

## PROJECT INTRODUCTION

Kuwait Raffinazione e Chimica S.p.A., hereinafter referred to as KRC, is a subsidiary of Kuwait Petroleum Italia Spa. In the past KRC, has managed the oil products and aromatic compound production activities at the Naples plant.

After the shut down of the production facilities in 1993, it is currently managing the site decommissioning and remediation activities.

KRC intend to sell part of their land property in Eastern Naples, to allow the start of the development program envisaged in Naples General Town Plan.

This operation will be carried out through a private negotiation process.

The land that will be sold (38 hectares) is located in Eastern Naples area at a distance of approximately three kilometres from the city centre and two kilometres from the industrial harbour.

In June 2004, the Amendment to the Naples General Town Plan set a change in the destination of use of those areas, originally industrial, to create an urban park and the reconversion of part of their assets into manufacturing and commercial structures. The Amendment provides for the development of the urban landscape, by means of an implementation plan, through the construction of several premises addressed to host logistics and services companies.

In July 2007 the implementation plan was finalized, setting the procedures and regulations for the urban design for the development of the Naples Eastern areas (420 hectares) where KRC properties are included.

Within this context, KRC presented a proposal to the Public Authorities for the implementation of the activities envisaged in the Amendment. The KRC development proposal is a planning solution in compliance with the current town plan regulations, and has been considered both by the Campania Region and by Naples Municipality to be compatible with the current General Town Plan and with the needs of the city of Naples.

The development plan of the area envisages new manufacturing activities, construction of facilities for tertiary sector and high added-value service industries, and quality craft-sector poles for a total of about 245,000 square metres.