

SHAREHOLDERS APPROVE DIVIDEND AND ELECT NEW BOARD OF DIRECTORS AND NEW BOARD OF STATUTORY AUDITORS

The new Board confirms Giampiero Pesenti as Chairman and CEO, Italo Lucchini as Deputy Chairman, Carlo Pesenti as Chief Operating Officer

Milan, May 25, 2011 – The Italmobiliare **Annual General Meeting** has approved the annual report for financial year 2010. In light of the year's earnings, the shareholders approved distribution of a **dividend** of 0.532 euro to each ordinary share and 0.610 euro to each savings share, to be paid as from June 9, 2011. Shares will trade ex dividend from June 6. In 2010 consolidated net profit amounted to 187.8 million euro, while revenues stood at 5,147.3 million euro.

The AGM also elected the company **Board of Directors** and the **Board of Statutory Auditors**, to hold office for three years (until approval of the financial statements for financial year 2013). The new Board, whose members have risen from 12 to 14, includes first-time directors Sebastiano Mazzoleni, Gianemilio Osculati, Clemente Rebecchini and Paolo Sfameni, who join the re-elected directors Mauro Bini, Giorgio Bonomi, Gabriele Galateri di Genola, Jonella Ligresti, Italo Lucchini, Luca Minoli, Giorgio Perolari, Carlo Pesenti, Giampiero Pesenti (all from the list presented by Compagnia Fiduciaria Nazionale) and Livio Strazzerà (from the Serfis list). Mauro Bini, Gabriele Galateri di Genola, Jonella Ligresti, Gianemilio Osculati, Giorgio Perolari and Paolo Sfameni declared that they met the independence requirements of the Code of Conduct adopted by the company and of Italy's consolidated finance act (TUF); Livio Strazzerà meets the independence requirements of the TUF.

The shareholders also elected the new **Board of Statutory Auditors**, whose members are Francesco Di Carlo (Chairman, a candidate on the list presented jointly by the shareholders Amber Capital and Hermes Focus Asset Management), Angelo Casò and Leonardo Cossu (from the list presented by Compagnia Fiduciaria Nazionale).

At its first meeting held immediately after the AGM, the Board of Directors assessed the independence of the directors and auditors and deemed applicable the exemption allowed under the Code of Conduct for the directors who have held office for more than nine years (Mauro Bini and Giorgio Perolari). The Board then named the company officers. Giampiero Pesenti was confirmed as **Chairman and CEO**, and Italo Lucchini as **Deputy Chairman**. Carlo Pesenti was confirmed in the office of **Chief Operating Officer**.

The Executive Committee was also renewed (the members are Giampiero Pesenti, Italo Lucchini, Carlo Pesenti, Giorgio Perolari and Livio Strazzerà) and, as envisaged in the company's rules of corporate governance, the following committees were appointed for the three-year period 2011-2013: the Internal Control Committee (Mauro Bini, Giorgio Bonomi and Giorgio Perolari), the Remuneration Committee (Italo Lucchini, Gabriele Galateri di Genola and Giorgio Perolari), the Committee for Transactions with Related Parties (Mauro Bini, Jonella Ligresti and Giorgio Perolari) and the Compliance Committee (Paolo Sfameni, Dino Fumagalli and Delia Strazzerino). The Board of Directors named Mauro Bini as "Lead independent director" and confirmed Giampiero Pesenti as Executive Director responsible for supervising the Internal Control System. The Joint COO, Giorgio

Moroni, was confirmed as the “Manager in charge of preparing the company’s financial reports”.

The shareholders also renewed the authorization for the purchase and disposal of treasury shares.

Shares may be purchased through one or more transactions over a period of 18 months from the date of the shareholders’ resolution to enable the company to:

- dispose of treasury shares:
 - * for sale to employees and/or directors in connection with stock option plans reserved for employees and/or directors;
 - * for medium/long-term investment purposes;
- operate, in compliance with current regulations, directly or through intermediaries, in order to limit anomalous trends in share prices and to regularize stock exchange prices to face temporary distortions caused by excessive volatility or low trading liquidity;
- create a treasury stock portfolio to service extraordinary financial transactions or for other purposes deemed to be in the financial, business and/or strategic interests of the company;
- offer shareholders an additional tool to monetize their investments.

The price of each share shall not be more than 15% above or below the average reference share price recorded on the Italian stock exchange in the three sessions preceding each transaction; the overall consideration paid by the company for the purchase shall in no case exceed the amount of 50 million euro; the maximum number of ordinary and/or savings shares acquired shall not have an overall nominal value, including treasury shares already held as of today by the company and/or by the subsidiaries, in excess of one tenth of the share capital.

Moreover:

- purchases shall normally be conducted with procedures to ensure equitable treatment of the shareholders and shall not permit offers to purchase to be directly matched with pre-determined offers to sell or, taking into account the various possible purposes, in any other manner allowed under current laws and regulations;
- the shares shall be disposed of in any manner deemed appropriate to achieve the objectives pursued, directly or through intermediaries, in compliance with current applicable national and Community laws and regulations;
- treasury share purchases and sales shall be performed in compliance with applicable laws and, specifically, with current laws and regulations.

No ordinary or savings treasury shares were purchased by the company under the previous authorization granted by the shareholders on April 29, 2010, and revoked by today’s authorization.

As of today, the company owns 871,411 ordinary treasury shares and 28,500 savings treasury shares, representing respectively 3.93% of the ordinary share capital and 0.17% of the savings share capital.

The AGM also approved the «Long-term monetary incentives plan, linked to the appreciation of the Italmobiliare share price, for directors and managers with strategic responsibilities» and the «Long-term monetary incentives plan, linked to the appreciation of the Italmobiliare share price, for managers».

Lastly, in compliance with the art. 7 of the Code of Conduct and art. 13 of the CONSOB Regulation on transactions with related parties, the AGM approved the Directors’ report on the «Remuneration policy».

At an extraordinary session, the shareholders carried a resolution to **i)** abrogate the clause in art. 31 of the company by-laws assigning 1% of the year's earnings to the Board of Directors, and amend the company by-laws in compliance with dispositions introduced by Law no. 27 of January 27, 2010, which enacts in Italy EC directive 2007/36 of July 11, 2007, on shareholder rights, and **ii)** renew the power of the Board of Directors to raise the paid-in share capital reserved for stock option plans for managers.

A special meeting of the company's savings shareholders held on May 23, 2011, confirmed Dario Trevisan as the Common Representative for the three-year period 2011-2013.

DIVIDEND FINANCIAL YEAR 2010

At a meeting held in Milan on May 25, 2011, the shareholders of Italmobiliare S.p.A. approved the distribution of a gross dividend for financial year 2010 of **0.532 euro** to each ordinary share and **0.610 euro** to each savings share.

The dividend will be paid as from **June 9, 2011**, through the "Intermediaries" of the Monte Titoli S.p.A. centralized management system; shares will trade ex dividend as from June 6, 2011, the detachment date for coupon 22.

To receive the dividend, shareholders whose shares have not yet been dematerialized must present their shares to an "Intermediary" for introduction into the centralized dematerialization management system, pursuant to art. 51 of CONSOB resolution no. 11768 of December 23, 1998, and subsequent amendments.

AGM MINUTES

The minutes of the Annual General Meeting will be filed at the company head office in Via Borgonuovo 20, Milan, and at Borsa Italiana S.p.A., in compliance with the terms laid down by art. 77 of CONSOB resolution no. 119781 of May 14, 1999, and will be available upon request. The AGM minutes will also be posted on the website www.italmobiliare.it.

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