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PRESS RELEASE

Issue of notes under the EMTN Programme for Euro 435 million

Milan, 21 February 2017 – 2i Rete Gas S.p.A. has launched the issue of notes under its Euro 3.5 billion Euro Medium Term Notes (EMTN) programme for an aggregate principal amount of Euro 435 million, to be placed exclusively with institutional investors.

The net proceeds arising out of the notes will be applied towards early refinancing of a portion of the “€750,000,000 1.75 per cent. Notes due 16 July 2019” (ISIN: XS1088274169) and the “€540,000,000 1.125 per cent. Notes due 2 January 2020” (ISIN: XS1144492532), each of which was the target of the tender offer launched by the Company on 14 February that is subject to, *inter alia*, the settlement of the notes.

The notes have attracted orders for 1.6 billion euro and will have the following characteristics: Euro 435 million due August 2026, 112 bps spread to mid-swap rate and coupon 1.75%.

The settlement date is expected to be on 28 February 2017 subject to the signing of the relevant contractual documentation and the satisfaction of the conditions precedent.

The notes will have a minimum denomination of Euro 100,000, will be listed on the regulated market managed by the Irish Stock Exchange and will be governed by the English law.

The placement of the notes is managed by Banca IMI S.p.A., BNP Paribas, Mediobanca – Banca di Credito Finanziario S.p.A., Merrill Lynch International, Société Générale and UniCredit Bank AG, as joint lead managers.

It is expected that Moody’s and Standard & Poor’s will assign a rating to the notes.

“I’m very satisfied with the success of this Liability Management exercise both in terms of high success of the tender offer and interest of existing and new qualified investors towards the new issue – said Michele De Censi, 2i Rete Gas CEO – . The Liability Management exercise represents an important step to increase the average duration of its debt by reducing exposure to short maturities with a very good pricing”.

DISCLAIMER

*This announcement does not constitute an offer to buy the notes in the United States. The notes have not been, and will not be, registered in the United States pursuant to the United States Securities Act of 1933, as amended (the “**Securities Act**”) or pursuant to any other financial regulation in each of the United States, Australia, Canada or Japan, as well as in any other jurisdiction where such offer or solicitation is subject to the authorisation of competent authorities or is forbidden by law.*

The notes cannot be offered or sold in the United States to, or on behalf or in the interest of, a U.S. person (as defined in Regulation S under the Securities Act) absent registration under, or an exemption from, the registration requirements of the Securities Act.

This announcement does not constitute a public offer of financial instruments in Italy, pursuant to art. 1, paragraph 1, lett. t), of the Legislative Decree No. 58 dated 24 February 1998.

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