

Report of the Board of Directors on the proposals
concerning items placed on the agenda for the Shareholders' meeting

SNAM S.p.A.

EXTRAORDINARY AND ORDINARY SHAREHOLDERS' MEETING OF 24 APRIL

2018

ON SINGLE CALL

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

ORDINARY SESSION

Item 2

Allocation of the period profits and dividend distribution

Dear Shareholders,

The Board of Directors proposes that you:

- o approve the financial statements as at December 31, 2017, which show a profit of 677,325,425.97 euros;
- o allocate the profit for the year of 677,325,425.97 euros, remaining after the distribution of an advance on the dividend for the 2017 fiscal year of 0.0862 euros per share resolved by the Board of Directors meeting of 6 November 2017, as follows:
 - to the shareholders as a dividend of 0.1293 euros per share to shares in circulation on the coupon payment date, excluding treasury shares in the Company portfolio on that date, as the balance of the advance on the dividend, using the Profit reserve from previous years and other available and distributable profit reserves until the total amount of the dividend is reached; The dividend related to the 2017 fiscal year therefore, between the advance and the balance, comes to 0.2155 euros per share;

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- o pay out the dividend balance of 0.1293 euros per share, starting June 20, 2018, with an ex-dividend date of June 18, 2018 and record date of June 19, 2018.

Dear Shareholders,

you are invited to:

- o approve the financial statements as at December 31, 2017, which show a profit of 677,325,425.97 euros;
- o allocate the profit for the year of 677,325,425.97 euros, remaining after the distribution of an advance on the dividend for the 2017 fiscal year of 0.0862 euros per share resolved by the Board of Directors meeting of 6 November 2017, as follows:
 - to the shareholders as a dividend of 0.1293 euros per share to shares in circulation on the coupon payment date, excluding treasury shares in the Company portfolio on that date, as the balance of the advance on the dividend, using the Profit reserve from previous years and other available and distributable profit reserves until the total amount of the dividend is reached; The dividend related to the 2017 fiscal year therefore, between the advance and the balance, comes to 0.2155 euros per share;
- o pay out the dividend balance of 0.1293 euros per share, starting June 20, 2018, with an ex-dividend date of June 18, 2018 and record date of June 19, 2018.

The Chairman of the Board of Directors

Mr Carlo Malacarne