

Report of the Board of Directors on the proposals relating to items on the agenda of the Shareholders' Meeting

**SNAM S.p.A.**

**ORDINARY SHAREHOLDERS' MEETING OF 15 APRIL 2014, ON SINGLE CALL**

**Report of the Board of Directors on the proposals relating to items on the agenda of the Shareholders' Meeting**

**Item 1**

**Financial statements of Snam S.p.A. as at 31 December 2013. Consolidated financial statements as at 31 December 2013. Reports of the Directors, the Board of Statutory Auditors and the Independent Auditors. Related resolutions.**

Shareholders,

The 2013 financial statements of Snam S.p.A. closed with a profit of € 705,040,198.75 and the consolidated financial statements closed with a net profit of €917 million as shown in the document "2013 Annual Report", filed at the registered offices of the Company, Borsa Italiana S.p.A. and on the Company website. Therefore, this report refers to that document.

Shareholders,

You are invited to approve the financial statements of Snam S.p.A. as at 31 December 2013, which show a profit of €705 million.

The Chairman of the Board of Directors

Mr. Lorenzo Bini Smaghi