

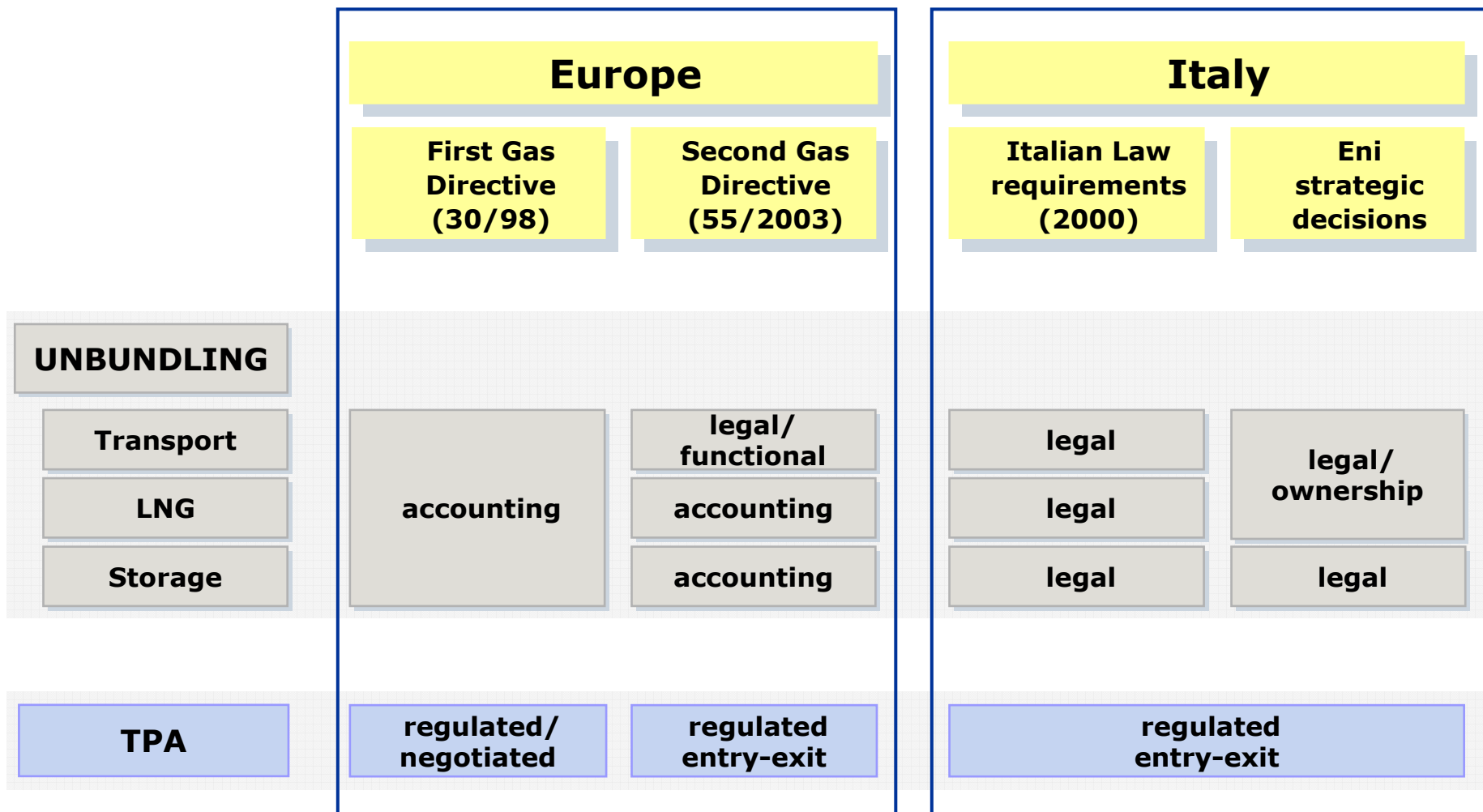
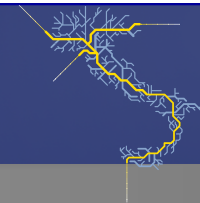


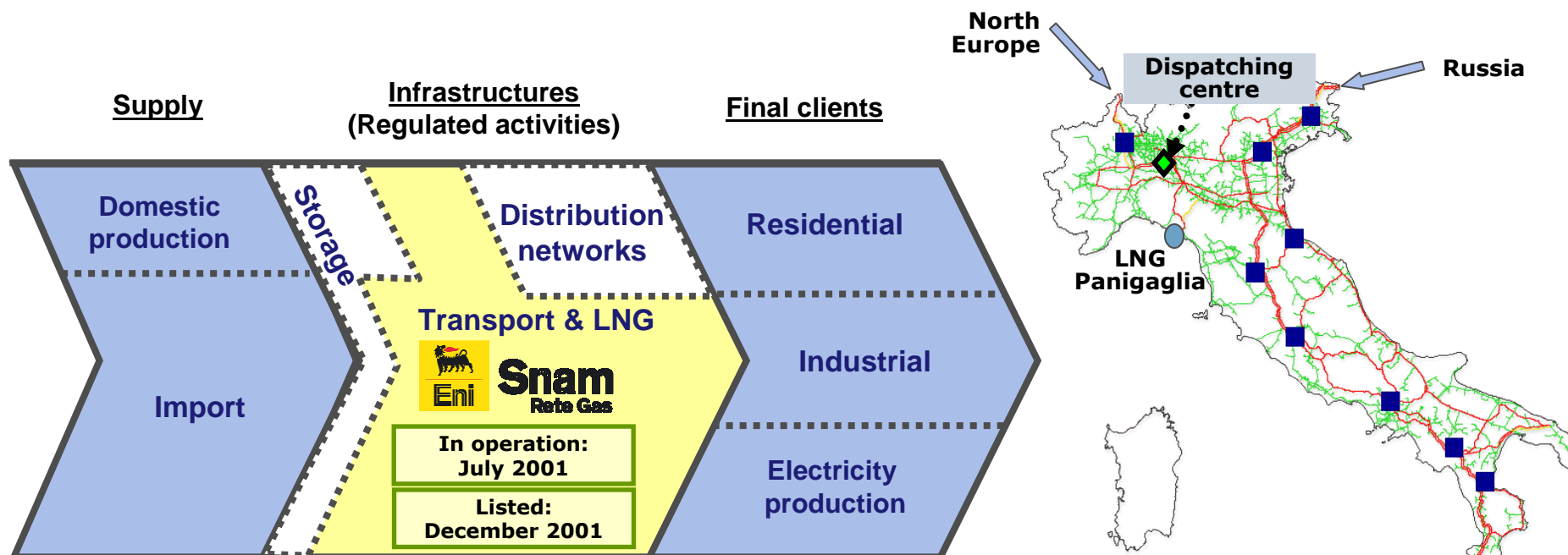
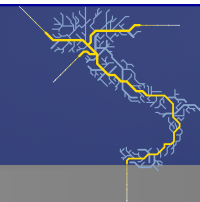
**Snam**  
Rete Gas

A stylized map of a gas network, showing a dense web of light blue lines representing existing infrastructure and a prominent yellow line representing a new expansion route. The network is set against a dark blue background with a horizontal grey band.

**Mobilising capitals for  
gas network expansion:  
the experience of Snam RG**

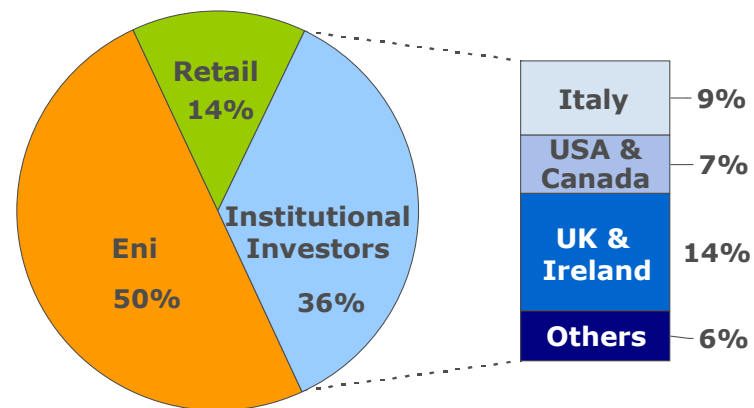
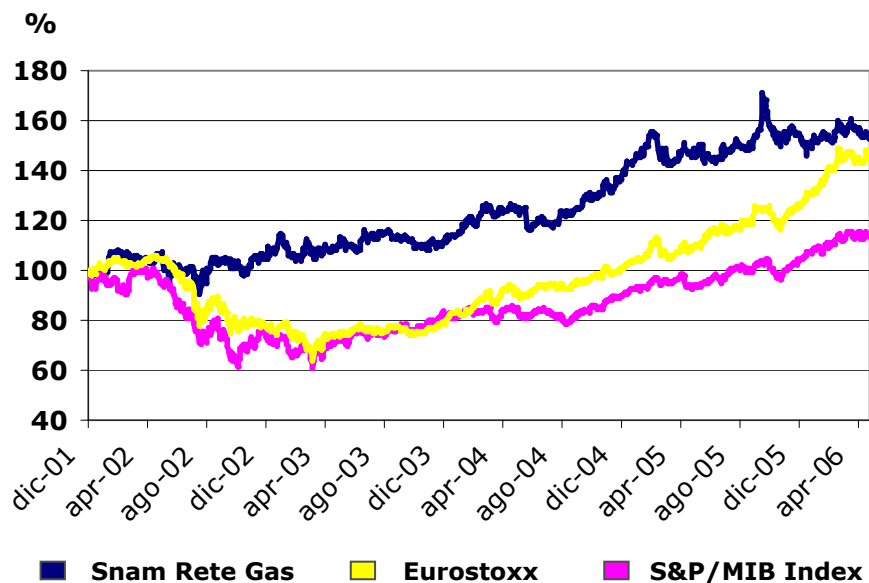
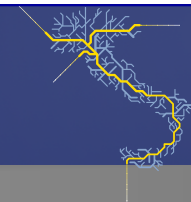
**Amsterdam, 6<sup>th</sup> June 2006**





## 2005 Operating highlights

- Transport network : 30,712 km
- 11 compression stations
- 1 LNG terminal
- Gas transported : 85.1 bcm
- Headcount : 2,466 people



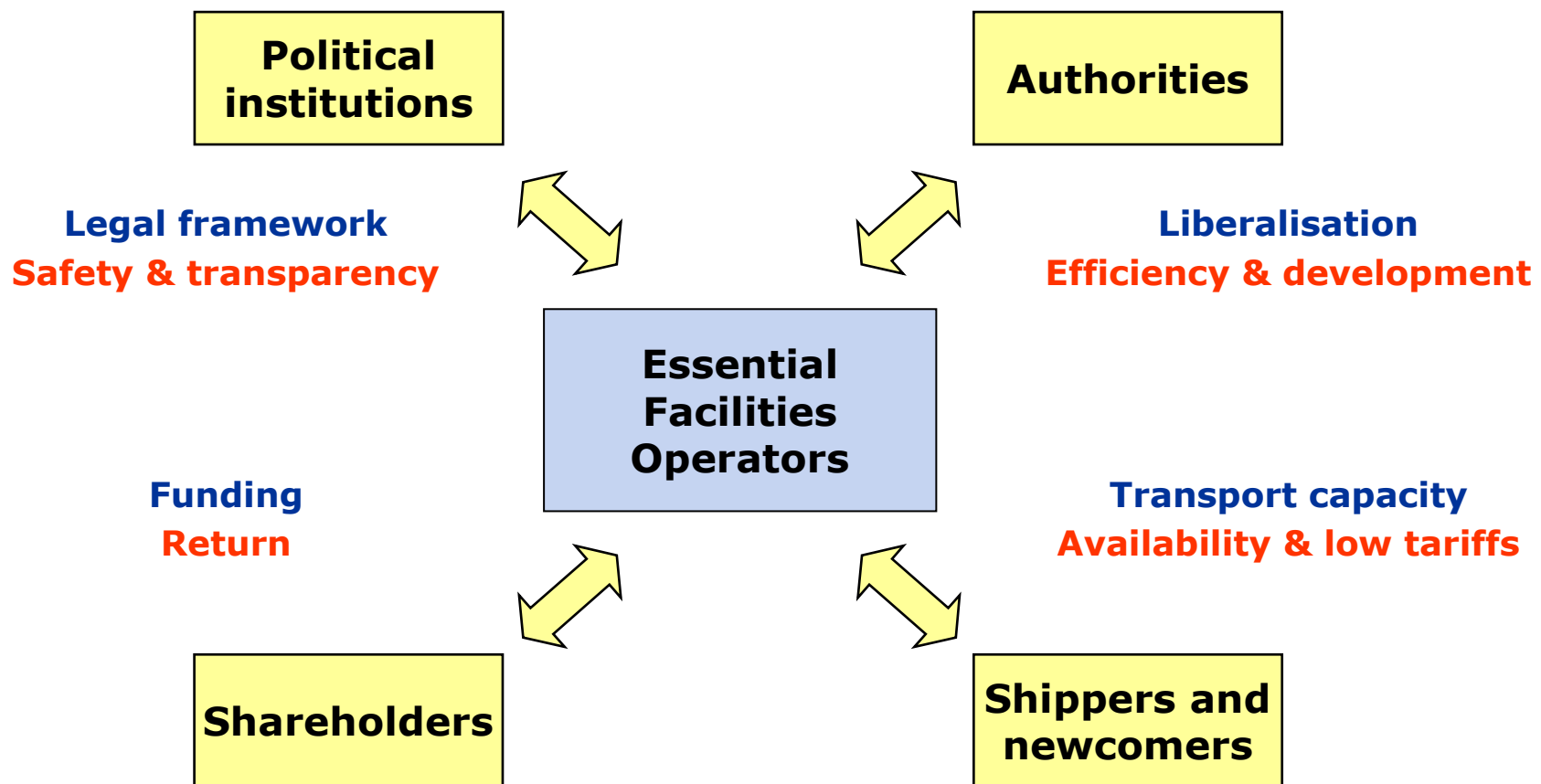
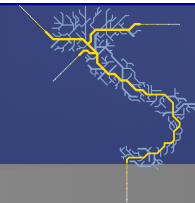
### Stock performance

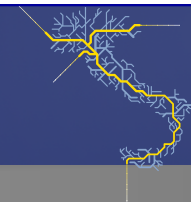
- **Market Cap: from 5.5 to 7.1 bn€<sup>(1)</sup>**
- **2002-2005 TSR: +74 %**
- **2005 dividend yield: 4.7 %**

<sup>(1)</sup> after the special dividend of about 2 bn€ distributed in November 2005

### 2005 Financial highlights

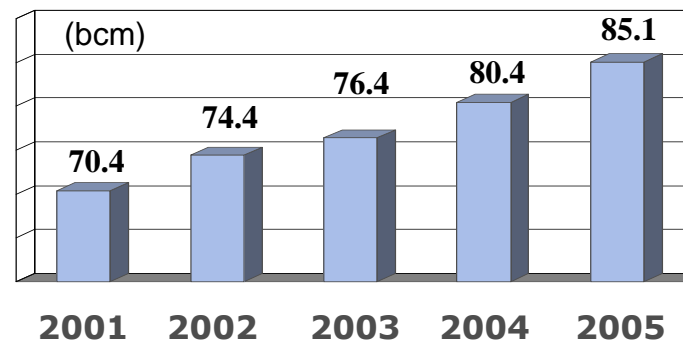
▪ <b>Investments</b>	<b>685 €m</b>
▪ <b>Revenues</b>	<b>1,806 €m</b>
▪ <b>EBIT</b>	<b>975 €m</b>
▪ <b>Net Income</b>	<b>524 €m</b>
▪ <b>Net assets</b>	<b>8,795 €m</b>
▪ <b>Equity</b>	<b>3,976 €m</b>
▪ <b>Net debt</b>	<b>4,819 €m</b>





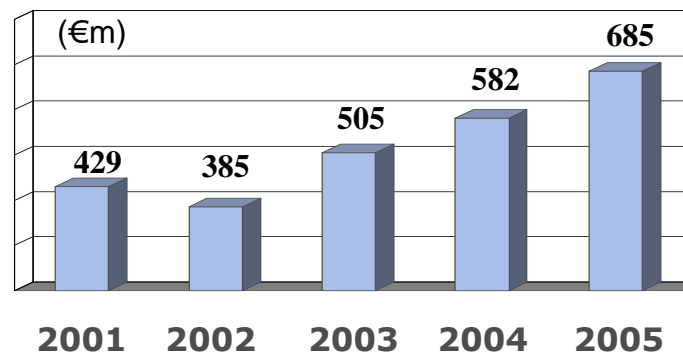
## Natural gas transported

Incentives on commodity



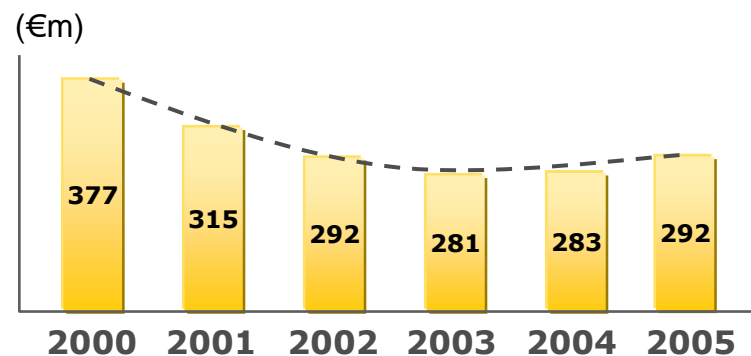
## Capital expenditure

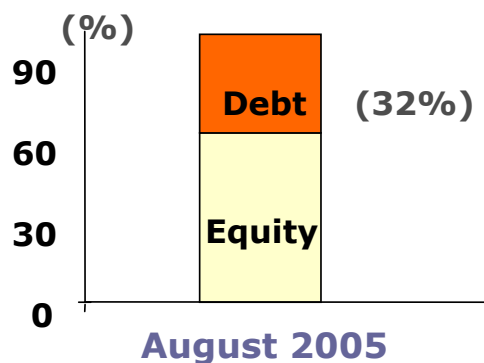
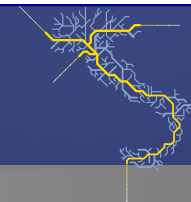
Incentives on investments



## Opex

Incentives on efficiency

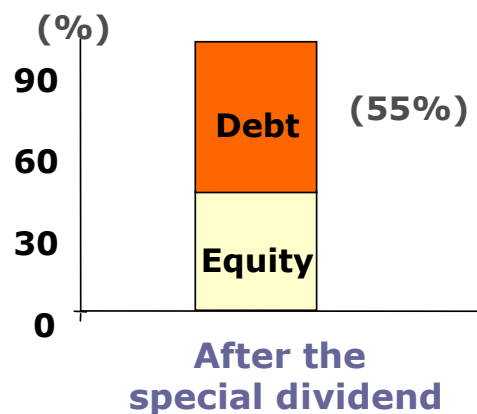
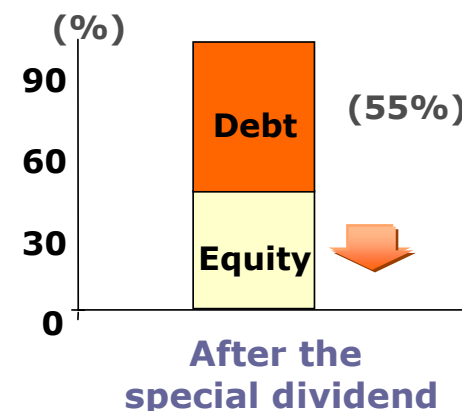




## Special Dividend

November 2005

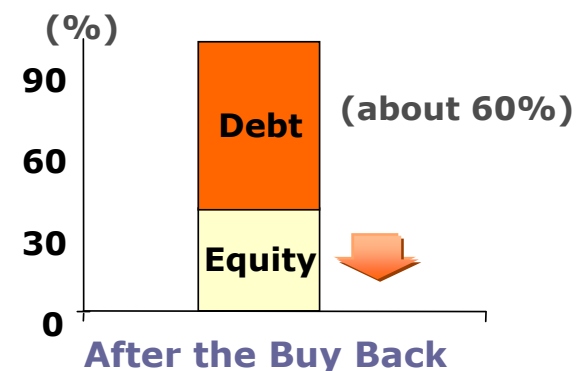
Distribution of a special dividend of 1 euro per share, totalling 1,955 million euro



## Share Buy Back

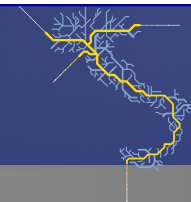
Started March 2006

- Buy back plan up to 800 million euro and within the 10% of the share capital
- To be implemented by May 2007

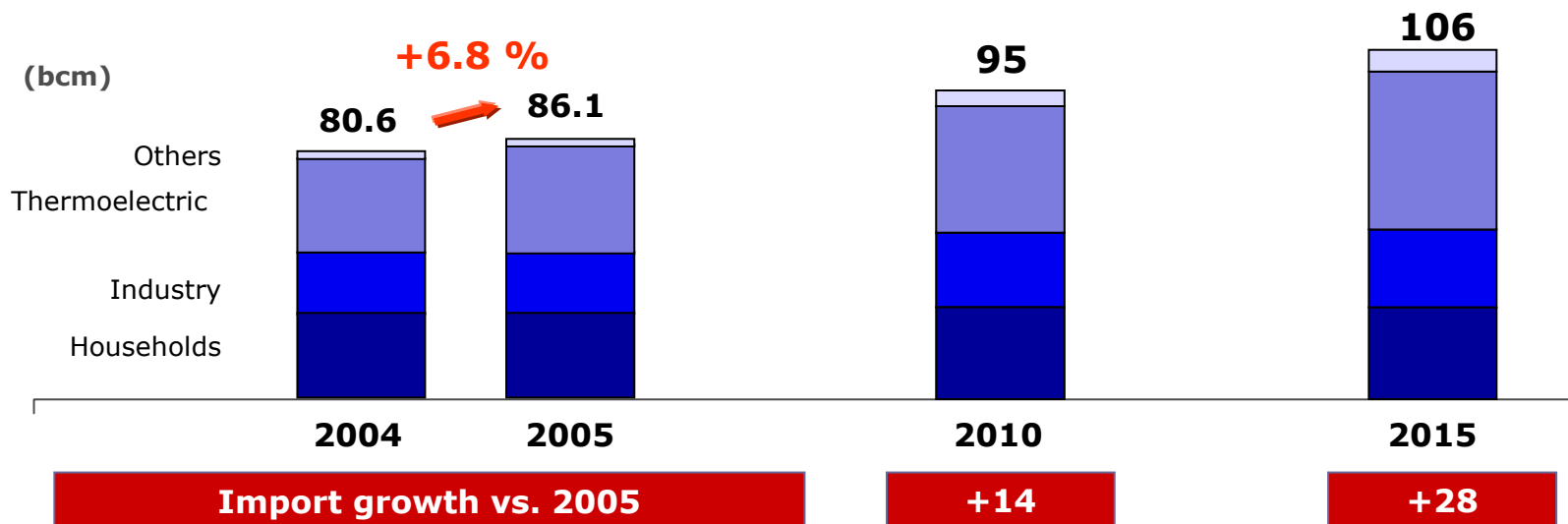




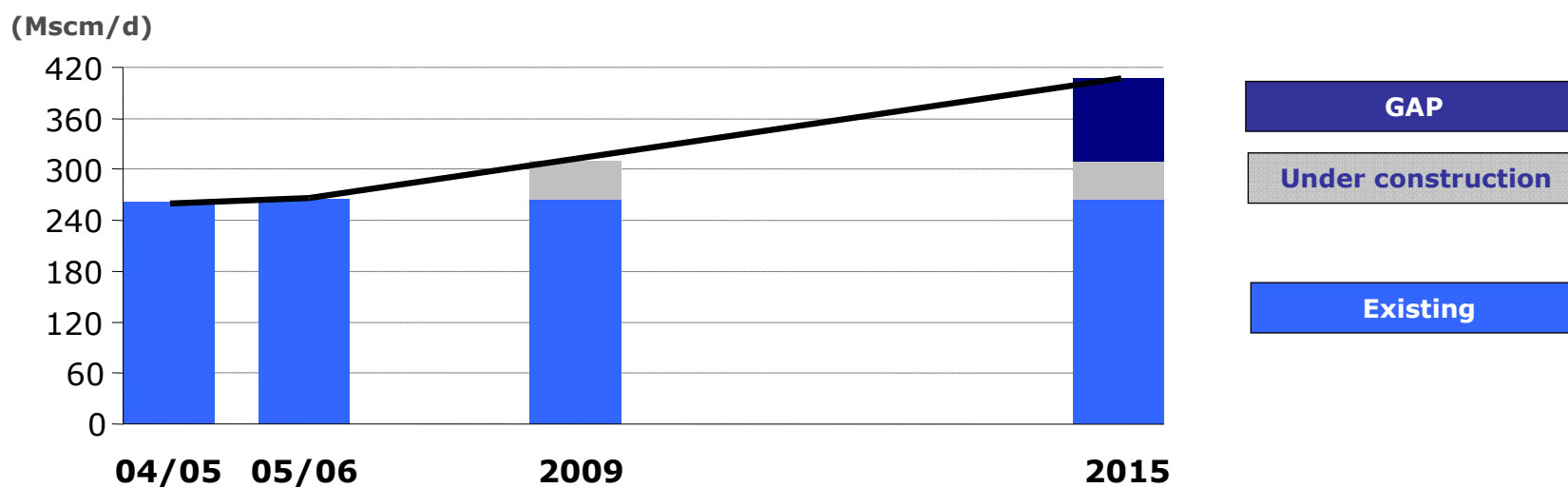
# The expected growth in Italy



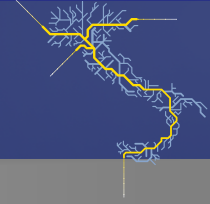
Gas demand



Transport capacity








- ✦ **Risk / remuneration profile of regulated activities**
  - ➔ **Security of supply**
  - ➔ **Obligations / guarantees for TSOs**
  - ➔ **Tariffs / incentives**
  
- ✦ **Funding from “regulated” cash flow**
  
- ✦ **Profitability to attract capitals from financial markets**
  
- ✦ **Shareholder’s remuneration through dividend stream**



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