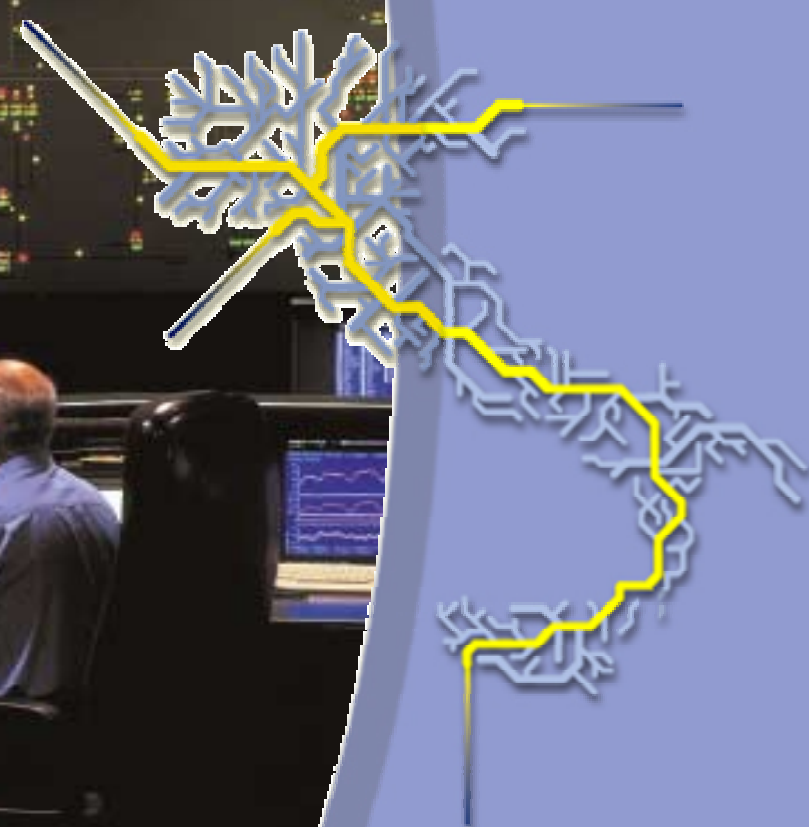




ANALYST PRESENTATION



Snam
Rete Gas



May 7, 2002



1. Latest steps and achievements – Market scenario

2. 1Q02 results
performance analysis with a focus on:

Efficiency gains

Capital spending

3. Closing remarks



Anticipated completion of 2001-2002 headcount reduction plan

(January 2002)

Investment plan presented to the Regulator

(March 2002)

Tariff proposal presented to the Regulator

(March 2002)

Funding for stock grant and stock option plan approved by the Shrs' Meeting

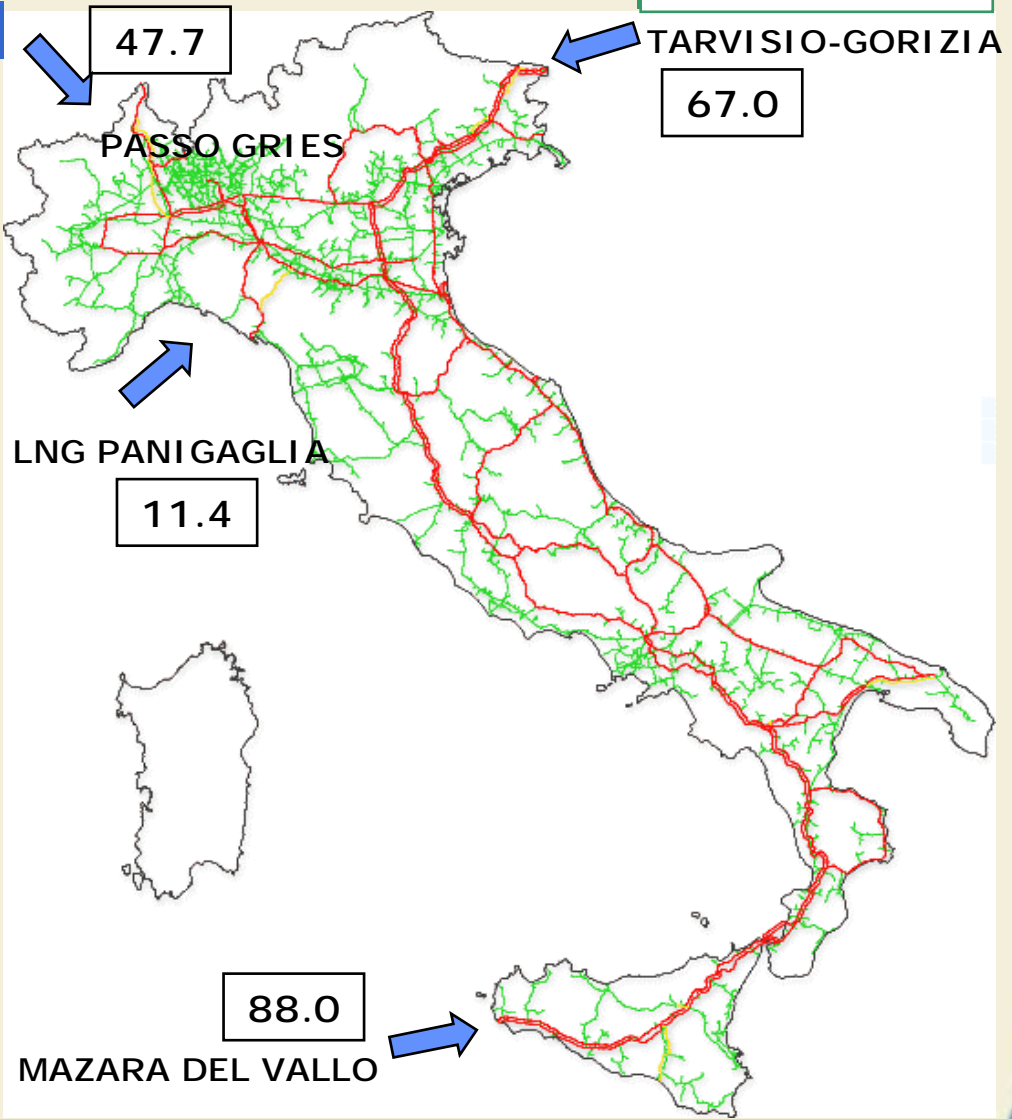
(April 2002)



MARCH 2002

M³/day (-15°C; 1,01325 bar)

CONTINUOUS TECHNICAL CAPACITY	207.8
ASSIGNED CONTINUOUS TECHNICAL CAPACITY	193.8
AVAILABLE CONTINUOUS TECHNICAL CAPACITY	14.0
INTERRUPTIBLE CAPACITY	6.3
ASSIGNED INTERRUPTIBLE CAPACITY	2.4
AVAILABLE INTERRUPTIBLE CAPACITY	3.9





bcm

	1Q 2001	1Q 2002	Change
Domestic gas demand	23.1	24.1	+1.0
Volumes injected in Snam RG network	18.5	21.0	+2.5

Tariff reference volumes of which:	73.1
relevant to Snam RG	72.0

	Oct 00 Mar 01	Oct 01 Mar 02	Change
Domestic gas demand	42.1	45.7	+3.6
Volumes injected in Snam RG network	36.6	39.5	+2.9

gas injected = gas demand +/- storage + export + transit



**Applications to GRTN
(Dec. 2001)**

**646 Projects
114 GW
of which gas-based:
98 GW**

**Environmental
Authorisation**

Exempt: 16 GW
(Genco, Enel, Others)

In Progress: 15,6 GW
Preliminary: 66,4 GW



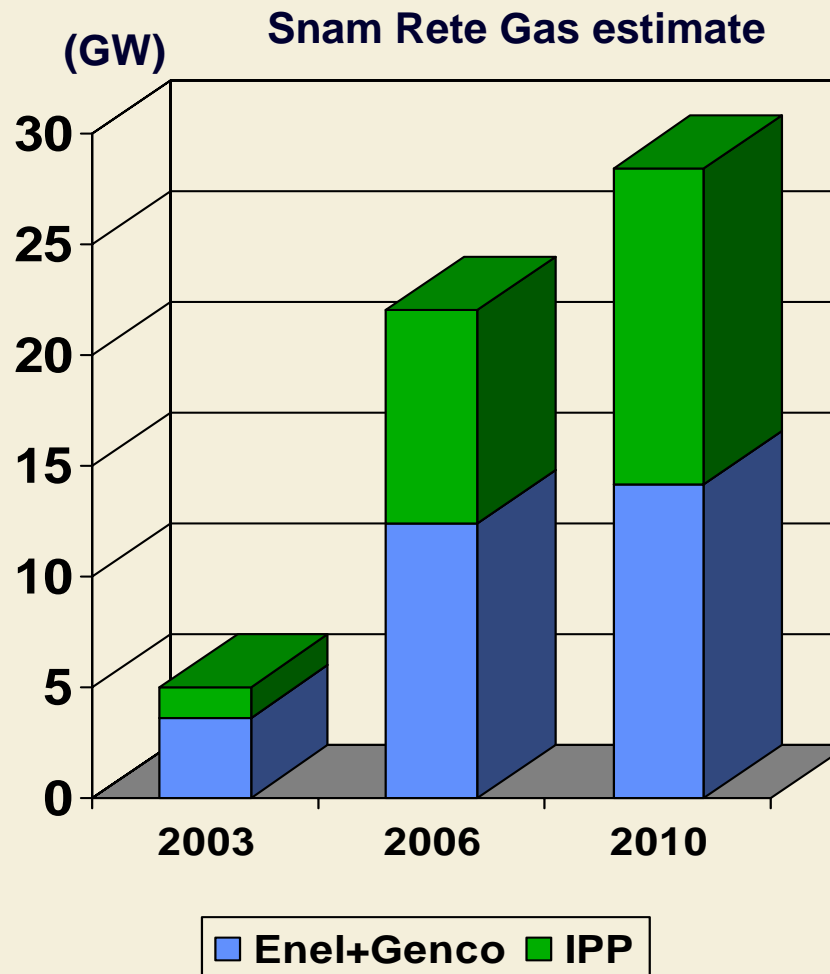
**Applications to GRTN
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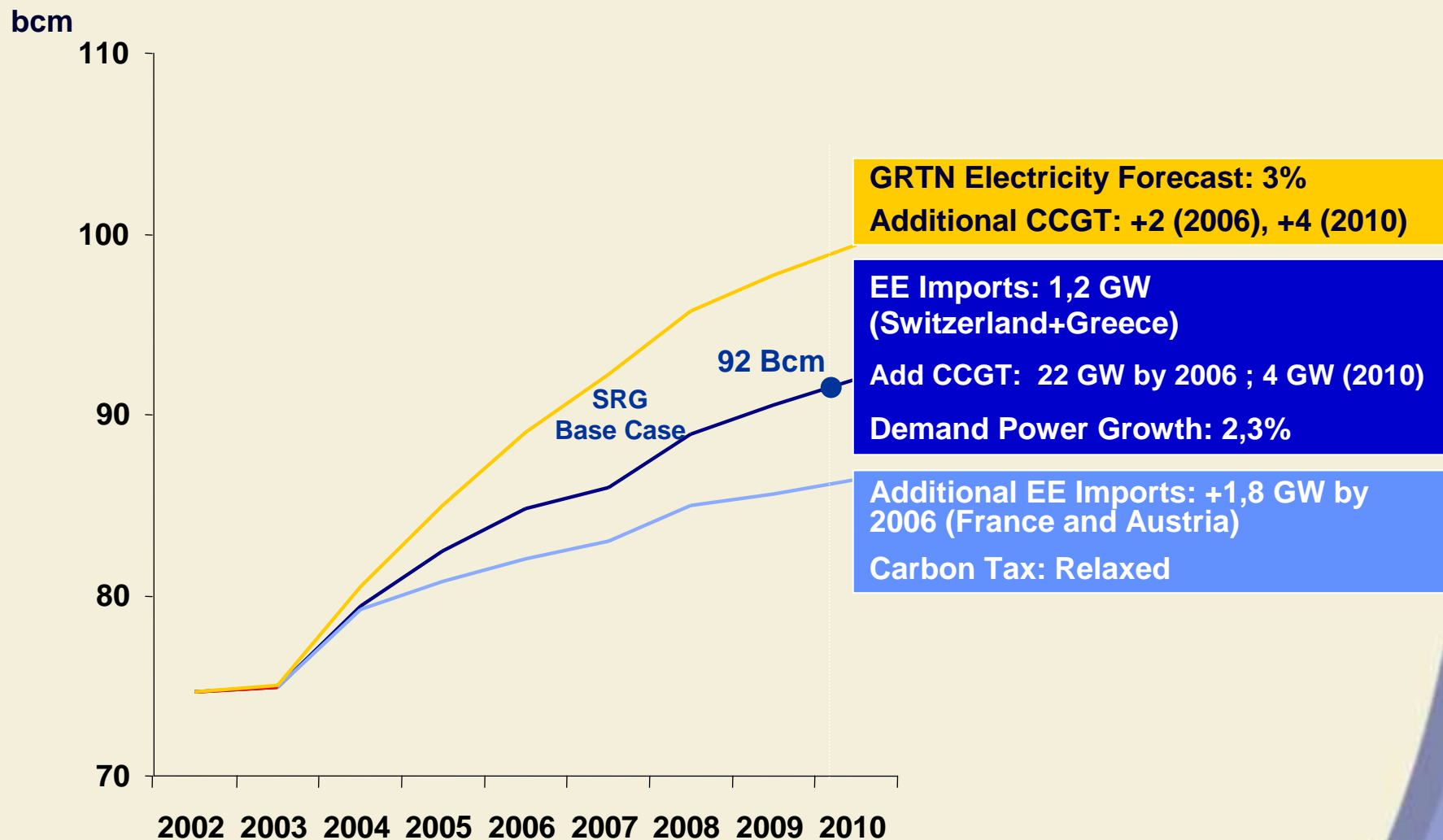
**Environmental
Authorisation**

**Exempt: 16 GW
(Genco, Enel, Others)**

**In Progress: 15,6 GW
Preliminary: 66,4 GW**



Sensitivity analysis proving that our Base Case might be conservative





		1Q 2002
CAPEX	(Mln €)	59
HEADCOUNT	(nr.)	2,740
REVENUES	(Mln €)	461
EBIT	(Mln €)	216
NET PROFIT	(Mln €)	121
FREE CASH FLOW	(Mln €)	321
LEVERAGE (D/D+E)		42%



	€m		
	1Q 2001	1Q 2002	Change
TOTAL	65	59	-6
DEVELOPMENT	54	38	-16
Transportation - national	33	22	-11
Transportation - regional	20	16	-4
LNG	1	0	-1
MAINTENANCE	9	9	-
OTHER	2	12	+10



nr.	31 Dec 2001	31 Mar 2002	Change
Operations	2398	2204	-194
Business development	243	243	-
Staff	317	278	-39
Other	15	15	-
TOTAL (*)	2973	2740	-233

(*) Not including personnel on unpaid leave

€m

	1Q 2001	1Q 2002	Change
TOTAL	66	62	-4
TRANSPORTATION	64	60	-4
Network	49	46	-3
Compressor stations	5	5	-
Dispatching and metering	10	9	-1
LNG	2	2	-

6% cost reduction vs 1Q2001

€m

	1Q 2001	1Q 2002	Change
REGULATED ACTIVITIES	104	119	+15
CONTROLLABLE OPEX	83	77	-6
Operating fixed costs	66	62	-4
Variable costs	17	15	-2
OTHER	21	42	+21
Modulation services	21	14	-7
Pass-through costs	-	28	+28
NON - REGULATED ACTIVITIES	21	17	-4
TOTAL	125	136	+11



€m

	1Q 2002	
TOTAL REVENUES	461	
REGULATED REVENUES	437	
TRANSPORT	424	
of which		
on behalf of third parties	9	
storage tariff reduction on 4Q2001 (*)	16	28 €m compensated by pass-through costs
GNL	13	
of which fuel gas	3	
NON REGULATED REVENUES	24	

(*) accounted among "Other revenues" in the Income statement



€m	1Q 2002
Revenues	461
Revenues from operations	445
Other revenues	16
Operating expenses	136
Staff cost	31
Other operating costs	105
EBITDA	325
Depreciation & Amortisation	109
EBIT	216
Net interest income (expenses)	41
EBT	175
Income taxes	54
Net profit	121

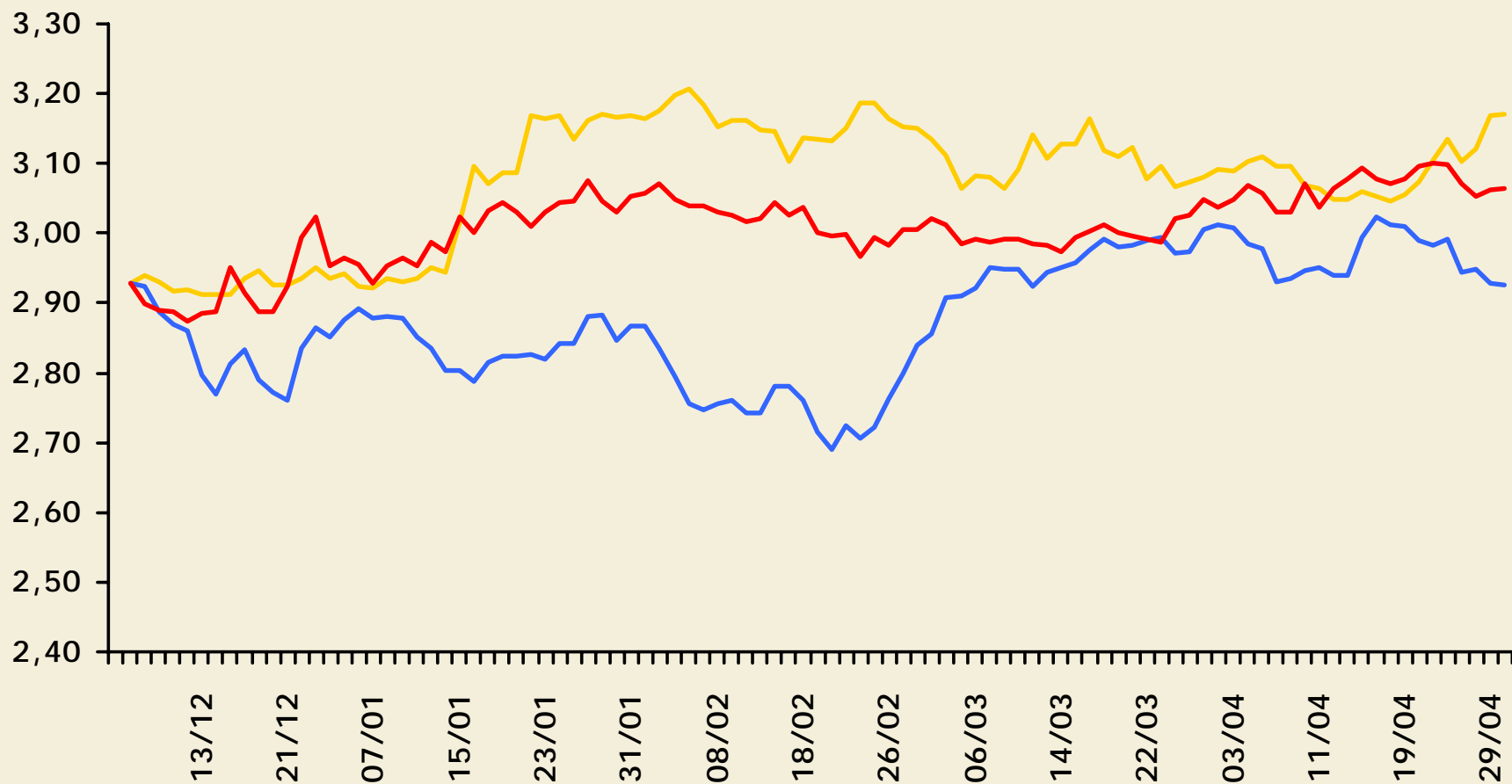


€m

	31/12 2001		31/3 2002
Net Invested Capital	9,396	-200	9,196
Fixed assets	9,425	-51	9,374
Tangible assets	9,338	-61	9,277
Intangible fixed assets	87	+10	97
Net working capital	-12	-151	-163
Short term receivables	463	-11	452
Short term liabilities	-475	-140	-615
Staff-leaving indemnity	-17	+2	-15
Net financial debt (cash)	4,193	-321	3,872
Shareholders' equity	5,203	+121	5,324



€m	1Q 2002
Net income	121
Depreciation	109
Change in net working capital of which: deferred taxes	151 49
Change in staff leaving indemnity	-2
Cash flow from operations	379
Net investments	-58
Free Cash Flow	321
Initial Net Financial Debt	4,193
Final Net Financial Debt	3,872



MIB All share Index

Eurostoxx
Utilities Index

Snam RG



1. SOUND RESULTS IN THE CORE BUSINESS

2. COST CUTTING: FURTHER ACHIEVEMENTS

3. STRONG EFFORT IN INVESTMENT PLANNING

4. MANAGEMENT LONG-TERM INCENTIVES APPROVED