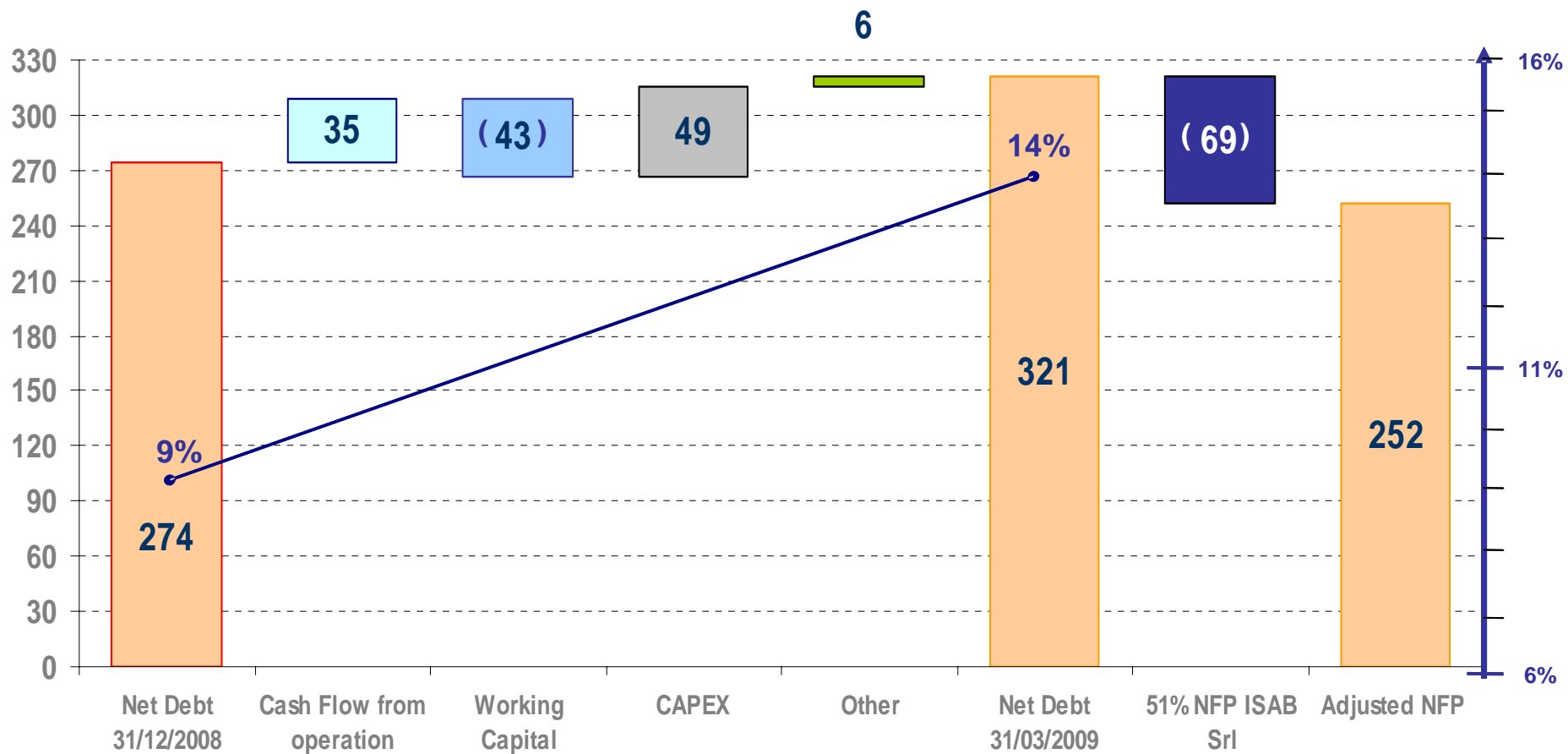
4Q 2008	Euro millions	1Q 2009	1Q 2008
27	Coastal refining ⁽¹⁾	13	14
24	Integrated downstream	9	13
42	Power & gas ⁽²⁾	36	37
10	Renewables	3	13
2	Corporate	0	1
105	Adjusted Total	62	78

(1) It includes 51% of ISAB Srl

(2) It includes Eu11mn reconstruction of ISAB Energy train damaged in October 2008



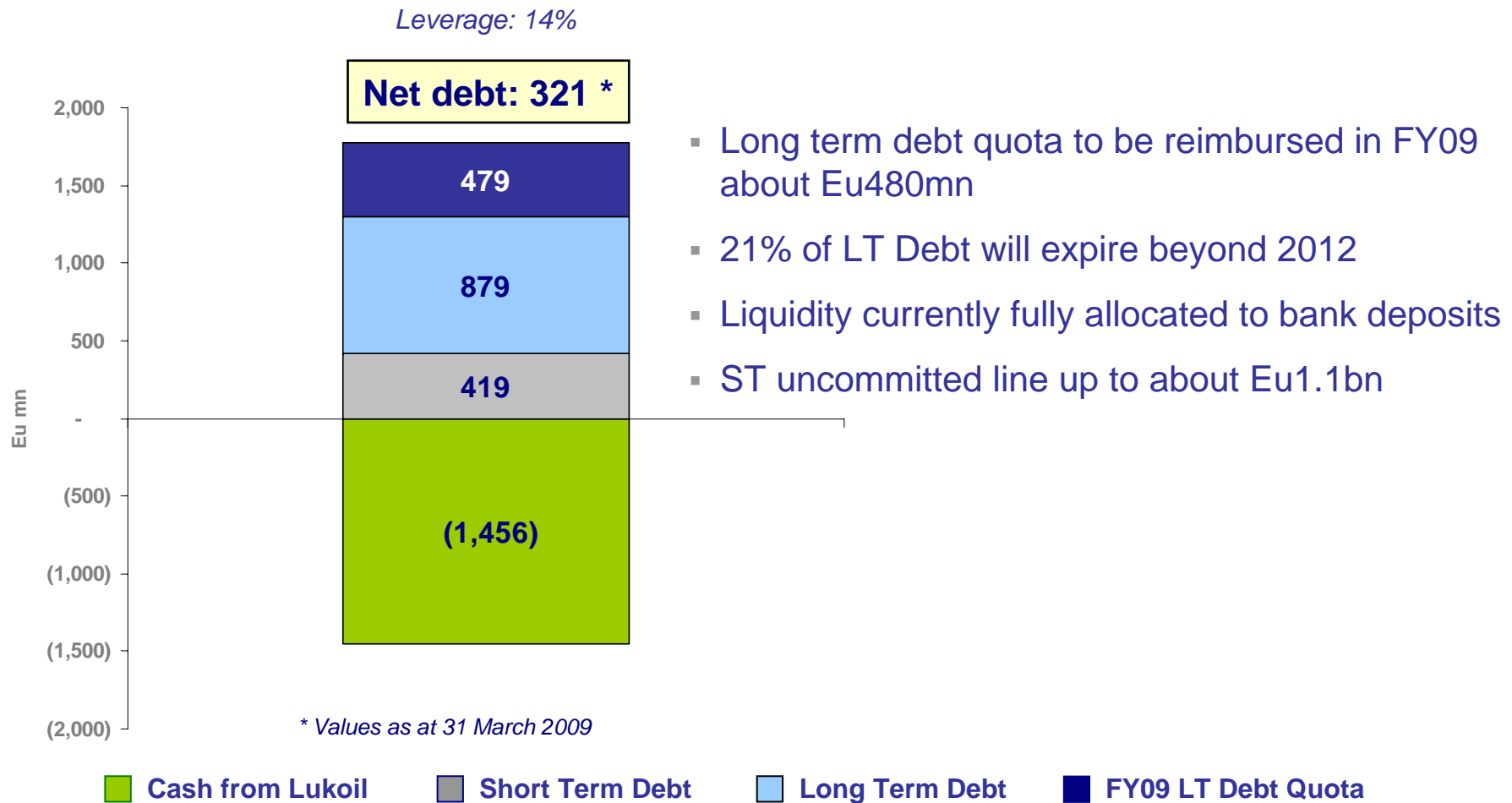
1Q 2009 Cash flow statement



—●—● leverage



Financial structure (reported values)

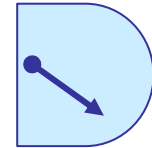




Economic guidance for 2009

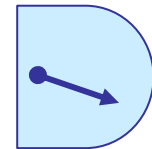
Coastal refining:

- scheduled general turnaround of Nord and slowdown of Sud plants in Q1
- negative impact of worldwide economic crisis on margins
- reduction of ERGMed runs due to the sale of 49% ISAB to LUKOIL



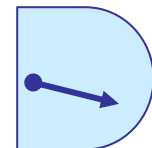
Integrated downstream:

- lower margins in retail and wholesale but increase in market share
- additional costs associated to the launch of ERG Mobile project
- inland refining penalized by a worse scenario



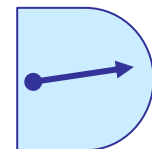
Thermoelectric:

- start up of NuCe Nord IGCC in 3Q09
- lower production for ISAB Energy due to October 2008 incident



Renewables:

- Contribution from Vicari, Faeto and S.Vincenzo wind farms
- Constraints on wind farms in Puglia (77 MW) due to maintenance work on the national network





Strategic Update

Alessandro Garrone
Group CEO



Strategic Overview

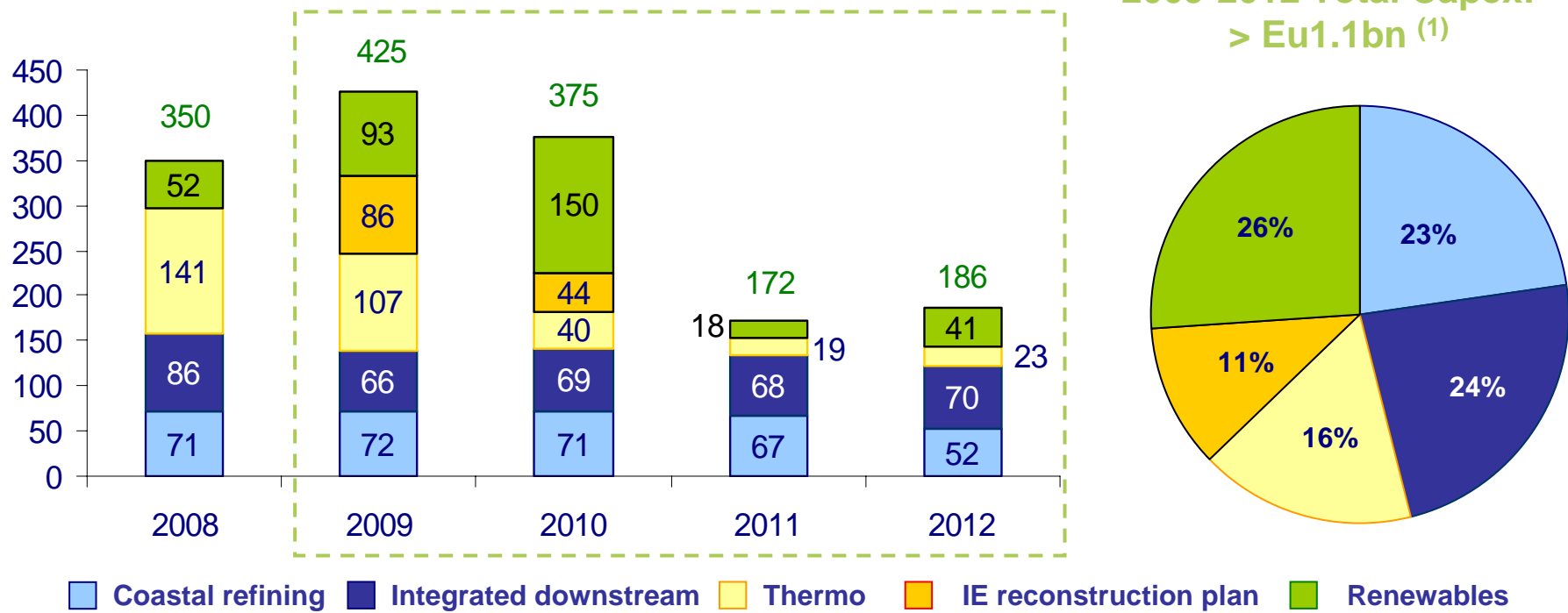
Multi-energy strategy confirmed:

- Development focused on Integrated Downstream/Retail and Renewables
 - ✓ Selectively evaluating opportunities in Italy as well as abroad
 - ✓ Partly through strategic alliances while maintaining a key industrial role
- **Thermoelectric:** completing Nuce Nord re-powering and reconstruction of ISAB Energy plant as well as setting up “merchant” power platform
- **Gas:** commitment to Ionio Gas and Rivara strategic investments while reducing risk associated to commodity market also via a ‘regas or pay’ approach
- **Renewables:** expanding wind capacity both in Italy and France, while identifying new promising opportunities in other countries
- **Coastal refining:** increasing light product yields (mainly diesel) through ‘organic’ upgrades while focusing on operational and energy efficiency
- **Integrated downstream:** consolidating market position, strengthening performance and profitability of the retail business while looking for growth options



2009-2012 investment plan

Important investment plan: focus on growth

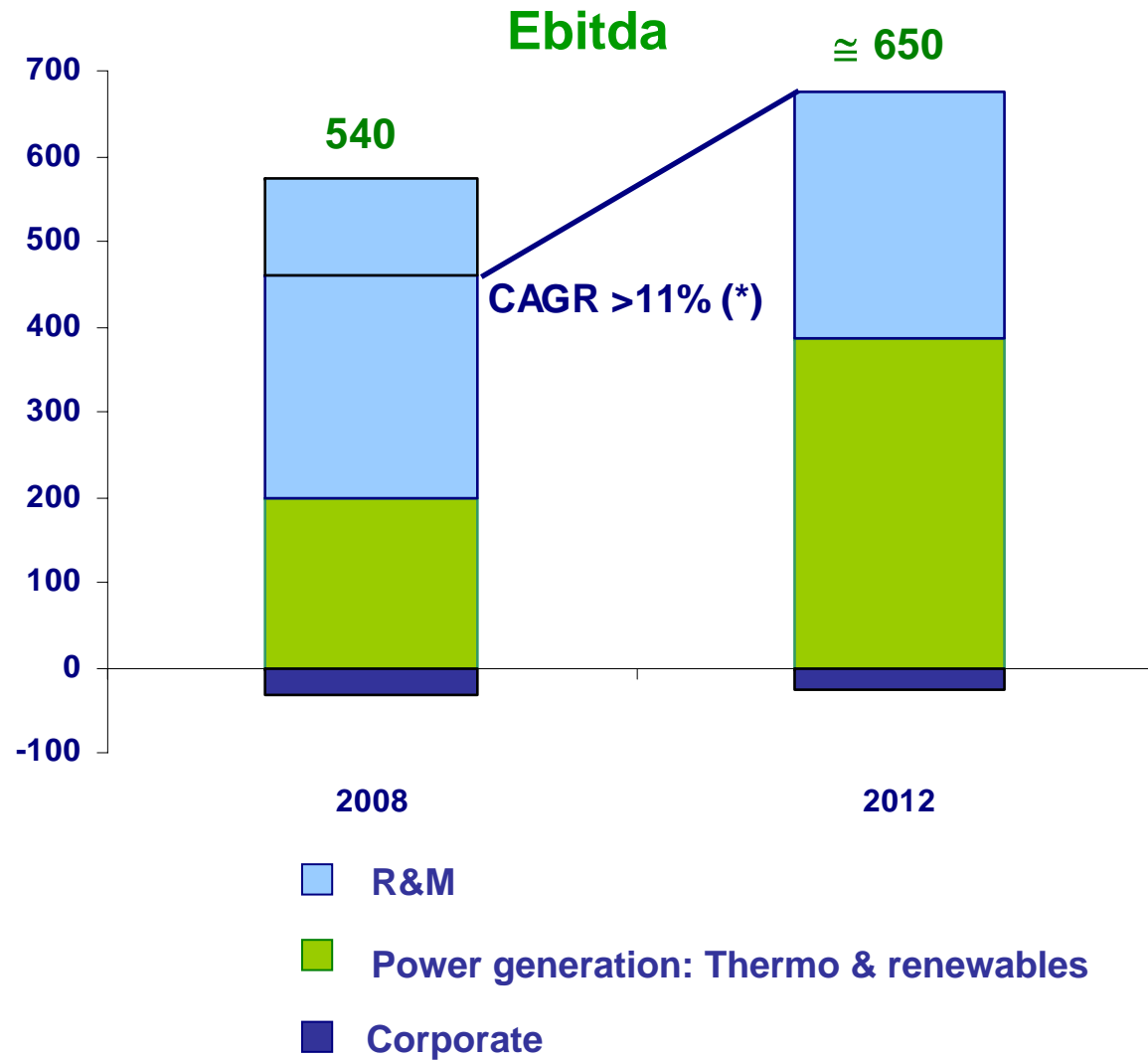


- 2008-2012 figures do not include the equity investments in Ionio Gas and Rivara project

(1) It includes 51% of ISAB Srl



2012 objectives



(*) CAGR based on 51% coastal refining EBITDA in 2008



Power & Gas: main targets



ISAB Energy reconstruction

- plant expected to be fully back on stream by the end of June 2010: reconstruction on track
- total reimbursement of about Eu280mn (of which 50% cashed in 2009), covering BI (business interruption) and PD (property damage)



ERG NuCe

- Capacity: 480 MW
- Efficiency: 61%
- Production: Electricity 3.5 TWh; Steam 2.5 MT
- Total CAPEX: Eu437mn
- IRR: at about 9%
- 82% construction completed; start up expected in 2H09



Sales & Trading

- Portfolio power: 9TWh in 2012
- Portfolio gas: 1bcm in 2012

Growth in thermoelectric sector



Power & Gas: main targets



Ionio Gas (50% equity interest)

- EIA acquired in 2008 (MATTM Decree dated Sept. 19th, 2008)
- *Referendum*, held on April 26th, 2009, did not reach the required quorum, expressing no opposition at local level;
- the second *Conferenza di Servizi* has been booked for May 19th, 2009 and *Autorizzazione Unica* is expected some time thereafter;
- Equity Capex 2009-12: expected under Eu100mn for the 50% stake



Rivara Storage site (15% equity interest)

- FID expected by 2011
- Start up of operations due in thermal year 2014/15
- Equity Capex 2009-12: around Eu10mn for the 15% stake

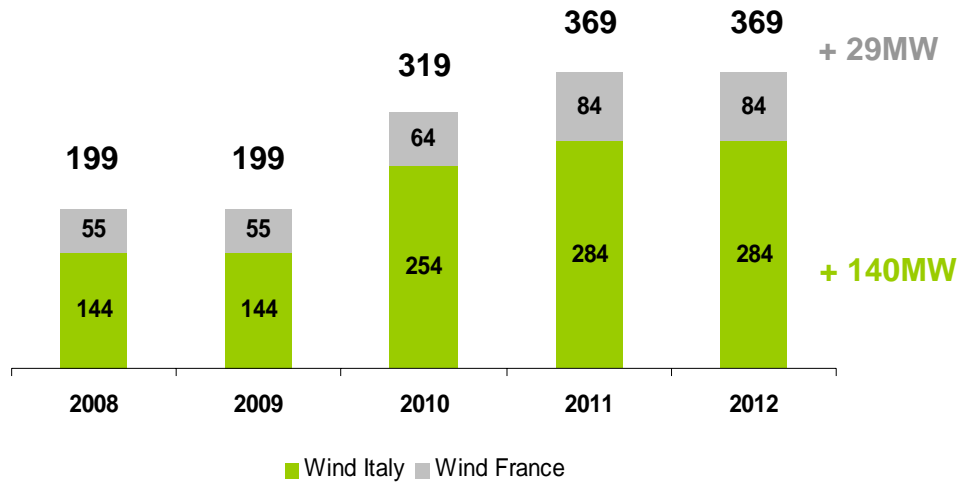
Focus on gas infrastructures to

- **obtain adequate return on asset base**
- **securing gas supply for ERG Group's needs**



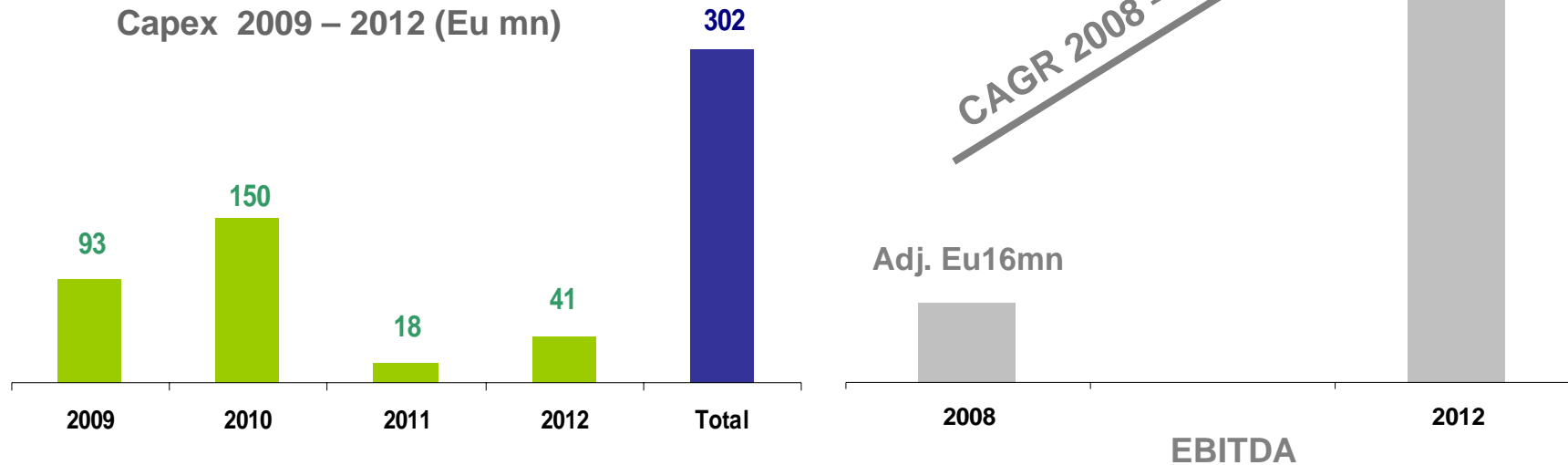
ERG Renew business plan: main targets

Gross Wind Installed Capacity (MW)



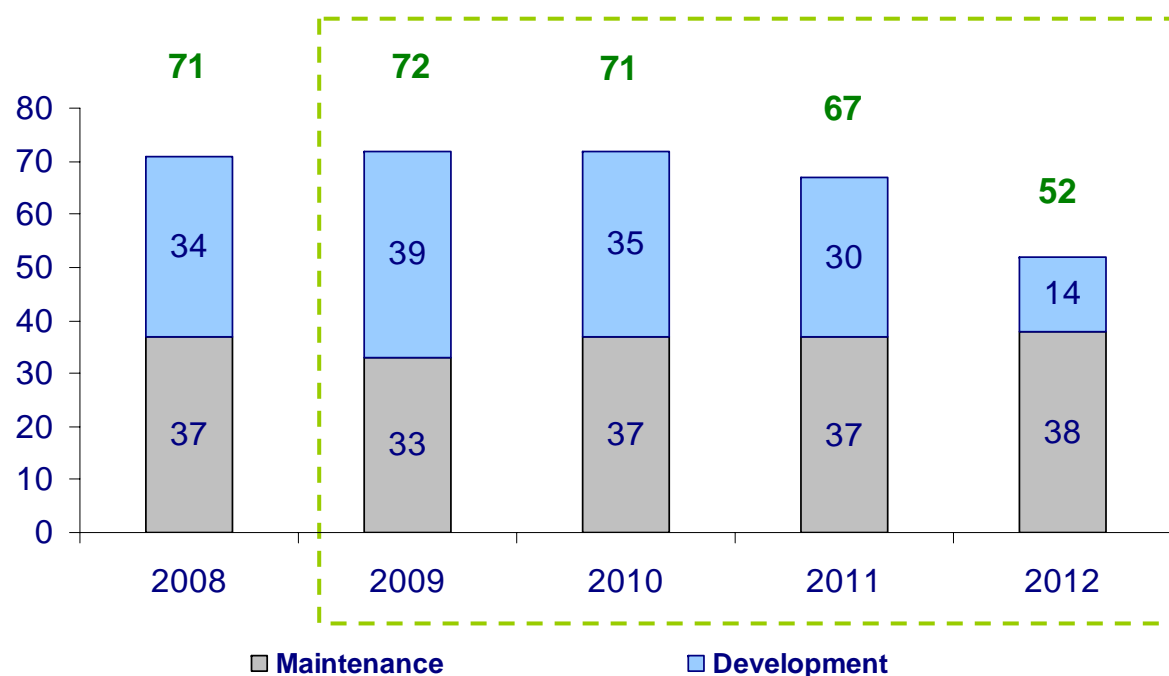
- **Italy:** 100% additional capacity is already authorized and under construction
- **France:** Plogastel under construction and Greneville is completing the authorization process
- **Pipeline:** objective to obtain authorization for further 100MW at least in the plan period

Capex 2009 – 2012 (Eu mn)





Coastal Refining: Investments (*)



Main projects

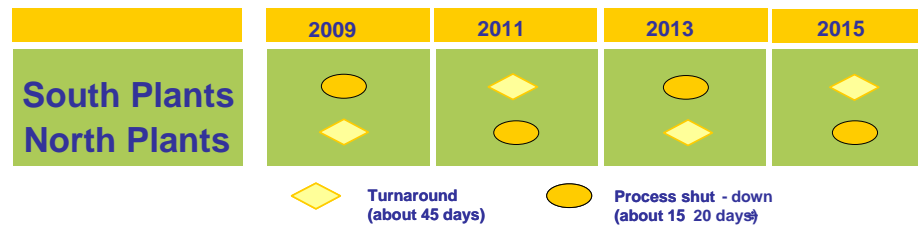
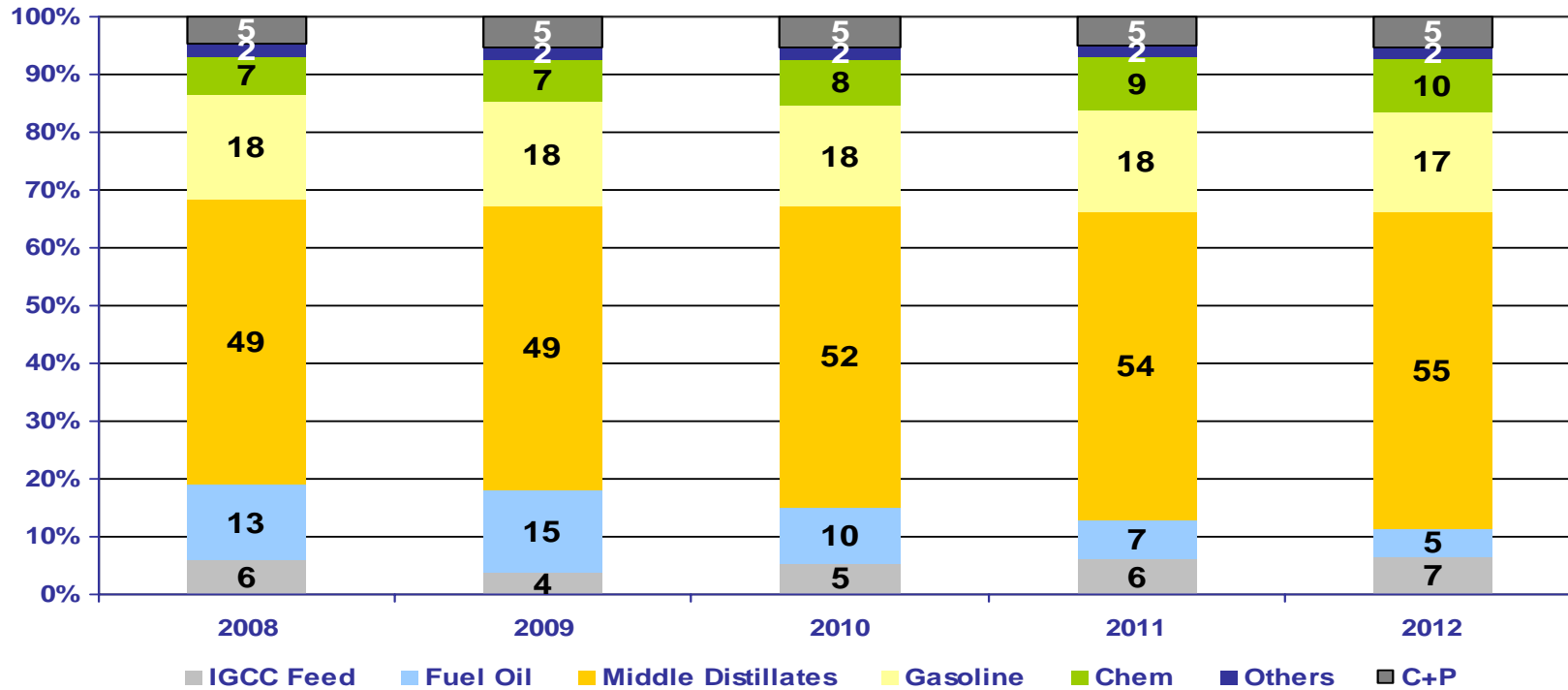
- vacuum reengineering
- revamping CR31 HDS Nord
- revamping FCC
- revamping HDS Sud
- hydrogen from IGCC
- MTBE conversion to ETBE

- **Total capex of Eu262mn, of which 45% for development**
- **Maintenance includes some extraordinary capex at North Plant (about Eu10mn p.a.), expected to be completed in 2012**

(*) it includes 51% ISAB Srl investments



Coastal Refining: main targets

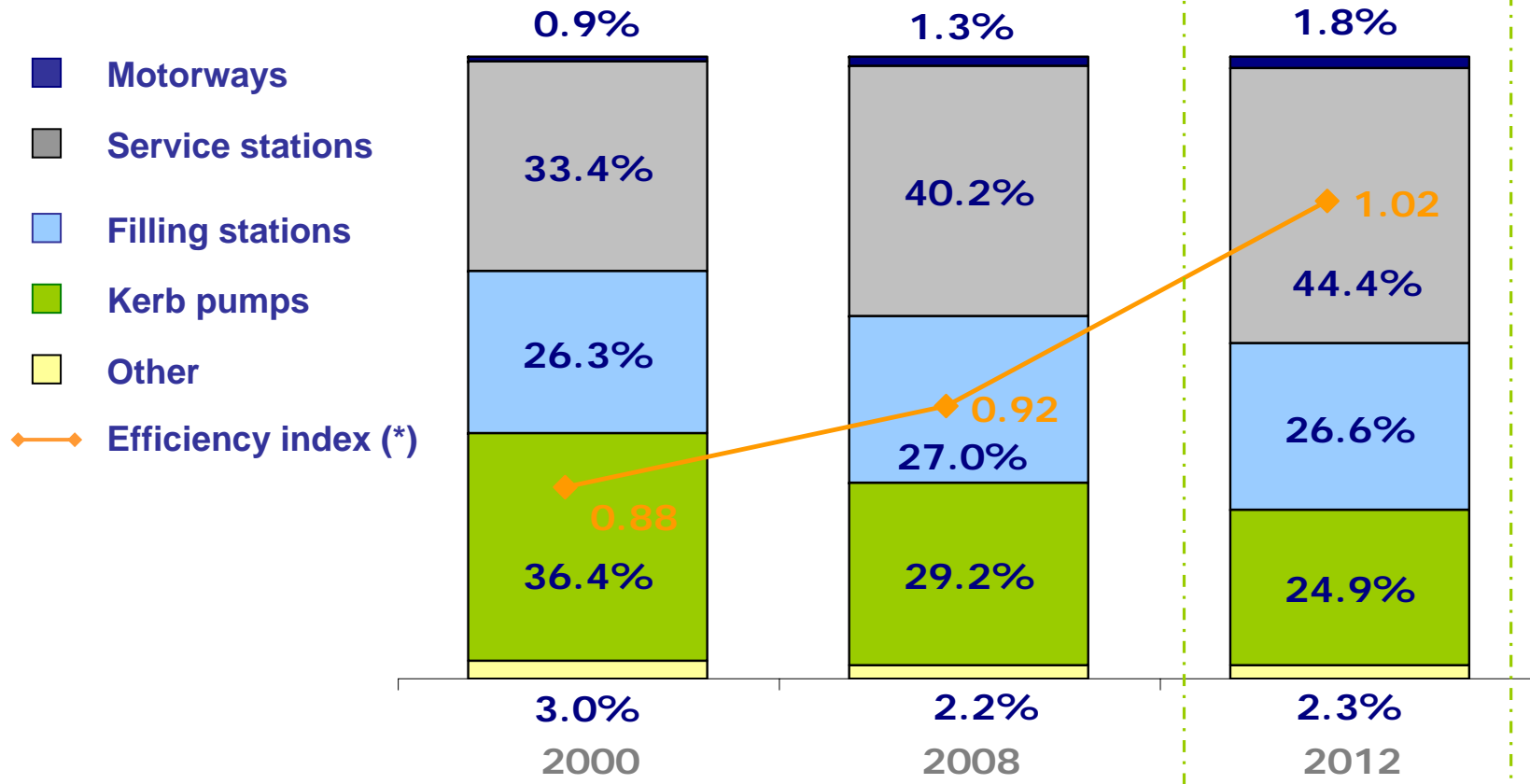


Significant increase in middle distillate yields vs. fuel oil from 2010



Integrated downstream: Retail network

(*) Efficiency Index of Company Owned Outlets

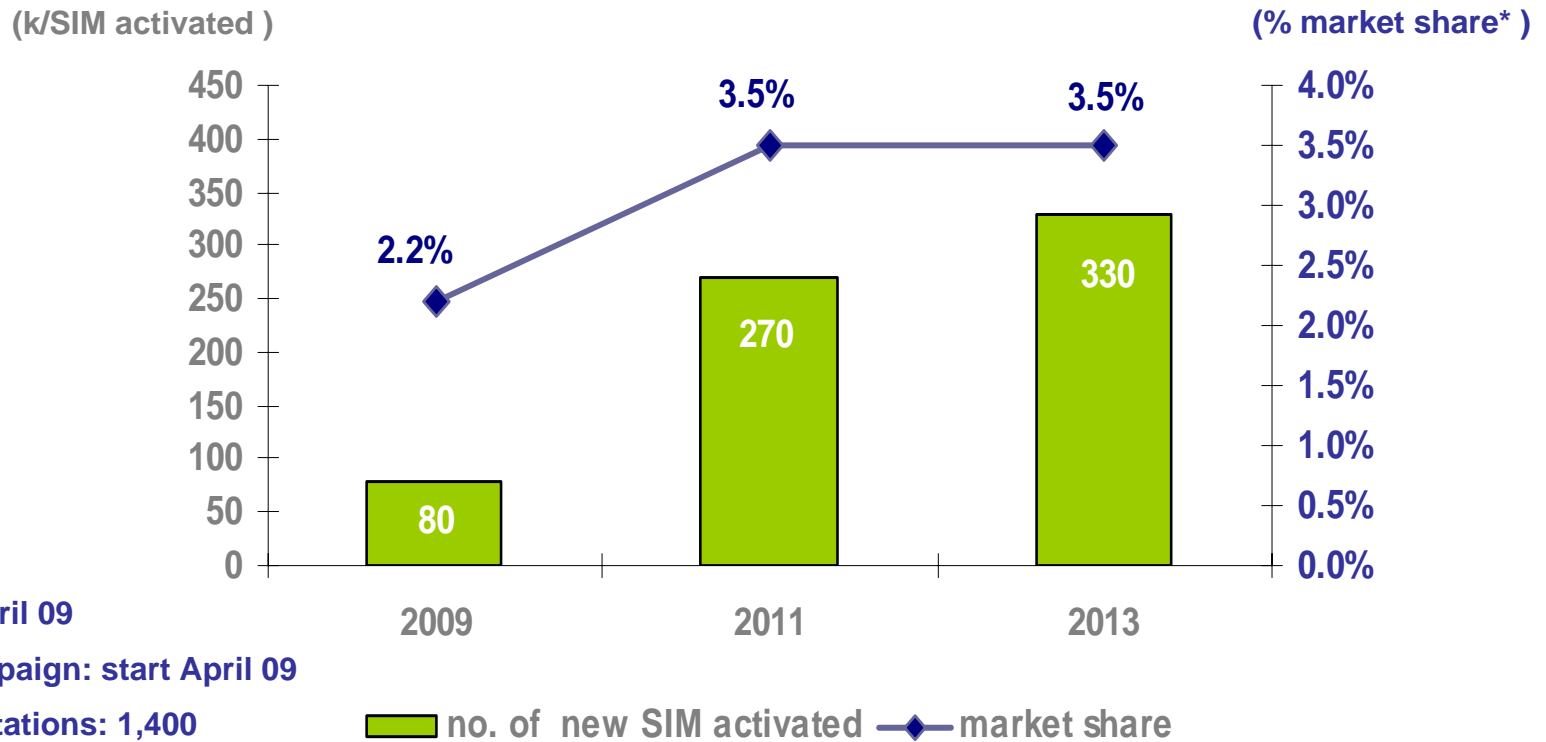


Market share	6.6%	6.9%	> 7.5%
Total throughput (mn cm)	2.3	2.4	≅ 2.7
Average throughput (mn cm/PV)	1.1	1.2	≅ 1.3



Integrated downstream: ERG Mobile

No. of new SIM cards activated and % mkt share



Key Info

- Launching: 1 April 09
- Advertising campaign: start April 09
- No. of service stations: 1,400

EBITDA (Eu mn)

(14)

6

* virtual operators



Cash allocation priorities

In order of priority:

- **Capex: focus on organic investments**
- **Capturing opportunities through strategic alliances and acquisitions under strict financial discipline**
- **Dividend: maintain current ordinary distribution increasing only if sustainable**
- **Buyback: flexible method of managing liquidity**

Mid-cycle financial ratios commensurate to portfolio mix (oil vs power) in a tougher financial environment



Final remarks

- **Total investments** of about Eu1.1bn, of which 46% in R&M and 54% in Power Generation, both thermo and renewable
- **Adjusted EBITDA** expected to grow at a CAGR of about 11%, to reach Eu650 mn in 2012
- **Thermo & Gas / Renewables:** Focus on execution to complete projects in order to expand installed capacity
- **R&M:** Focus on efficiency and process improvements as well as retail market share increase
- **Strategic alliances:** evaluating opportunities also through strategic alliances, in particular for Integrated Downstream and Renewable