

Appointment of the Board of Directors, based on prior determination of the number of members and determination of the associated fee

Dear Shareholders,

you are called to the Ordinary Shareholders' Meeting to appoint the Board of Directors following the irrevocable resignations received on 28 January 2013 from the following individuals

- Mr. Giorgio Franceschi;
- Mr. Paolo Battocchi;
- Mr. Massimo Tononi;
- Mr. Stefano Gianotti (Independent Director);
- Mr. Gianbattista Montini (Independent Director);
- Mr. Giuseppe Pasini (Independent Director);

which, pursuant to art. 7 of the Articles of Association, meant the end of office for the entire Board of Directors (whose term of office would have expired naturally on the date of approval of the financial statements for the year ended 30 September 2014) due to the loss of the majority of directors appointed by the Ordinary Shareholders' Meeting on 27 March 2012.

Therefore, we invite you to appoint the new administrative body, which shall remain in office until the shareholders' meeting called to approve the financial statements for the year ended 30 September 2016, based on prior determination of the number of members.

In this regard, we'd like to remind you that, in accordance with art. 5 of the Articles of Association, the Board of Directors must have at least 5 and no more than 13 members. The Shareholders' Meeting shall establish the number of members of the Board, within the above limits and until otherwise resolved.

The composition of the Board of Directors must ensure a balance between men and women in compliance with the *pro-tempore* legal, regulatory and statutory provisions in force. As regards this point, it should be noted that, pursuant to articles 15 and 28 of the Articles of Association, lists with a total number of candidates equal to or greater than three must be composed of candidates from both genders, so that at least one fifth of candidates for the office of Director on said list belong to the least represented gender (rounded up to the nearest unit).

As set forth in art. 15 of the Articles of Association, the lists for the appointment of the Board of Directors can only be presented by shareholders who, individually or together with other shareholders, hold shares with voting rights representing at least 2.5% of share capital with voting rights in the ordinary shareholders' meeting. No shareholder, shareholders participating in a significant shareholders' agreement pursuant to art. 122 of Legislative Decree 58/1998, the controlling entity, subsidiaries and companies subject to joint control

may submit or contribute to the submission, even through third parties or trust companies, of more than one list, nor can they vote for several lists, and each candidate may be included in only one list on pain of ineligibility. Participation and voting in breach of this prohibition shall not be attributed to any list.

We'd also like to remind you that the shareholders who present a "minority list" are the recipients of recommendations formulated by Consob with Communication no. DEM/9017893 of 26 February 2009.

Lists must be deposited at the company' registered office (in Milan, Piazza Armando Diaz no. 7) by 13 February 2014. The lists can also be filed by the same deadline via e-mail to the certified e-mail address mittel@actaliscertymail.it, in which case, a copy of a valid identity document must also be sent for those submitting the lists.

The following must be filed with each list, by the deadlines indicated above:

- (i) declarations with which the individual candidates accept their candidacies and, under their own responsibility, declare that no causes of ineligibility or incompatibility exist, and that they meet the requirements set forth by law for their offices;
- (ii) a CV containing the personal and professional characteristics of each candidate, possibly indicating the candidate's suitability to be classified as independent.

Lists submitted that do not comply with the provisions above shall be considered as not submitted.

Lastly, it should be noted that the lists will be made available to the public at the registered office and will also be published on the company's website, at least twenty-one days before the Shareholders' Meeting on first call (i.e. Tuesday, 17 February 2014).

By the deadline set forth in the applicable regulations for the company's publication of the lists, a specific certification must be filed, issued by an authorised intermediary pursuant to law, proving ownership, at the time the list is submitted, of the number of shares necessary to submit said list.

Directors must meet the requirements set forth by the *pro-tempore* regulations in force. A minimum number of directors as envisaged by said regulations must meet the independence requirements pursuant to art. 148, paragraph 3 of Legislative Decree 58/1998, as referred to in article 147-ter, paragraph 4.

Should a director no longer meet the requirements, he/she shall step down from office. If a director no longer meets the independence requirement as defined above, this shall not result in the director stepping down from office if the requirements continue to be met by a minimum number of directors who, according to the regulations in force, must meet said requirement.

Pursuant to art. 6 of the Articles of Association, the Board Directors shall remain in office for three financial years, expiring at the date of the Shareholders' Meeting called to approve the financial statements relating to the last year of their term, and can be re-elected.

Directors' roles are paid allowances to be established annually by the Ordinary Shareholders' Meeting plus the reimbursement of expenses. In the absence of proposed changes to the allowance, the one determined by the previous Shareholders' Meeting remains applicable.

Finally, we'd like to point out that the Shareholders' Meeting on 27 March 2012:

- established the number of members of the Board of Directors at 13;
- established the total fees due to members of the Board of Directors at EUR 520,000 (gross) for each year during the term of their office.

Milan, 28 January 2014

on behalf of the Board of Directors

The Chairman
(Franco Dalla Sega)