First Quarter 2011 Results

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 non 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 2011:

- Adjusted RC Ebitda at Eu48mn, Eu50mn in 1Q10
- RC Net Profit at -Eu32mn, -Eu16mn in 1Q10

Balance Sheet at 31.03.2011:

- Adj NFP at Eu1,226mn vs Eu1,082mn Adj at 2010 Year-End
- Adjusted Leverage at 39% vs 36% at 2010 Year-End

Weak results driven by refining (shutdown and Libya crisis)

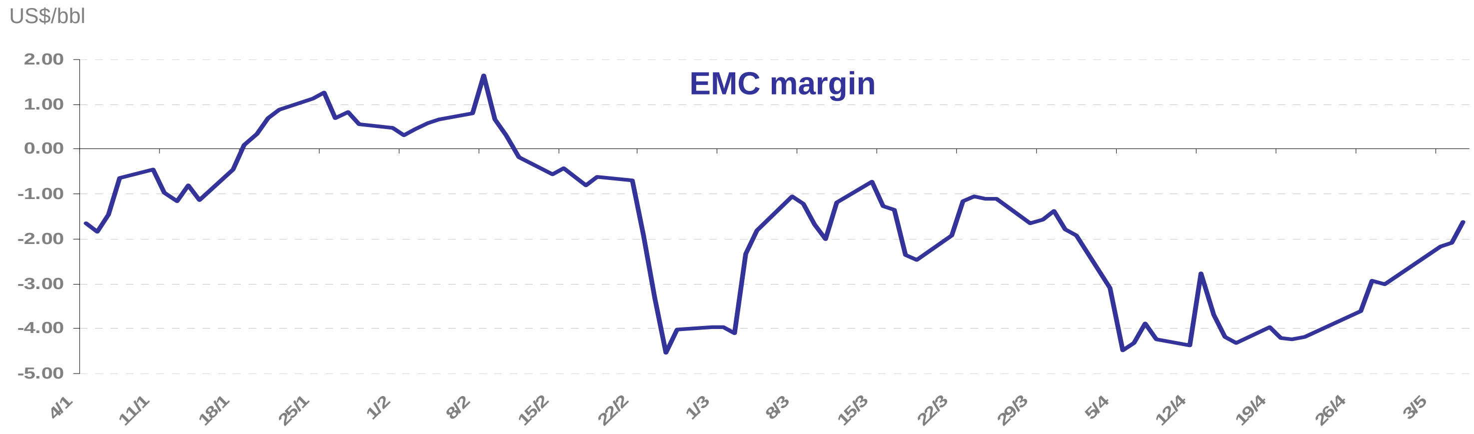
Update on Libya crisis

Impact on ERG's operations

- 10% of ERG crude slate comes from Libya and 10% of products is sold to Libya
- Buattifel (a crude particularly suitable for Topping-FCC runs) is difficult to replace
- Gasoline Libyan market replaced with other out-of-Med markets

Impacts on economics

- Steep rise in Oil prices squeezed refining margins in Med Area
- Alternative to Buattifel and gasoline to Libya have an impact on profitability
- Time-lag in feedstock price (to ISAB Energy) enhanced the loss in margins



Weak scenario also driven by Lybia crisis

Delisting ERG Renew: update

Tender offer on ERG Renew:

- 14.12.2010: ERG launched a tender offer on ERG Renew share capital at a price of €0.97
- 13.01.2011: ERG Renew BoD considered fair the offer price
- 18.02/2011: conclusion of first step of offer and ERG reached 94.641% of ERG Renew
- ERG purchased other shares on the market and reached 94.98%

Sell-out process:

- ERG didn't obtain the relevant threshold and therefore the sell-out will start
- CONSOB is expected to establish the sell-out price in the coming weeks
- Delisting expected to be completed within first half 2011

1Q 2011 Results

Paolo Merli
Corporate Finance, Control and IR Director

Results of 1Q 2011

4Q 2010	Euro millions	1Q 2011	1Q 2010
2,347	**Adjusted Revenues**	2,448	1,759
92	**RC EBITDA Adjusted**	48	50
12	- *Refining & Marketing*	*(24)*	*(0)*
68	- *Power & gas*	*65*	*49*
18	- *Renewables*	*14*	*11*
(7)	- *Corporate*	*(7)*	*(9)*

Lower RC EBITDA vs both 1Q10 (-4%) and 4Q10 (-48%)

Pro-forma replacement cost P&L

4Q 2010	Euro millions	1Q 2011	1Q 2010
92	**RC Adjusted EBITDA**	**48**	**50**
(62)	- *Amortization and depreciation*	*(59)*	*(49)*
30	**RC Adjusted EBIT**	**(11)**	**2**
(7)	- *Net financial income (expenses)*	*(13)*	*(9)*
2	- *Net income (loss) from equity investments*	*1*	*2*
26	**RC Results before taxes**	**(23)**	**(5)**
(23)	- *Income taxes*	*1*	*(2)*
3	**RC Results for the period**	**(22)**	**(7)**
(10)	- *Minority interests*	*(9)*	*(8)*
(7)	**RC Net profit**	**(32)**	**(16)**
13	- *Net gain (loss) on inventory*	*36*	*22*
(22)	- *Net non-characteristic items*	*(1)*	*0*
(17)	**Net profit reported**	**4**	**6**

Note: figures based on NO GAAP measures

Review by business

Coastal refining: key figures

4Q 2010	Euro millions	1Q 2011	1Q 2010
49	Gross refining margin	13	34
(3)	Adjusted RC EBITDA	(40)	(16)
(15)	Adjusted Depreciation	(14)	(12)
(18)	Adjusted RC EBIT	(53)	(28)
11	Investments	14	12

Margins deterioration & shutdown led to weak results

Note: figures are adjusted for 51% stake in ISAB Srl

Coastal refining: performance

4Q 2010		1Q 2011	1Q 2010
	Adjusted RC Refining margin:		
2.44	US$/bbl	(1.18)	1.57
1.79	Euro/bbl	(0.86)	1.14
1,908	**Volumes processed (ktons)**	1,058	1,519
0.56	EMC (US$/bbl)	(0.95)	0.32
0.41	EMC (Eu€/bbl)	(0.70)	0.23
1.88	Variance versus EMC (US$/bbl)	(0.23)	1.25
1.38	Variance versus EMC (Eu€/bbl)	(0.16)	0.91

Integrated downstream: key figures

4Q 2010	Euro millions	1Q 2011	1Q 2010
15	**Adjusted RC EBITDA**	**16**	**15**
20	- *Marketing*	*20*	*20*
(5)	- *Inland refining and logistics*	*(4)*	*(4)*
(15)	**Adjusted Depreciation**	**(15)**	**(13)**
1	**Adjusted RC EBIT**	**1**	**2**
21	**Investments**	**5**	**9**
12.2%	**TotalErg retail market share***	**11.8%**	
1.0%	**EOS retail market share**	**1.1%**	

Still weak results in refining, flat in marketing

Note: figures are adjusted for 51% stake in TotalErg as of October 1st 2010

* Estimated market share referring to 100% of TotalErg

Integrated downstream: inland refining

4Q 2010		1Q 2011
	Refining margin at replacement cost	
1.48	US$/bbl	0.94
1.09	Euro/bbl	0.69
	Volumes processed (ktons)	
328	Sarpom (Trecate)	368
927	Rome	945
1,255	Total volumes	1,314

Note: as of 4Q 2010 and 1Q 2011 volumes relate to 100% of TotalErg stake in Rome (100%) and Sarpom (26%)

ISAB Energy: key figures

4Q 2010		1Q 2011	1Q 2010*
1,016	Sales (Gwh)	997	507
127	Sales (Eu mn)	135	96
44	RC EBITDA (Eu mn)	47	39
31	RC EBIT (Eu mn)	34	29
87%	Net capacity utilization (%)	87%	45%
95	CIP6 tariffs (Eu/MWh)	105	97
23	EBITDA IT GAAP (Eu mn)	25	28

* 1Q 2010 Results include Eu28mn of insurance reimbursement for business interruption

Power & Gas / ERG Power: key figures

4Q 2010	Euro millions	1Q 2011	1Q 2010
743	Electricity Production (GWh)	795	543
24	RC EBITDA	19	10
(8)	Depreciation	(8)	(5)
16	RC EBIT	11	5

Renewables: key figures

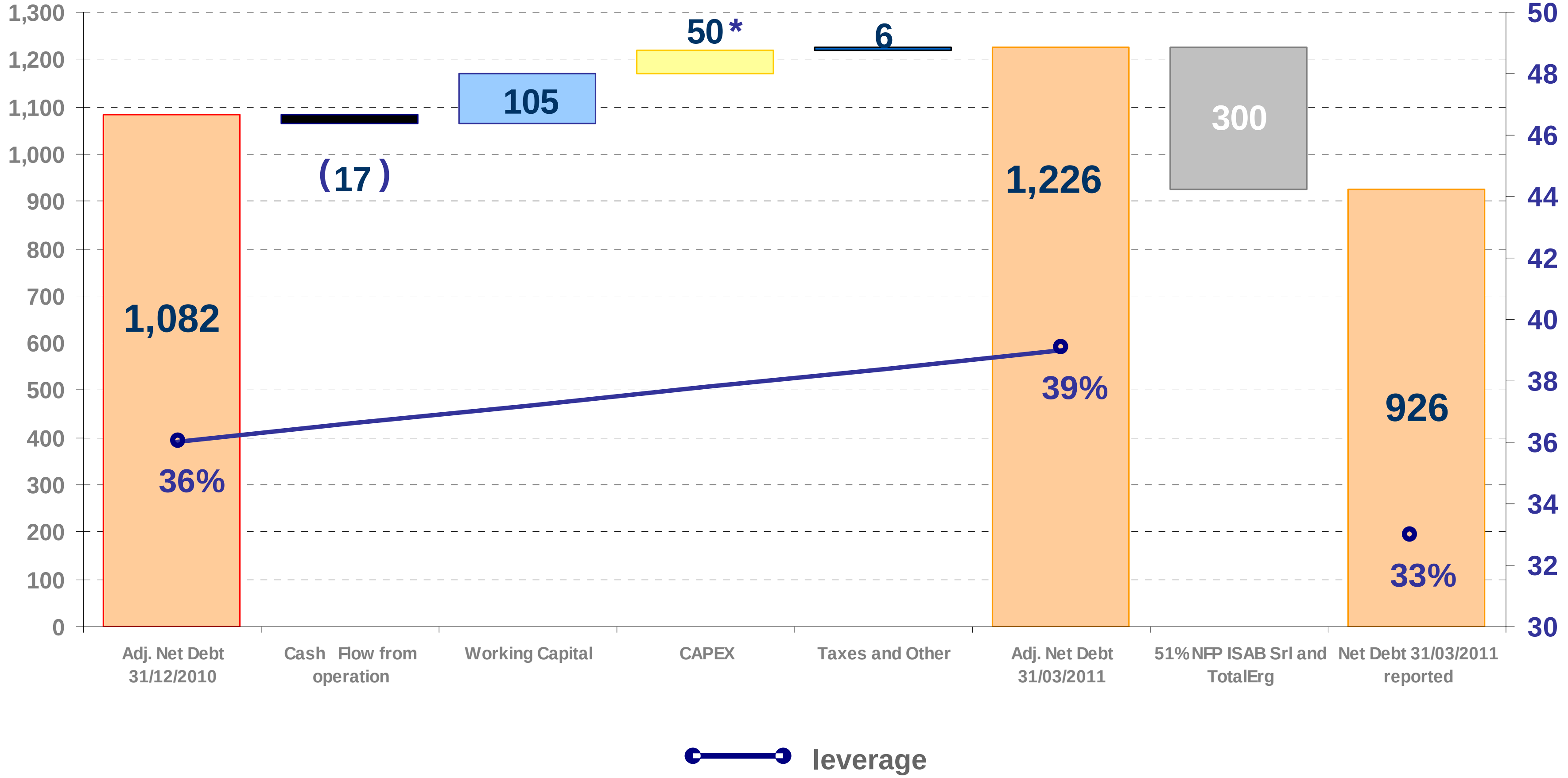
4Q 2010		1Q 2011	1Q 2010
168	**Electricity Production (GWh)**	**156**	**109**
34	of which in France (GWh)	35	36
150	**Italian price (Eu/MWh)**	**147**	**154**
63	Electricity price (Eu/MWh)	65	67
87	Green Certificates price (Eu/MWh)	82	87
86	**France reference feed-in tariff (Eu/MWh)**	**86**	**85**
18	**RC EBITDA (Eu mn)**	**14**	**11**
(10)	**Depreciation (Eu mn)**	**(9)**	**(7)**
8	**RC EBIT (Eu mn)**	**4**	**4**

Investments

4Q 2010	Euro millions	1Q 2011	1Q 2010
32	Refining & Marketing	19	21
6	Power & gas	2	33
36	Renewables	14	23
1	Corporate	1	1
75	**Adjusted Total**	**35**	**78**

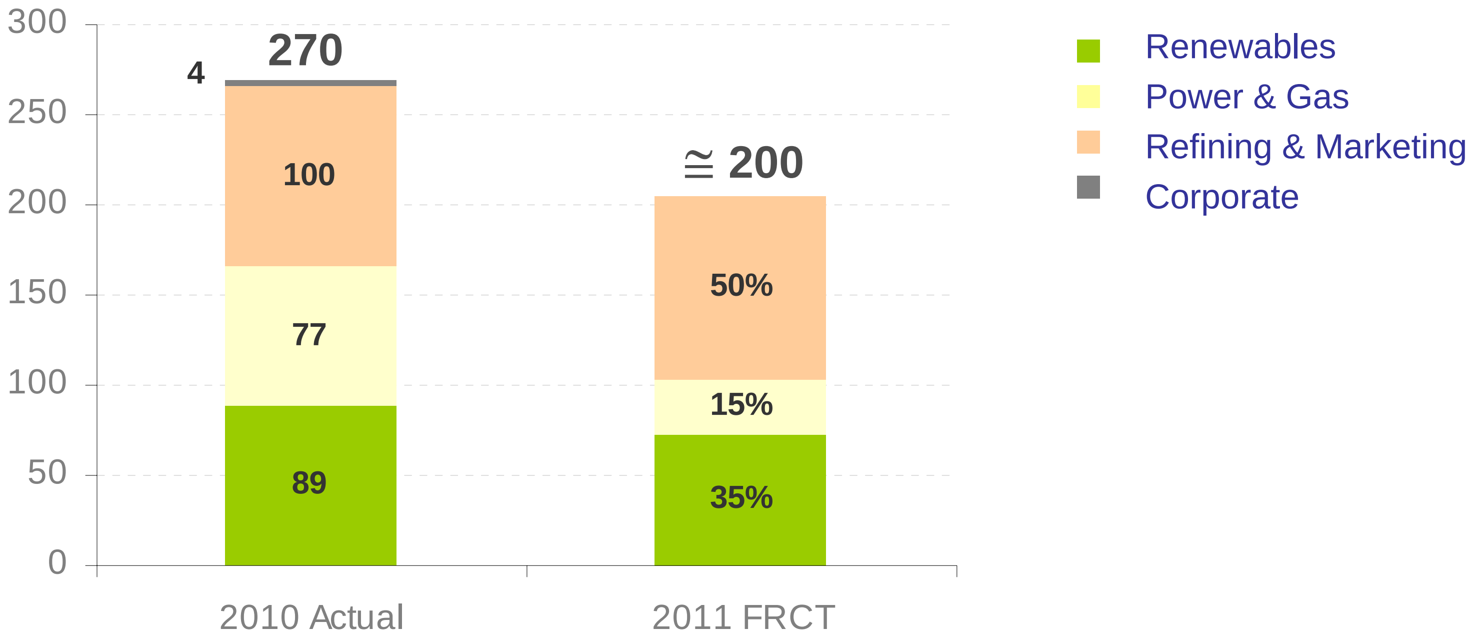
Note: R&M adjusted for 51% of ISAB Srl and TotalErg. They do not include in 1Q 2011 Eu15mn of capitalized costs as regards ISAB refinery maintenance

1Q 2011 adjusted cash flow statement



* It includes Eu15mn of capitalized costs for cyclical maintenance

2011 CAPEX guidance



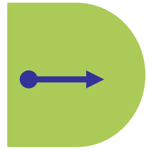
2011 ERG CAPEX lower than 2010:

- R&M: stable maintenance CAPEX & re-branding at TotalERG
- Power: phasing out of CCGT and ISAB Energy investments
- Renewables: focus on Ginestra & Fossa del Lupo completion

2011 Economic guidance

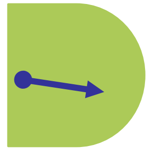
Refining & Marketing:

- tough Refining environment
- Marketing penalized by tough scenario. Benefiting from TotalERG sinergies
- lower volumes as for ISAB shutdown in Q1 and exercise of 11% PUT



Power & Gas:

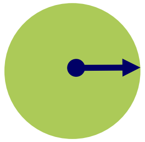
- contribution of CCGT for the full year but lower margins expected
- ISAB Energy production expected at 3.7 TWh (net of scheduled maintenance)



Renewables:

- full year contribution of 102MW of new assets
- start up of Ginestra and Fossa del Lupo (about 130MW) during 2011
- still constraints due to maintenance work on the national grid by Terna

Key topics on CEO agenda

	Business Environment	Volatility (Low – High)	ERG Position	Competitive Advantage (Low – High)
Refining	• Weak scenario • Worldwide structural changes • Uncertainty on margins recovery		• Keep improving efficiency • Flexibility deriving by PUT option	
Downstream	• Potential consolidation in Italy • Visibility on M/T Marketing margins		• Solid position trough TotalERG JV • Opportunity to play an active role in the Italian consolidation process, if any	
Power & Gas	• Weak scenario for producers • Small players under pressure • Location as a competitive advantage		• Niche player (1GW) • Solid profitability based on location • Quality assets	
Renewables	• Growth in coming years • Consolidation process in Italy • Opportunity abroad (mainly East Europe)		• Keep growing also through M&A • Main player in wind in Italy • Investments abroad also through JVs	

Strategic positioning underway