



Snam
Rete Gas

Analyst Presentation

2007 First Quarter Results

May 8th, 2007

Disclaimer

This presentation contains forward-looking statements regarding future events and the future results of Snam Rete Gas that are based on current expectations, estimates, forecasts, and projections about the industries in which Snam Rete Gas operates and the beliefs and assumptions of the management of Snam Rete Gas.

In particular, among other statements, certain statements with regard to management objectives, trends in results of operations, margins, costs, return on equity, risk management are forward-looking in nature.

Words such as 'expects', 'anticipates', 'targets', 'goals', 'projects', 'intends', 'plans', 'believes', 'seeks', 'estimates', variations of such words, and similar expressions are intended to identify such forward-looking statements.

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The reader should, however, consult any further disclosures Snam Rete Gas may make in documents it files with the Italian Securities and Exchange Commission and with the Italian Stock Exchange.



2007 First Quarter Results



Carlo Malacarne,
Chief Executive Officer
1Q 2007 Highlights

Claudio De Marco,
Chief Financial Officer
1Q 2007 Results



		1Q 2006	1Q 2007	Δ%
Gas injected into the network	(bcm)	24.9	23.5	- 5.4
ADJ. REVENUES	(€m)	454	460	+ 1.3
ADJ. EBITDA	(€m)	357	363	+ 1.7
ADJ. NET PROFIT	(€m)	123	118	- 4.1
ADJ. EPS (*)	(€)	0.063	0.065	+ 3.7
Capex	(€m)	95	93	-2.0

(*) Avg. number of shares (m):
 1Q 2006: 1,953.7
 1Q 2007: 1,807.2



bcm

- Residential and Commercial
- Industrial
- Thermoelectric
- Other

Gas consumption (*)

- Storage

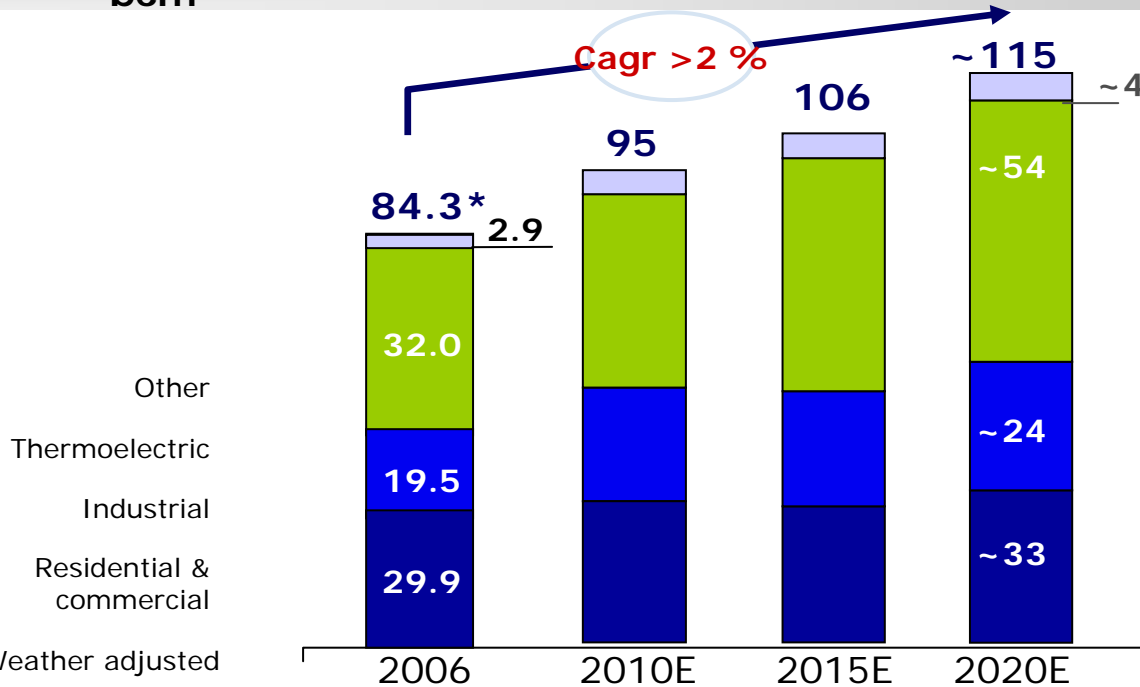
Gas injected into the network

	1Q 2006	1Q 2007	Δ%
Residential and Commercial	15.9	12.2	-23.0
Industrial	5.4	5.2	-3.3
Thermoelectric	8.1	8.3	+2.7
Other	0.6	0.5	-17.7
Gas consumption (*)	29.9	26.2	-12.4
Storage	-5.0	-2.6	-49.0
Gas injected into the network	24.9	23.5	-5.4

(*) Source: Ministry of Industry and Snam Rete Gas estimates



bcm



driven by powergen

34GW of CCGT in operation by 2010

of which

CCGT Programme Update

- 21 GW in operation/start up (20.9 GW at the end 2006)
- 10.3 GW under construction (9.6 GW at the end of 2006)

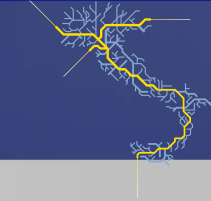


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1Q 2007 Highlights



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1Q 2007 Results



€m	1Q06	Adjustments for non recurrent items	1Q06 adjusted	1Q07	Change
■ Revenues	473	-19	454	460	+6
■ Operating expenses	-109	12	-97	-97	-
EBITDA	364	-7	357	363	+6
■ Depreciation	-115	-	-115	-119	-4
EBIT	249	-7	242	244	+2
■ Net interest expenses	-40	-	-40	-49	-9
EBT	209	-7	202	195	-7
■ Income taxes	-82	3	-79	-77	+2
NET PROFIT	127	-4	123	118	-5



€m	1Q06	1Q07	Change
Regulated revenues	451	457	+6
▪ Transport	445	451	+6
Revenues	431	439	+8
Pass-through revenues	14	12	-2
▪ LNG	6	6	-
Other revenues	22	3	-19
TOTAL REVENUES	473	460	-13
Adjustment for non recurrent revenues	-19	-	+19
TOTAL ADJUSTED REVENUES	454	460	+6



€m

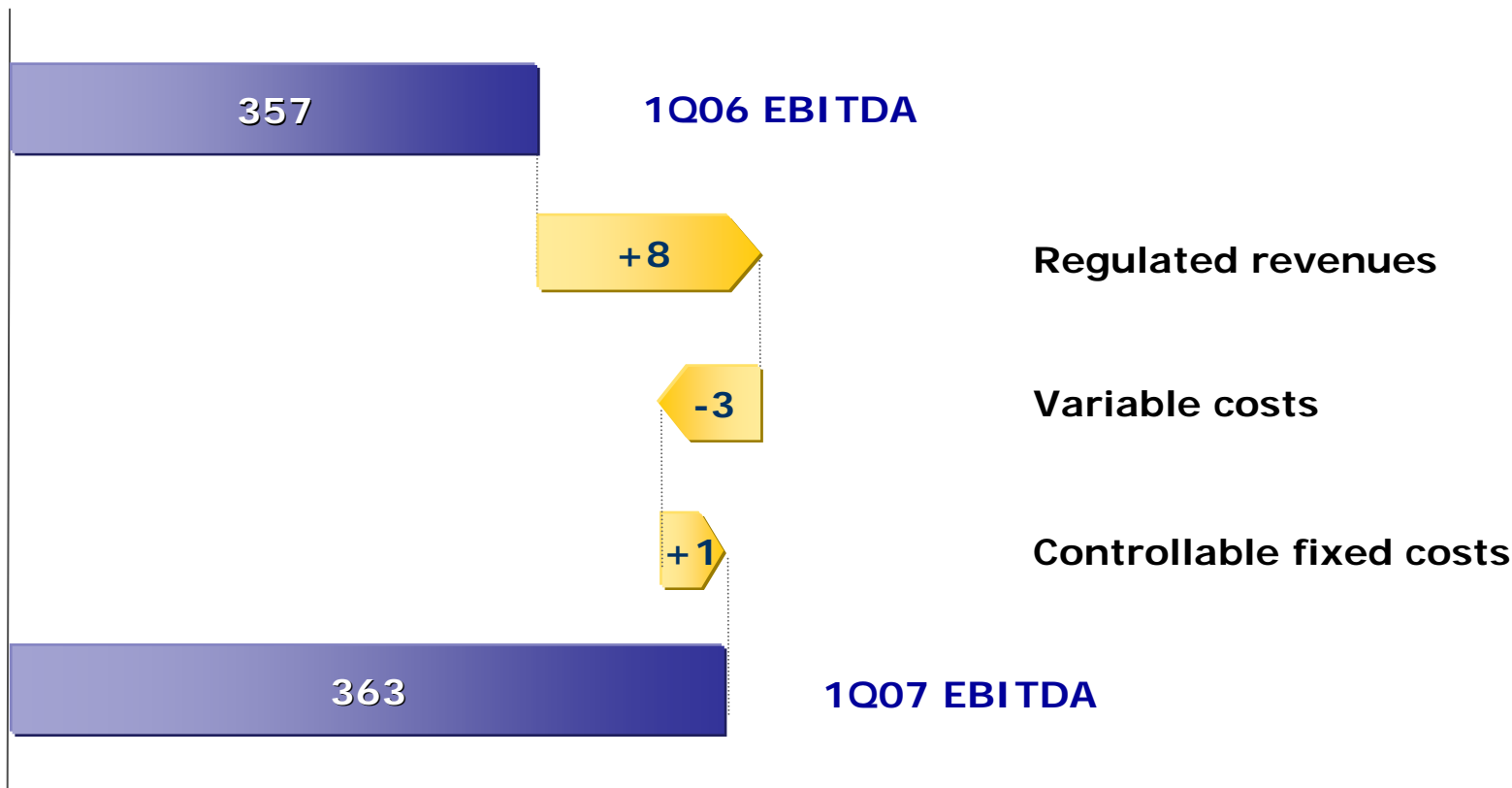
	1Q06	1Q07	Change
Regulated activities	109	97	-12
▪ Controllable fixed costs	52	51	-1
▪ Variable costs	29	32	+3
▪ Other	28	14	-14
Non regulated activities	-	-	-
TOTAL COSTS	109	97	-12
Adjustment for non recurrent costs	-12	-	+12
TOTAL ADJUSTED COSTS	97	97	-

-1.9%
in nominal terms

-3.7%
in real terms



€m





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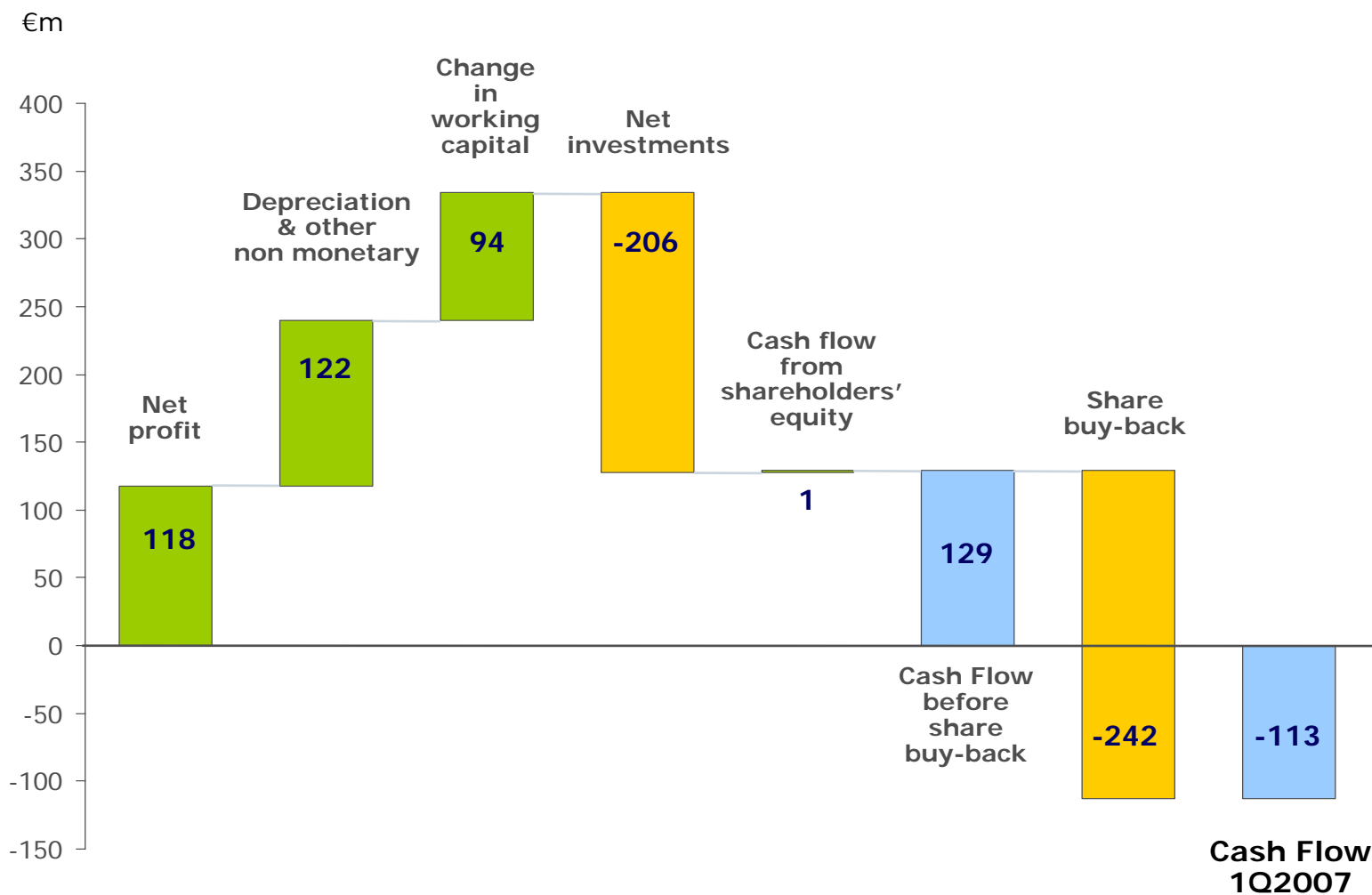


€m	Dec, 31 2006		Mar, 31 2007
Net Invested Capital	8,954	-3	8,951
▪ Fixed assets	9,527	+88	9,615
Tangible fixed assets	9,479	+89	9,568
Intangible fixed assets	48	-1	47
▪ Net working capital	-539	-90	-629
Receivables	552	-18	534
Liabilities	-1,091	-72	-1,163
▪ Staff benefits provision	-34	-1	-35
Net financial debt	5,255	+113	5,368
Shareholders' equity	3,699	-116	3,583
Leverage	58.7%		60.0%



€m

	1Q06	1Q07	Change
DEVELOPMENT	64	62	-2
▪ 9.7% remuneration	46	30	-16
▪ 8.7% remuneration	18	32	+14
OTHER	31	31	-
▪ 7.7% remuneration	16	14	-2
▪ 6.7% remuneration	15	17	+2
TOTAL	95	93	-2





Share Buy Back Plan fully implemented in line with the commitment

Commitment

- Up to 800 m€
- Within 10% of share capital
- By May 2007



Achievement

- Shares: 194.7 million
- Average price: 4.06 € per share
- Total amount: 791 m€



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Q&A Session



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