



KPMG S.p.A.
Revisione e organizzazione contabile
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(Translation from the Italian original which remains the definitive version)

Independent limited assurance report on the sustainability report

To the board of directors of
Terna S.p.A.

- 1 We have reviewed the 2009 sustainability report of the Terna Group (the "Group"). The parent's directors are responsible for the preparation of the sustainability report in accordance with the "Sustainability Reporting Guidelines & Electric Utility Sector Supplement" issued in 2009 by GRI - Global Reporting Initiative, as set out in the, "Methodological note" section. They are also responsible for determining the Group's objectives in respect of sustainable development performance and reporting, including the identification of stakeholders and material issues, and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived. Our responsibility is to issue this report based on our review.
- 2 We carried out our work in accordance with the criteria established for review engagements by "International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000)", issued by the International Auditing and Assurance Standards Board (IAASB). That Standard requires that we comply with applicable ethical requirements (the Code of Ethics for Professional Accountants issued by the International Federation of Accountants, IFAC), including independence requirements, and that we plan and perform the engagement to obtain limited assurance, which is less than that obtainable through an audit, about whether the report is free from material misstatement. A limited assurance engagement on a sustainability report consists of making inquiries, primarily of persons responsible for the preparation of information presented in the sustainability report, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:
 - comparing the information and data presented in the "Terna's economic impact" paragraph of the sustainability report to the corresponding information and data included in the Group's consolidated financial statements as at and for the year ended 31 December 2009, on which we issued our report dated 31 March 2010 pursuant to article 156 of Legislative decree no. 58 of 24 February 1998;

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- analysing how the processes underlying the generation, recording and management of quantitative data included in the sustainability report operate. In particular, we have performed the following procedures:
 - interviews and discussions with management personnel of Terna S.p.A. to gather information on the IT, accounting and reporting systems used in preparing the sustainability report, and on the processes and internal control procedures used to gather, combine, process and transmit data and information to the office that prepares the sustainability report;
 - sample-based analysis of documentation supporting the preparation of the sustainability report to confirm the effectiveness of processes, their adequacy in relation to the objectives described, and that the internal control system correctly manages data and information;
- analysing the compliance of the qualitative information included in the sustainability report in relation to the guidelines referred to in paragraph 1 and its overall consistency, in particular with reference to the sustainability strategy and policies and the determination of material issues for each stakeholder category;
- analysing the stakeholder involvement process, in terms of methods used and completeness of persons involved, by reading the minutes of the meetings or any other information available about the salient features identified;
- obtaining the representation letter signed by the legal representative of Terna S.p.A. on the compliance of the sustainability report with the guidelines indicated in paragraph 1 and on the reliability and completeness of the information and data contained therein.

A review carried out in accordance with ISAE 3000 is less in scope than an audit, and, therefore, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Therefore, we do not express an audit opinion on the sustainability report.

The sustainability report includes the corresponding information and data of the prior year sustainability report for comparative purposes, with respect to which reference should be made our report dated 1 July 2009.



Terna Group
*Independent limited assurance report
on the sustainability report
31 December 2009*

- 3 Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2009 sustainability report of the Terna Group is not prepared, in all material respects, in accordance with the “Sustainability Reporting Guidelines & Electric Utility Sector Supplement” issued in 2009 by GRI - Global Reporting Initiative, as set out in the “Methodological note” section.

Rome, 13 May 2010

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit