



2010 First Half and Second Quarter 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 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:

2Q 2010:

- Adjusted RC Ebitda at Eu84mn, Eu12mn in 2Q09
- RC Net Profit at Eu17mn, -Eu18mn in 2Q09

1H 2010

- Adjusted RC Ebitda at Eu135mn, Eu24mn in 1H09
- RC Net Profit at Eu2mn, -Eu38mn in 1H09

Balance Sheet:

- 30.06.2010 NFP at Eu796mn vs Eu662mn at 2009 year-end
- Leverage at 29% vs 26% at 2009 year-end

Improved results despite a still weak scenario



1H and 2Q 2010 Results

Luca Bettonte
General Manager



Results of 1H and 2Q 2010

1H 2010	1H 2009	Euro millions	2Q 2010	2Q 2009
3,878	2,742	Revenues	2,126	1,547
135	24	Adjusted RC EBITDA	84	12
↑ (10)	(19)	- Coastal refining	5	5
39	27	- Integrated downstream	24	10
↑ 108	23	- Power & gas	59	2
15	9	- Renewables	5	4
(17)	(16)	- Corporate	(8)	(9)

Improved results vs both 2Q09 (+613%) and 1H09 (+456%)



1H and 2Qs at a glance - Income statements

1H 2010	1H 2009	Euro millions	2Q 2010	2Q 2009
33	(61)	Adjusted EBIT at replacement cost	32	(32)
(13)	(13)	- 51% ISAB contribution at replacement cost	(7)	(8)
20	(74)	EBIT at replacement cost	25	(39)
53	50	- Gain (loss) on inventory	22	37
0	35	- Non-characteristic items	0	35
20	25	- Net income from equity investments	11	16
(17)	0	- Net financial income (expenses)	(7)	(5)
76	36	Pretax reported	51	43
(16)	(15)	- Income taxes	(5)	(13)
(19)	(13)	- Minorities	(11)	(11)
41	8	Net profit reported	35	20
(40)	(34)	- Net gain (loss) on inventory	(18)	(25)
0	(12)	- Net non-characteristic items	0	(12)
2	(38)	Net profit at replacement cost	17	(18)



Review by business



Coastal refining: key figures

1H 2010	1H 2009	Euro millions	2Q 2010	2Q 2009
90	86	Gross refining margin	56	53
(10)	(19)	Adjusted RC EBITDA *	5	5
(25)	(22)	Adjusted Depreciation *	(13)	(11)
(36)	(40)	Adjusted RC EBIT *	(8)	(7)

Results still penalized by weak scenario

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



Coastal refining: performance

1H 2010	1H 2009		2Q 2010	2Q 2009
Refining margin at replacement cost:				
2.76	2.82	US\$/bbl	3.68	3.86
2.08	2.12	Euro/bbl	2.90	2.83
3,274	3,089	Volumes processed (ktons)	1,755	1,777
0.80	2.00	EMC (US\$/bbl)	1.29	0.80
0.60	1.50	EMC (Eu€/bbl)	1.02	0.58
1.96	0.82	Variance versus EMC (US\$/bbl)	2.39	3.06
1.48	0.62	Variance versus EMC (Eu€/bbl)	1.88	2.25



Integrated downstream: key figures

1H 2010	1H 2009	Euro millions	2Q 2010	2Q 2009
39	27	RC EBITDA	24	10
47	33	- <i>Marketing</i>	28	18
(8)	(6)	- <i>Inland refining and logistics</i>	(4)	(8)
(26)	(25)	Depreciation	(13)	(12)
14	2	RC EBIT	11	(2)

RC EBITDA strongly up year-on-year



Integrated downstream: marketing

1H 2010	1H 2009		2Q 2010	2Q 2009
993	977	Retail sales (ktons)	519	509
744	776	Wholesale sales (ktons)	330	365
7.3%	7.2%	Retail market share	7.3%	7.1%
8.4%	8.0%	Wholesale market share - gasoil	7.5%	7.2%

Marketing performance better than Industry trends



Integrated downstream: inland refining

1H 2010	1H 2009		2Q 2010	2Q 2009
		Refining margin at replacement cost		
2.60	1.52	US\$/bbl	3.20	0.33
1.96	1.14	Euro/bbl	2.52	0.24
		Volumes processed (ktons)		
893	875	Sarpom (Trecate)	420	440
389	505	Rome	150	253
<u>1,282</u>	<u>1,380</u>	<u>Total volumes</u>	<u>570</u>	<u>693</u>



ISAB Energy: key figures

1H 2010	1H 2009		2Q 2010	2Q 2009
1,216	956	Sales (Gwh)	709	485
203	196	Sales (Eu mn)	106	111
76	36	RC EBITDA (Eu mn)	37	12
55	14	RC EBIT (Eu mn)	26	0
53%	42%	Net capacity utilization (%)	62%	42%
98	90	CIP6 tariffs (Eu/MWh)	98	90
50	52	EBITDA IT GAAP (Eu mn)	22	38

(*) 1Q 2009 and 2010 Results include Eu28mn of insurance reimbursement for business interruption



ERG Power & Gas / ERG Power: key figures

1H 2010	1H 2009		2Q 2010	2Q 2009
1,326	237	Electricity Production (GWh)	783	117
32	(13)	RC EBITDA	22	(10)
(13)	(3)	Depreciation	(8)	(2)
18	(17)	RC EBIT	14	(12)



Renewables: key figures

1H 2010	1H 2009		2Q 2010	2Q 2009
193	153	Electricity Production (GWh)	84	68
64	49	of which in France (GWh)	28	19
153	155	Italian price (Eu/MWh)	152	146
67	69	Electricity price (Eu/MWh)	66	60
86	86	Green Certificates price (Eu/MWh)	86	86
85	86	France reference feed-in tariff (Eu/MWh)	85	86
15	9	RC EBITDA (Eu mn)	5	4
(14)	(12)	Depreciation (Eu mn)	(7)	(6)
1	(3)	RC EBIT (Eu mn)	(2)	(2)



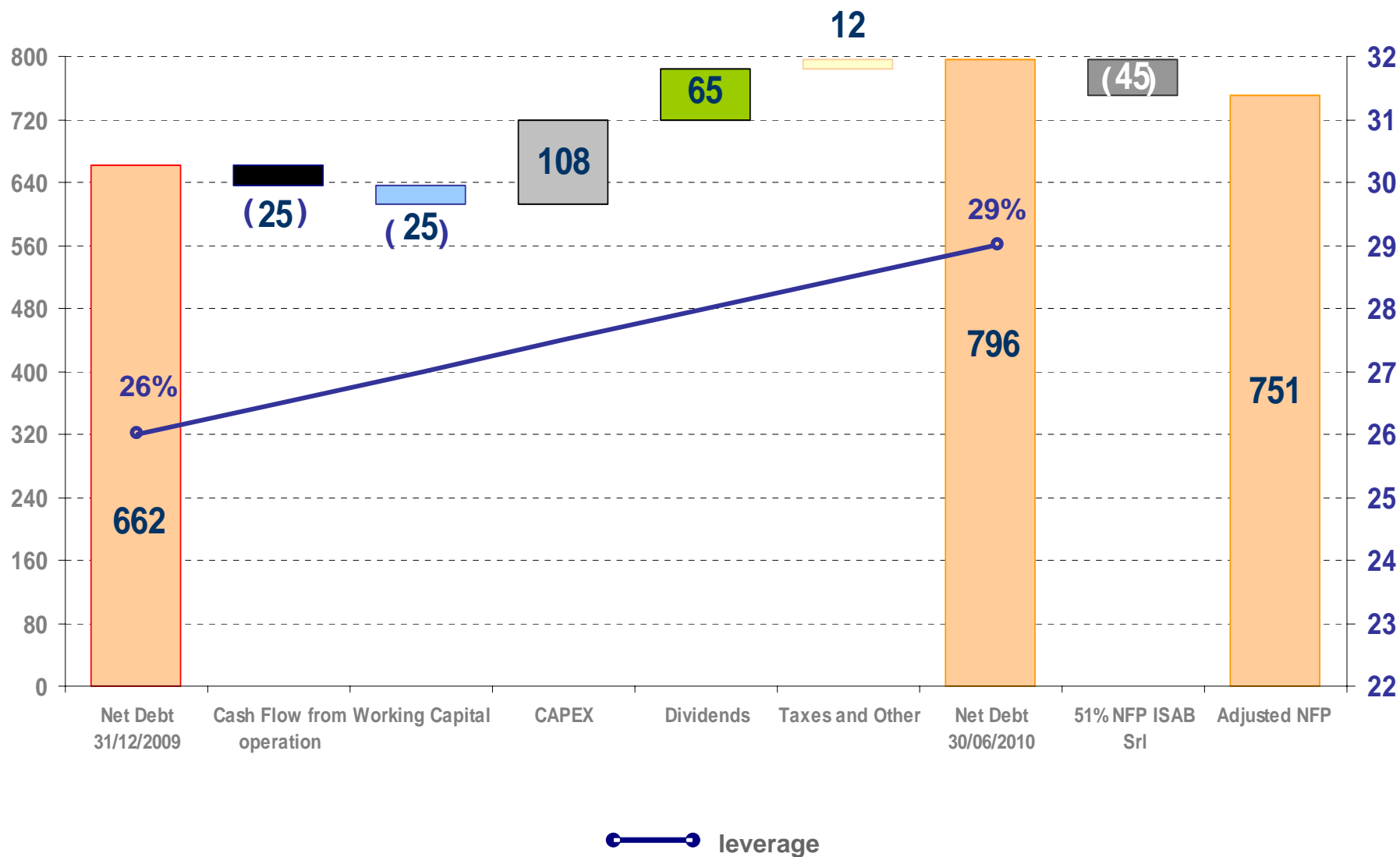
Investments

1H 2010	1H 2009	Euro millions	2Q 2010	2Q 2009
28	28	Coastal refining *	16	15
18	25	Integrated downstream	9	16
62	90	Power & gas	29	54
39	16	Renewables	16	13
2	1	Corporate	1	1
149	161	Adjusted Total	71	99

* It includes 51% of ISAB Srl



1H 2010 Cash flow statement

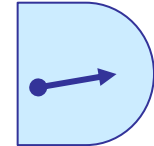




Economic guidance for 2010

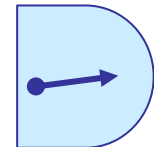
Coastal refining:

- no general shutdown scheduled during the year
- recovery in margin but still challenging environment



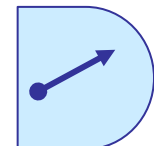
Integrated downstream (existing perimeter):

- increased retail sales and market share but lower margins
- lower costs associated to ERG Mobile project
- scenario for inland refineries still tough



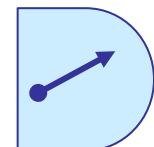
Thermoelectric:

- full contribution of new CCGT as of beginning of 2Q 2010
- full contribution of ISAB Energy as of June 2010
- guidance of thermoelectric production of about 6TWh (3 IE, 3 CCGT)



Renewables:

- contribution of new quality assets for 102MW as of August 2010
- rise of electricity production as a result of new installed capacity
- still constraints due to maintenance work on the national grid by Terna





Recent Development and Final Remarks

- 480 MW CCGT fully up and running as of April
- ISAB Energy fully on stream, ahead of schedule
- TotalErg: green light from Antitrust received
- ERG Renew: 102MW quality assets add to the portfolio
- Group re-structuring effective as of July First

Strategy Moving Forward