



**Snam to invest in energy efficiency sector:
agreement to acquire TEP, one of Italy's main operators**

San Donato Milanese, 23 February 2018 – Snam has today signed final agreements for the acquisition of an 82% controlling stake in TEP Energy Solution (TEP), one of Italy's leading enterprises in the energy efficiency sector. The agreement to acquire the Energy Service Company (ESCO) values TEP at €21 million (100% enterprise value). The agreements include price adjustments based on TEP's next three years' financial results and put and call options exercisable by 2020.

Snam CEO Marco Alverà said: *"The acquisition of TEP has a strategic importance for us in line with our vision towards 2030, which sees a leading role for Snam in promoting a more sustainable and efficient energy system"*.

This is the first time that Snam has invested in the energy efficiency sector. The initiative is part of the Snam's strategic plans aimed at facilitating decarbonisation and better energy use in the areas in which it operates. Snam intends to accelerate TEP's growth process and facilitate the transfer of know-how and energy efficiency technologies from large business to small and medium-sized enterprises and local institutions.

TEP, with offices in Rome, Milan and Udine, is one of Italy's first industrial independent ESCOs. It has more than 200 customers among leading companies in Italy and multinationals, 950,000 energy efficiency credits and a 2017 EBITDA of approximately €6 million. TEP's mission is to improve its customers' competitiveness by reducing energy spending thanks to the optimization of energy use. TEP, which is not involved in the production and sale of electricity and gas, enhances customer investments through the production of energy efficiency credits, and invests in the implementation of energy efficiency measures.

The conclusion of the acquisition is expected by September 2018 and is subject to obtaining clearance from the Italian competition authority.