

**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 2**

**Allocation of the period profits and dividend distribution**

Shareholders,

The Board of Directors proposes to:

- allocate the profit of €367,050,454.35 which remains after the distribution of the 2013 interim dividend of €0.10 per share resolved by the Board of Directors on 30 July 2013, as follows:
  - €0.15 per share to the shareholders as a dividend for shares outstanding on the ex-dividend date, excluding treasury shares on that date, as the balance on the 2013 interim dividend of €0.10, using the remaining available profit of €367,050,454.35 and retained earnings up to the overall amount of the dividend; the 2013 dividend per share amounts therefore to €0.25;
- pay out the dividend balance of €0.15 per share starting on 22 May 2014, being the ex-dividend date 19 May 2014 and record date 21 May 2014.

Shareholders,

You are invited to

- allocate the profit of €367,050,454.35 which remains after the distribution of the 2013 interim dividend of €0.10 per share resolved by the Board of Directors on 30 July 2013, as follows:

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- €0.15 per share to the shareholders as a dividend for shares outstanding on the ex-dividend date, excluding treasury shares on that date, as the balance on the 2013 interim dividend of €0.10, using the remaining available profit of €367,050,454.35 and retained earnings up to the overall amount of the dividend; the 2013 dividend per share amounts therefore to €0.25;
- pay out the dividend balance of €0.15 per share starting on 22 May 2014, being the ex-dividend date 19 May 2014 and record date 21 May 2014.

The Chairman of the Board of Directors

Mr. Lorenzo Bini Smaghi