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2010 Interim Review

Milan, July 27th, 2010

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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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Highlights

2010 1H Consolidated Results

Highlights

Carlo Malacarne
Chief Executive Officer

A Consistently Solid Set of Deliveries

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Strong Results

- **Ebit:** **Up 109.5%** reported, **Up 22%** combined
- **Net income:** **Up 134%** reported, **Up 27.5%** combined

Operational & Financial Efficiency

- **Cost savings:** on track for 2010 target
- **Low cost of debt:** down to 2.8%

Attractive Shareholder Returns

- **Robust 2010 Interim Dividend:** € 0.09/share

Sound Performance & Low Risk Profile

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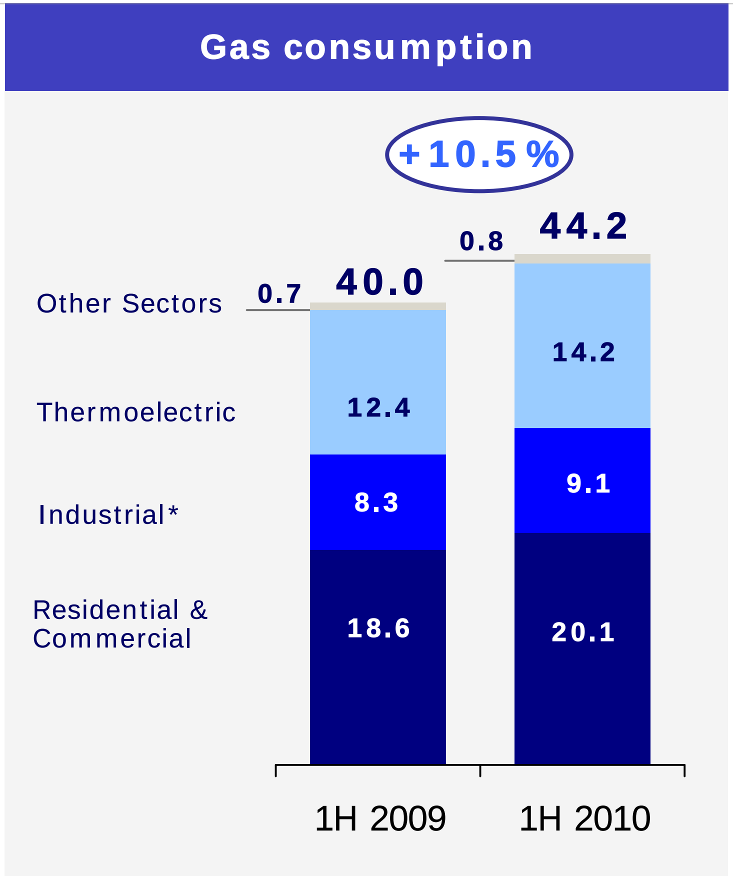
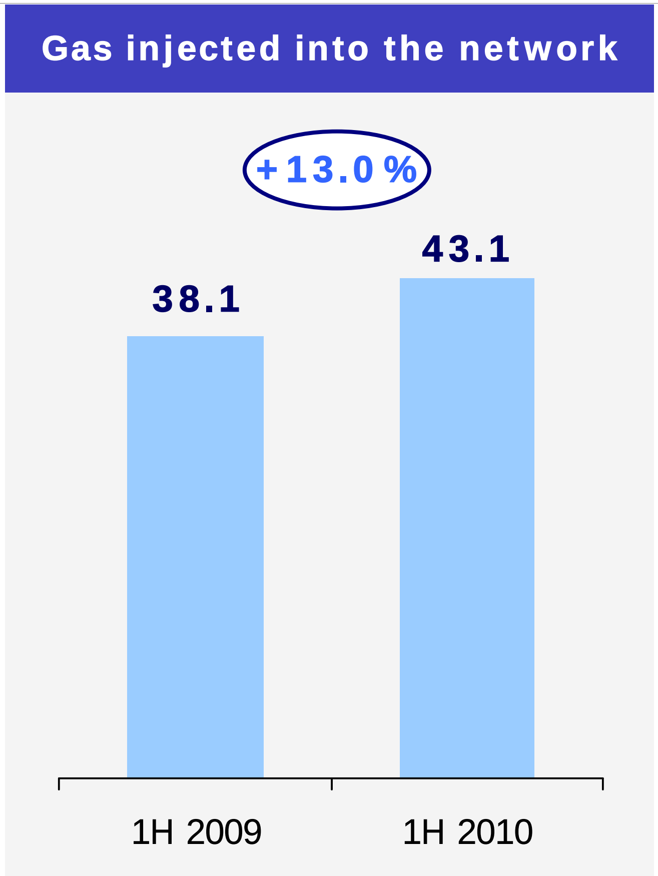
Italian Gas Market in 1H 2010





* Includes: NGV, Agriculture and Non-Energy Use

Source: Italian Ministry of Economic Development and SRG estimates

Snam Rete Gas 2010 1H Consolidated Results

		1H 2009	1H 2010	Δ %
REVENUES (*)	(€m)	919	1,546	+68.2
EBIT	(€m)	444	930	+109.5
EBIT (Combined)	(€m)	762	930	+22.0
NET PROFIT	(€m)	234	547	+133.8
NET PROFIT (Combined)	(€m)	429	547	+27.5
CAPEX (Combined)	(€m)	733	632	-13.8

(*) 1H 2010 figures do not include the effect of IFRIC 12

Combined figures: the results of Snam Rete Gas, GNL Italia, Italgas and Stogit for the 1H 2009 were aggregated line by line.

Capital Expenditure(*)

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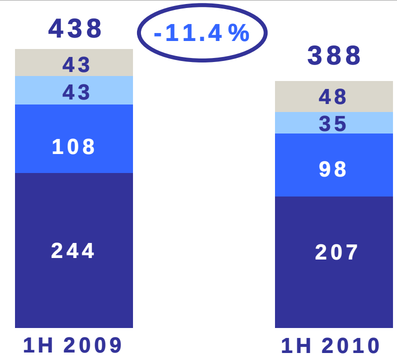
€m

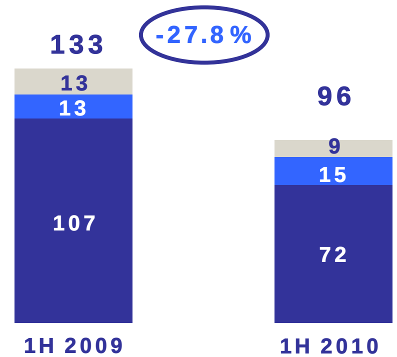
Transport and LNG



Incentive scheme

- Expansion & new entry points
  3% premium for 10 – 15 yrs
- Regional & national develop.
  2% premium for 7 – 10 yrs
- Safety
  1% premium for 5 yrs
- Maintenance
  Base return: 6.4%

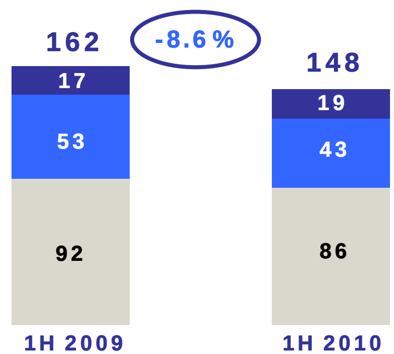
Storage



Incentive scheme

- Development of new fields
  4% premium for 16 yrs
- Expansion of existing fields
  4% premium for 8 yrs
- Maintenance
  Base return: 7.1%

Distribution



Incentive scheme

- Substitution of cast iron pipes
  2% premium for 8 yrs
- Metering
  8% allowed return
- Other investments
  Base return: 7.6%

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* Gross of subsidies

Delivering Shareholder Returns

INTERIM DIVIDEND

2010 Interim Dividend
0.09 €/share

Payable from October 21st 2010*

Confirming 2010-2012 DPS 4% yearly increase

* Ex dividend date October 18th 2010

2010 SHAREHOLDER RETURNS

2009 Final Dividend	May 27nh 0.14 € / share	**0.47 € billion**
2010 Interim Dividend	October 21st 0.09 € / share	**0.30 € billion**
2010 Overall cash distribution		= **0.77 € billion**
Yield**		**~6.6%**

** Overall cash distribution/ 1H 2010 average market cap (net of treasury shares)

Robust shareholder returns in a growing business
Sustainable DPS growth
Top ranking yield in the European utilities sector

Committed to leveraging our Strategic Priorities ...

Capital Expenditure	**Driving profitable long term growth**
Efficiency	**Exploit value through operational synergies and financial structure**
Low Risk Profile	**Focus on regulated gas business and solid balance sheet**
Attractive Shareholder Returns	**Attractive and sustainable return policy**

... to consolidate our focus on value creation

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2010 1H Consolidated Results

Antonio Paccioretti
Chief Financial Officer

Income Statement

€m

	1H 2009	1H 2010	Change
Revenues *	919	1,546	+627
Operating expenses *	-227	-289	- 62
EBITDA	**692**	**1,257**	**+565**
Depreciation & amortisation	-248	-327	- 79
EBIT	**444**	**930**	**+486**
Net interest income (expenses)	-91	-129	- 38
Net income from associates	-	23	+23
EBT	**353**	**824**	**+471**
Income taxes	-119	-277	- 158
NET PROFIT	**234**	**547**	**+313**

* 1H 2010 figures do not include the effect of IFRIC 12.

Revenues

€m

	1H 2009	1H 2010	Change
Regulated revenues	**910**	**1,529**	**+619**
Transport	**900**	**908**	**+8**
Revenues	873	874	+1
Pass-through revenues	27	34	+7
LNG	**10**	**12**	**+2**
Storage	**-**	**188**	**+188**
Distribution	**-**	**421**	**+421**
Other revenues	**9**	**28**	**+19**
Consolidation adj. (modulation services)	**-**	**-11**	**-11**
TOTAL REVENUES	**919**	**1,546**	**+627**

Operating Expenses

€m

	1H 2009	1H 2010	Change
Regulated activities	**226**	**273**	**+47**
Controllable fixed costs	104	229	+125
Variable costs	72	10	-62
Other	50	34	-16
Non regulated activities	**1**	**16**	**+15**
TOTAL COSTS	**227**	**289**	**+62**

	1H 2009	1H 2010	Change
Transport and LNG	**227**	**139**	**-88**
Storage	**-**	**29**	**+29**
Distribution	**-**	**132**	**+132**
Consolidation adj. (modulation services)	**-**	**-11**	**-11**
TOTAL COSTS	**227**	**289**	**+62**

1H 2010 EBIT: business breakdown

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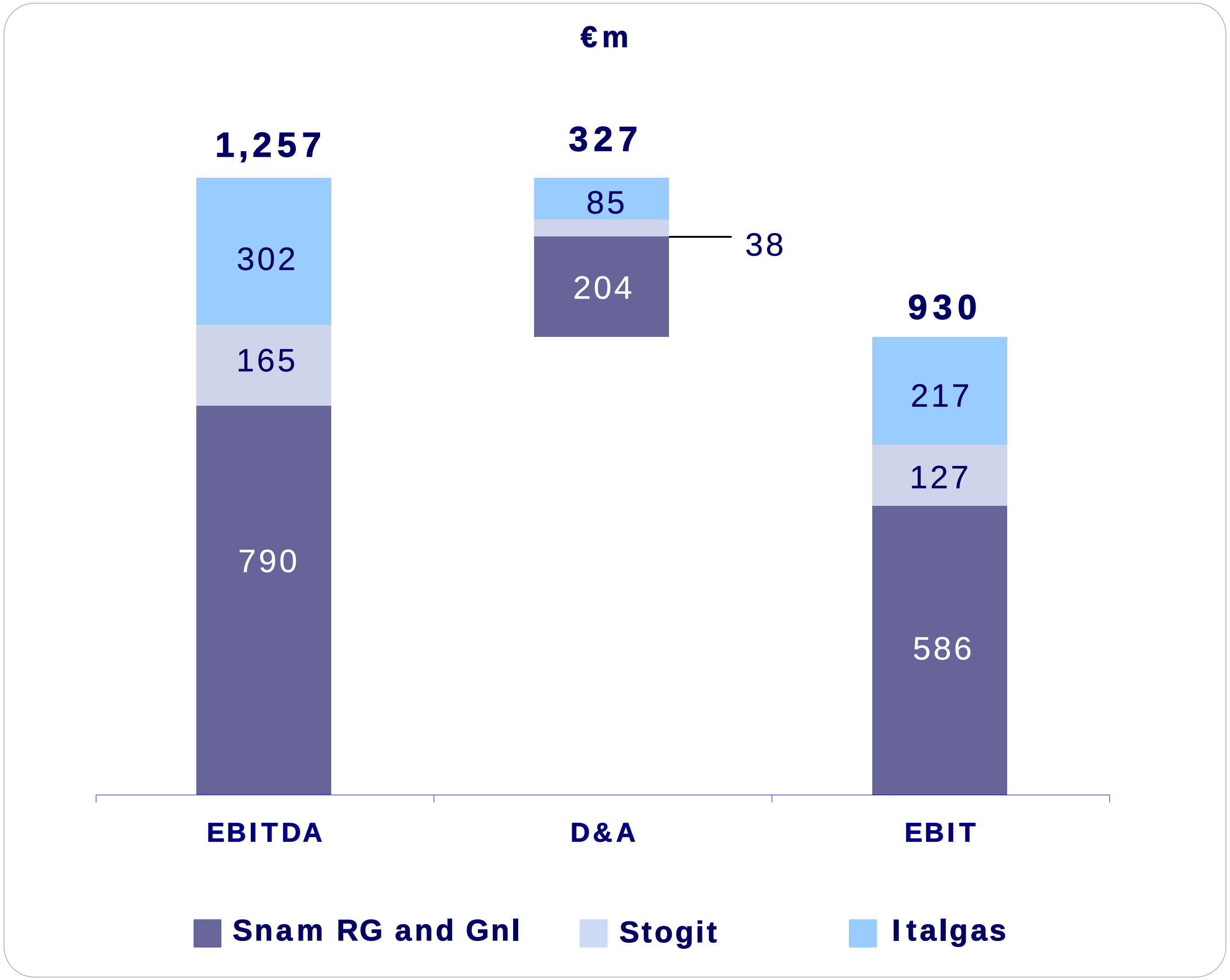

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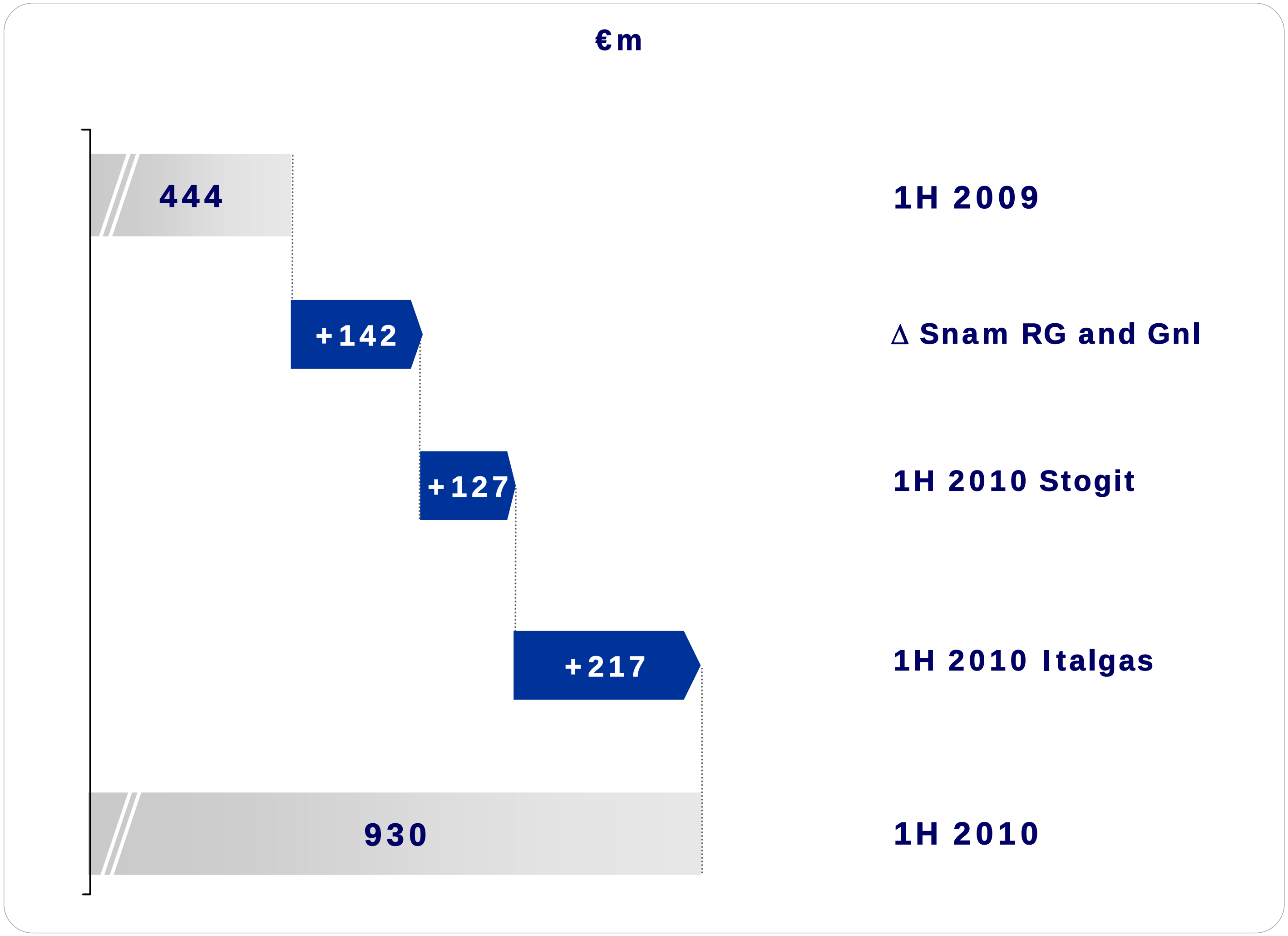
EBIT Analysis



Income Statement

€m

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Storage and Distribution Activity

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€m

Storage

		1H 2009	1H 2010	Δ %
Revenues		184	194	+5.4%
of which:	*regulated*	*183*	*188*	*+2.7%*
	other revenues	*1*	*6*	*n.s.*
Operating costs		26	29	+11.5%
EBIT		123	127	+3.3%

Distribution

		1H 2009	1H 2010	Δ %
Revenues		409	436	+6.6%
of which:	*regulated*	*390*	*421*	*+7.9%*
	other revenues	*19*	*15*	*-21.1%*
Operating costs		144	134 *	-6.9%
EBIT		195	217	+11.3%

* €m 132 after consolidation adjustments

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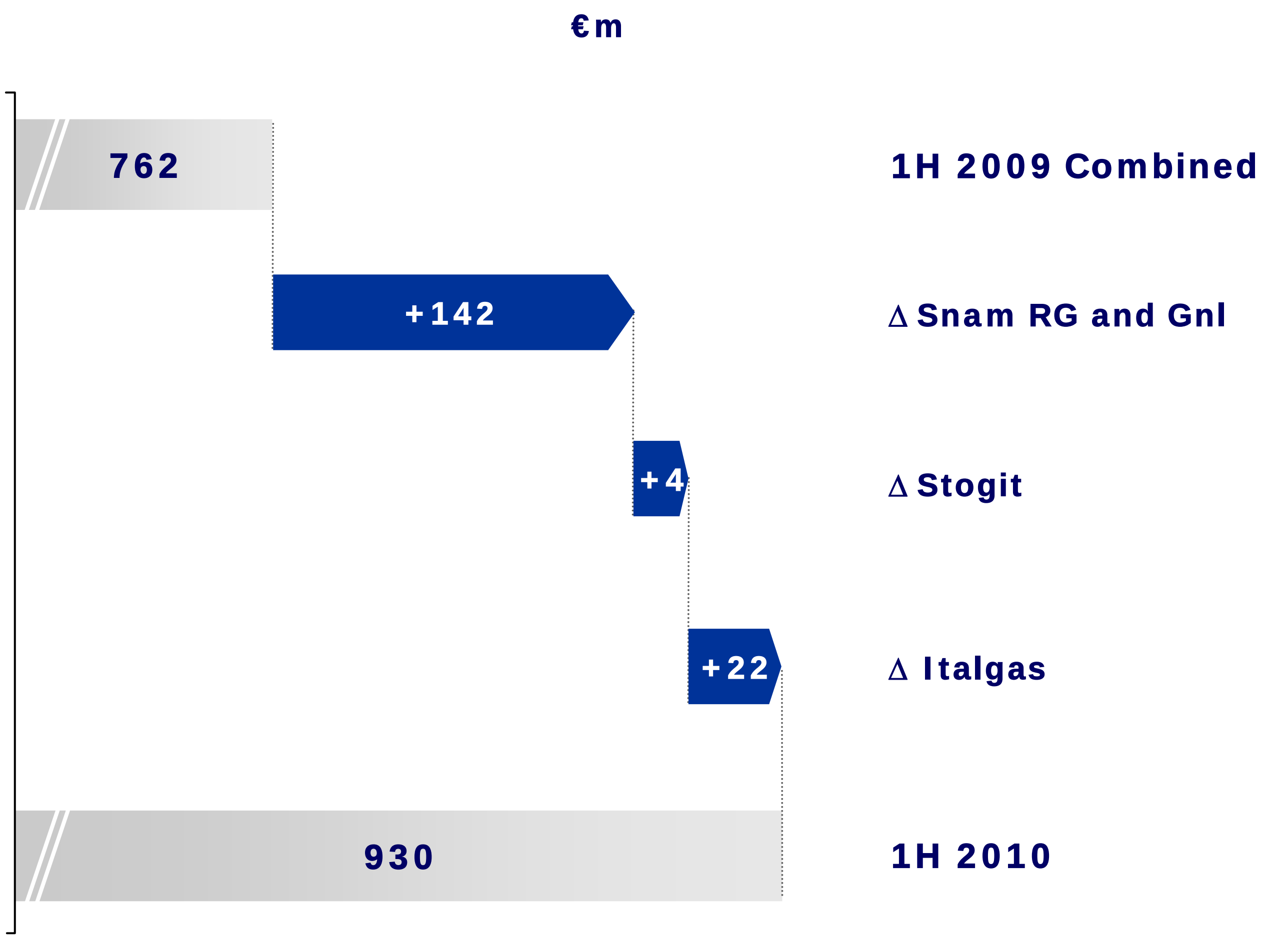
EBIT Analysis 1H 2010 vs 1H 2009 Combined

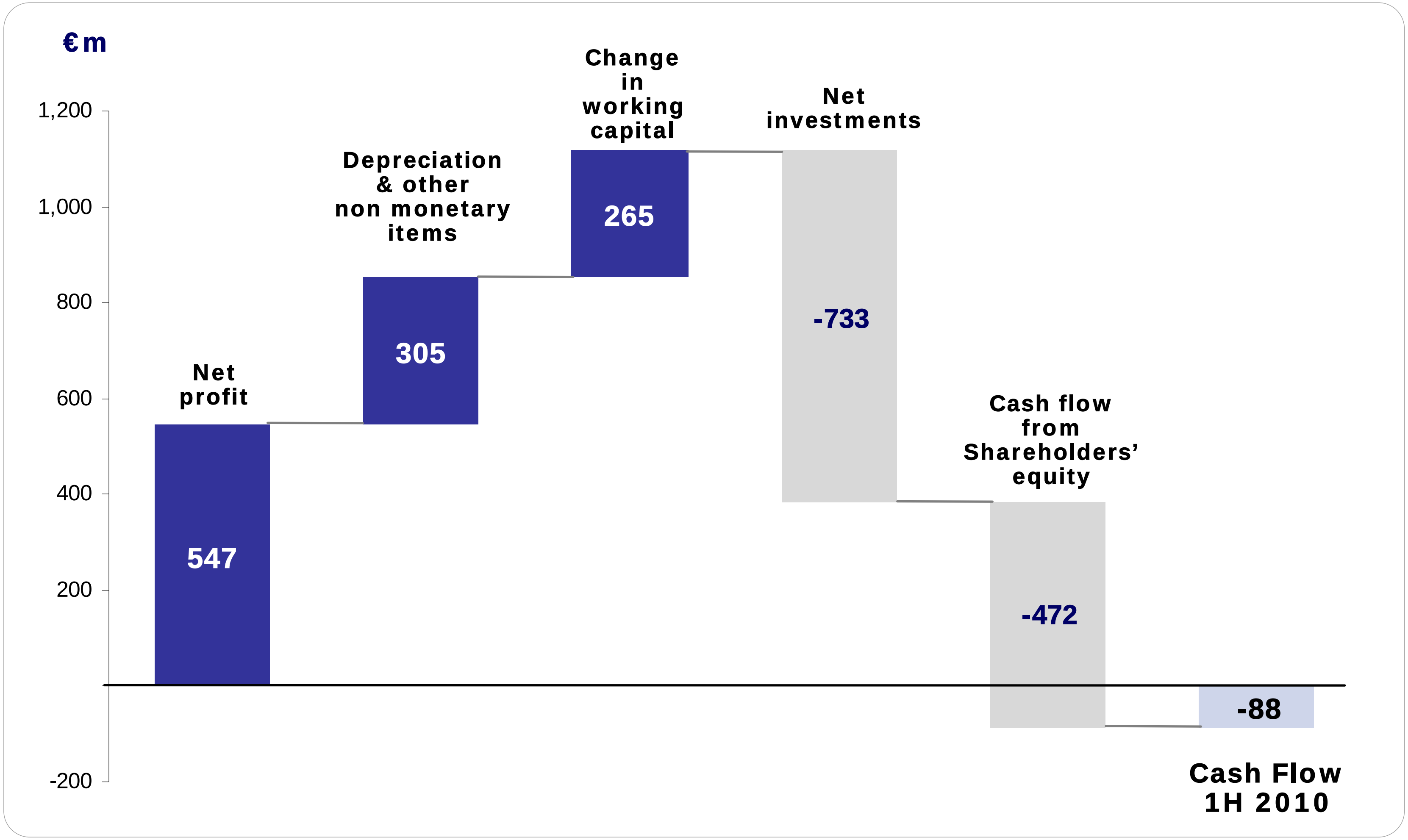


Balance Sheet

€m

	Dec, 31 2009	Jun, 30 2010	Change
Net Invested Capital	**15,652**	**15,768**	**+116**
Fixed assets	**17,077**	**17,488**	**+411**
Tangible fixed assets	12,694	13,064	+370
Intangible fixed assets	4,082	4,134	+52
Equity-accounted and other investments	301	290	- 11
Net working capital	**- 1,332**	**- 1,628**	**- 296**
Receivables	1,315	1,123	- 192
Liabilities	- 2,647	- 2,751	- 104
Staff benefits provision	**- 107**	**- 106**	**+1**
Assets held for sale	**14**	**14**	**-**
Net financial debt	**9,949**	**10,037**	**+88**
Shareholders' equity	**5,703**	**5,731**	**+28**

Cash flow



€m
1,200
1,000
800
600
400
200
-200
Net profit
547
Depreciation & other non monetary items
305
Change in working capital
265
Net investments
-733
Cash flow from Shareholders' equity
-472
-88
Cash Flow 1H 2010

Q & A Session

Annex

Operational Data

		1H 2009	1H 2010	Δ %
Transport	Gas injected into the network (bcm)	38.1	43.1	+13.0
	Gas pipeline network (km in operation)	31,503	31,562	+0.2
Storage	Storage capacity (bcm)	13.9	14.2	+2.2
	Modulation	8.9	9.2	+3.4
	Strategic	5.0	5.0	--
	Gas moved through storage system (bcm)	10.35	8.65	-16.4
	Injection	4.30	3.81	-11.4
	Withdrawal	6.05	4.84	- 20.0
Distribution	Gas distributed (bcm)	4.43	4.66	+5.3
	Active Gas Metering at redelivery points (# million)	5.72	5.81	+1.6

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