

Proposal to amend Articles 9 (Call), 11 (Participation and representation), 16 (Appointment of Board of Directors), 19 (Powers), 25 (Appointment of Board of Statutory Auditors) and 31 (Profit allocation) of the Company Bylaws.

Dear Shareholders,

You are called to discuss and resolve upon the proposed amendments to Articles 9, 11, 16, 19, 25 and 31 of the Bylaws of Italmobiliare S.p.A. (hereafter, the “**Bylaws**”), mainly to comply with a number of provisions introduced by Legislative Decree No. 27 dated January 27th 2010 through which Italy enacted directive 2007/36/EC dated July 11th 2007 concerning shareholders' rights (hereafter, “**Legislative Decree No. 27/2010**”).

Legislative Decree No. 27/2010 has changed significantly the procedures to participate in shareholders' meetings, by establishing new rules – both on the Italian Civil Code and on the Consolidated Law on Finance (hereafter, the “**TUF**”) – concerning, inter alia, the procedures to call the meeting and representation in the meeting.

Taking into account that the Bylaws have already been amended on October 13th 2010 with the resolution made by the Board of Directors to ensure the clauses contained therein complied with the mandatory regulations introduced by Legislative Decree No. 27/2010, by virtue of the right envisaged under Art. 19 of the Bylaws and Art. 2365, clause 2 of the Italian Civil Code the proposals outlined below only concern the amendments which the Company has the authority to make to its own Bylaws, in order to facilitate the participation in the Company's meetings, as well as to exercise the shareholders' rights.

Moreover, the proposals set out in this document are also intended to introduce the necessary amendments to the Bylaws to make fully effective the provisions contained in Art. 6.8 and Art. 11.2, sub-section (e) of the Procedure for transactions with related parties duly approved by the Company on November 12th 2010, pursuant to the Regulation adopted by Consob (Companies and Stock Exchange Commission) with resolution No. 17221 dated March 12th 2010, as subsequently amended (hereafter, the “**Related Parties Regulation**”).

Lastly, it is proposed to amend Art. 31 of the Bylaws in relation to profit allocation in view of the forthcoming implementation of the regulations concerning remuneration and in compliance with Art. 2389, clause 1 of the Italian Civil Code, by assigning to the shareholders the determination of the remuneration payable to the Board of Directors and to the Executive Committee.

Given that, the amendment proposals to Articles 9, 11, 16, 19, 25 and 31 of the Bylaws are illustrated below.

Article 9 (Call)

Legislative Decree No. 27/2010 has amended Art. 2369, clause 1 of the Italian Civil Code in order to introduce the possibility that the Bylaws of listed companies envisage that the meeting may be held in a single call, where the ordinary meetings are subject to the majorities established for the second call, and where the extraordinary meetings are subject to the majorities established for the calls subsequent the second call.

The introduction of an additional clause under Art. 9 of the Bylaws (clause 8) is proposed in order to simplify the procedure to call the meeting; the additional clause grants to the Board of Directors the authority to establish that the meeting is to be held in a single session, if the Board deems it appropriate and is subject to including this information in the notice of call.

Consequently, the Board of Directors in exercising its discretion shall evaluate from time to time whether to apply the mechanism of successive calls or to the mechanism of the single call.

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Current text	Proposed text
<p>The Ordinary Meeting is called by the Board of Directors, at least once every year and within 120 days after the end of the corporate year, to analyse the issues as per art. 2364 of the Italian Civil Code.</p> <p>In the event of the specific terms envisaged by the law, this period is extended to a maximum of 180 days.</p> <p>The Meeting is also called both ordinarily and extraordinarily, every time the Board of Directors deems it to be appropriate and for the events envisaged by law.</p> <p>The notice of call to the Meeting is published on the Company's Internet website and using the other methods envisaged by the applicable discipline, also the regulatory discipline and also where prescribed as a mandatory requirement, or however, whenever the Board of Directors shall deem it appropriate, in at least one of the following newspapers: "Il Sole - 24 Ore" and "Milano Finanza" within the terms envisaged by current laws and regulations.</p> <p>The notice must state the venue, which shall not necessarily be the company's head office but as long as it is in Italy, the day and time of the meeting and the agenda of the subjects to analyse and shall include the additional information envisaged by the applicable discipline, also the regulatory discipline.</p> <p>It must also state the day for the second call, which cannot be the same day of the first call, in the event that the meeting first called is not legally constituted.</p> <p>Any further meetings are allowed as long as these are called within 30 days from the date envisaged for the second call of the meeting.</p> <p>If the day of any further meeting is not stated in the notice of call, the provisions as per clauses 3 and 4 of this article shall apply.</p>	<p>The Ordinary Meeting is called by the Board of Directors, at least once every year and within 120 days after the end of the corporate year, to analyse the issues as per art. 2364 of the Italian Civil Code.</p> <p>In the event of the specific terms envisaged by the law, this period is extended to a maximum of 180 days.</p> <p>The Meeting is also called both ordinarily and extraordinarily, every time the Board of Directors deems it to be appropriate and for the events envisaged by law.</p> <p>The notice of call to the Meeting is published on the Company's Internet website and using the other methods envisaged by the applicable discipline, also the regulatory discipline and also where prescribed as a mandatory requirement, or however, whenever the Board of Directors shall deem it appropriate, in at least one of the following newspapers: "Il Sole - 24 Ore" and "Milano Finanza" within the terms envisaged by current laws and regulations.</p> <p>The notice must state the venue, which shall not necessarily be the company's head office but as long as it is in Italy, the day and time of the meeting and the agenda of the subjects to analyse and shall include the additional information envisaged by the applicable discipline, also the regulatory discipline.</p> <p>It must also state the day for the second call, which cannot be the same day of the first call, in the event that the meeting first called is not legally constituted.</p> <p>Any further meetings are allowed as long as these are called within 30 days from the date envisaged for the second call of the meeting.</p> <p>If the day of any further meeting is not stated in the notice of call, the provisions as per clauses 3 and 4 of this article shall apply.</p> <p>The Board of Directors, however, may establish, should it deem appropriate and providing specific indication in the notice of call, that both the ordinary and the extraordinary meeting shall be held following a single call.</p>

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Article 11 (Participation and representation)

Legislative Decree No. 27/2010 has introduced a new Art. 135-*undecies* in the TUF, according to which listed companies must appoint a subject to whom entitled shareholders may confer a proxy for each meeting, unless the Bylaws establish otherwise.

The introduction of a new last clause under Art. 11 of the Bylaws is proposed to facilitate the participation of entitled shareholders at the Company's shareholders meetings; the new last clause envisages the Company's right to appoint a representative for each meeting on which entitled shareholders can confer a proxy with voting instructions, with no expenses to be incurred by them. This proxy is only effective for proposals in relation to which the voting instructions are provided.

Furthermore, in view of the proposal to introduce under Art. 9 of the Bylaws the possibility of making recourse to a single call, it is proposed to add the reference to the date of the single call under Art. 11, clause 1 in the part that disciplines the legal entitlement to participate in the meeting and the *dies a quo* of the so-called *record date*.

Current text	Proposed text
<p>Shareholders who have voting rights duly attested by the communication envisaged in the applicable rules and regulations received by the Company within the third open market day preceding the date established for the Meeting in first call, or the different time period established by the current applicable regulatory provisions are entitled to participate in the Meeting. Without prejudice to the legitimate entitlement to participate and to cast the vote if the communications were received by the Company after the time limits indicated in this clause, provided such communications are received before the activities of the Meeting referred to the individual call have started.</p> <p>The provisions of law are applicable to the representation in the Meeting.</p> <p>The power of attorney may be notified via an e-mail transmission, in accordance with the procedures indicated in the Notice of Call.</p>	<p>Shareholders who have voting rights duly attested by the communication envisaged in the applicable rules and regulations received by the Company within the third open market day preceding the date established for the Meeting in first or single call or the different time period established by the current applicable regulatory provisions are entitled to participate in the Meeting. Without prejudice to the legitimate entitlement to participate and to cast the vote if the communications were received by the Company after the time limits indicated in this clause, provided such communications are received before the activities of the Meeting referred to the individual call have started.</p> <p>The provisions of law are applicable to the representation in the Meeting.</p> <p>The power of attorney may be notified via an e-mail transmission, in accordance with the procedures indicated in the Notice of Call.</p> <p>For each shareholders' meeting the company may appoint, with a specific indication in the notice of call, a subject to whom entitled shareholders may confer a proxy, with voting instructions on all or some of the items on the agenda, in accordance with the procedures envisaged by the current regulations</p>

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Article 16 (Appointment of the Board of Directors)

In view of the proposal to introduce the possibility of making recourse to a single call under Art. 9 of the Bylaws, a proposal is made to add the reference to the date of the single call under Art. 16, clause 9 in the part that disciplines the *dies a quo* of the time period to present the lists to appoint the members of the Board of Directors.

Current text	Proposed text
<p>The Board of Directors is appointed based on lists whose objective is to ensure that the minority has the minimum number of directors envisaged by law.</p> <p>Only those Shareholders have the right to submit lists who, alone or together with other shareholders, prove that they own, on the date the lists are registered with the Company, a total holding in share capital with voting rights which is no lower than that determined under current laws and regulations.</p> <p>The notice of call to the Meeting to deliberate on the appointment of the Board of directors includes modes, deadline and the amount of shares necessary to submit the lists of candidates for the position. No shareholder may present, or participate in presenting, not even by means of another person or a trust company, more than one list or vote in more than one list.</p> <p>Shareholders who belong to the same group and the shareholders who are members of a shareholders' pact whose object are company shares, cannot present or vote for more than one list, not even by means of another person or trust companies.</p> <p>Lists submitted that breach these conditions will not be accepted.</p> <p>In each list, the names of candidates must be listed by means of a progressive number.</p> <p>Each candidate can only be present in one list or he shall be ineligible.</p> <p>The lists must be submitted to the Company's Head Office within the twenty-fifth day prior to the date of the Meeting convened in first call to resolve the appointment of the members of the Board of Directors; this must be mentioned in the notice of call, without prejudice to other possible forms of disclosure, as prescribed by the applicable discipline, also the regulatory discipline.</p> <p>Together with each list, by the deadline above,</p>	<p>The Board of Directors is appointed based on lists whose objective is to ensure that the minority has the minimum number of directors envisaged by law.</p> <p>Only those Shareholders have the right to submit lists who, alone or together with other shareholders, prove that they own, on the date the lists are registered with the Company, a total holding in share capital with voting rights which is no lower than that determined under current laws and regulations.</p> <p>The notice of call to the Meeting to deliberate on the appointment of the Board of directors includes modes, deadline and the amount of shares necessary to submit the lists of candidates for the position. No shareholder may present, or participate in presenting, not even by means of another person or a trust company, more than one list or vote in more than one list.</p> <p>Shareholders who belong to the same group and the shareholders who are members of a shareholders' pact whose object are company shares, cannot present or vote for more than one list, not even by means of another person or trust companies.</p> <p>Lists submitted that breach these conditions will not be accepted.</p> <p>In each list, the names of candidates must be listed by means of a progressive number.</p> <p>Each candidate can only be present in one list or he shall be ineligible.</p> <p>The lists must be submitted to the Company's Head Office within the twenty-fifth day prior to the date of the Meeting convened in first or single call to resolve the appointment of the members of the Board of Directors; this must be mentioned in the notice of call, without prejudice to other possible forms of disclosure, as prescribed by the applicable discipline, also the regulatory discipline.</p> <p>Together with each list, by the deadline above, the following must be filed at the company</p>

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Current text	Proposed text
<p>the following must be filed at the company head office:</p> <p>a) statements by means of which the candidates accept their candidature and state, under their own responsibility, that there are no causes for ineligibility and that they are in possession of the good reputation requirements established by law;</p> <p>b) a short <i>curriculum vitae</i> with personal and professional features of each candidate, stating the management and control positions held in other companies;</p> <p>c) statements by each candidate about their possible independence as required by law, if any;</p> <p>d) information regarding the identity of shareholders who have submitted the lists;</p> <p>e) a statement by the shareholders, other than those who own, even jointly, a controlling or relative majority stake, which states that there are no connections, as is defined by current laws and regulations.</p> <p>The certificate or attestation confirming ownership of the percentage of capital prescribed by the discipline applicable at the date the list is presented may also be submitted after the list is registered provided the certificate or attestation is received by the Company within the time period envisaged by the discipline, also the regulatory discipline applicable for the lists to be disclosed by the Company.</p> <p>Any list submitted without complying with the provisions above is considered as not being submitted.</p> <p>In the event more than one list is presented:</p> <ul style="list-style-type: none"> - all Directors to be elected are elected from the list that has obtained during the Meeting the highest number of votes, on the basis of the progressive order with which they are listed in the list, with the exception of the minimum number reserved by law to the minority list; - the minimum number of directors reserved by law to the minority are elected from the minority list that has 	<p>head office:</p> <p>a) statements by means of which the candidates accept their candidature and state, under their own responsibility, that there are no causes for ineligibility and that they are in possession of the good reputation requirements established by law;</p> <p>b) a short <i>curriculum vitae</i> with personal and professional features of each candidate, stating the management and control positions held in other companies;</p> <p>c) statements by each candidate about their possible independence as required by law, if any;</p> <p>d) information regarding the identity of shareholders who have submitted the lists;</p> <p>e) a statement by the shareholders, other than those who own, even jointly, a controlling or relative majority stake, which states that there are no connections, as is defined by current laws and regulations.</p> <p>The certificate or attestation confirming ownership of the percentage of capital prescribed by the discipline applicable at the date the list is presented may also be submitted after the list is registered provided the certificate or attestation is received by the Company within the time period envisaged by the discipline, also the regulatory discipline applicable for the lists to be disclosed by the Company.</p> <p>Any list submitted without complying with the provisions above is considered as not being submitted.</p> <p>In the event more than one list is presented:</p> <ul style="list-style-type: none"> - all Directors to be elected are elected from the list that has obtained during the Meeting the highest number of votes, on the basis of the progressive order with which they are listed in the list, with the exception of the minimum number reserved by law to the minority list; - the minimum number of directors reserved by law to the minority are elected from the minority list that has obtained the highest number of votes and

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Current text	Proposed text
<p>obtained the highest number of votes and is not connected in any way, not even directly, with the reference shareholders;</p> <p>- if various lists have obtained the same number of votes, a ballot shall be performed between these lists with the participation of all shareholders who are present at the Meeting, and the candidates from the list that obtains the relative majority of share capital represented at the Meeting will be elected.</p> <p>For the purpose of the subdivision of directors to elect, the lists shall not be considered that have not obtained a percentage of votes that is at least equal to half that required for their presentation.</p> <p>If a subject connected to a reference shareholder has voted for a minority list, the connection only becomes relevant for the purposes of the exclusion of the elected minority director if the vote has been decisive for the election of that director.</p> <p>In the event only one list is presented, all the candidates included in that list are elected, with a relative majority vote of the share capital represented at the Meeting.</p> <p>If there are no lists, and in the event by means of the mechanism of the list vote, the number of elected candidates is lower than the minimum number envisaged by the Bylaws for its establishment, the Board of Directors is appointed or supplemented, respectively, by the Meeting with the legal majority, as long as the presence of the minimum number of directors required by current laws and regulations who have the requirements of independence is guaranteed.</p> <p>Any elected Director who, during the term, no longer has the requirements of good reputation required by law or by the By laws, shall forfeit his office.</p> <p>If the requirements of independence required by law are no longer present, the director concerned must immediately inform the Board of directors.</p> <p>This event implies the director's forfeiture of office, with the exception of the case when such requirements are still held by the</p>	<p>is not connected in any way, not even directly, with the reference shareholders;</p> <p>- if various lists have obtained the same number of votes, a ballot shall be performed between these lists with the participation of all shareholders who are present at the Meeting, and the candidates from the list that obtains the relative majority of share capital represented at the Meeting will be elected.</p> <p>For the purpose of the subdivision of directors to elect, the lists shall not be considered that have not obtained a percentage of votes that is at least equal to half that required for their presentation.</p> <p>If a subject connected to a reference shareholder has voted for a minority list, the connection only becomes relevant for the purposes of the exclusion of the elected minority director if the vote has been decisive for the election of that director.</p> <p>In the event only one list is presented, all the candidates included in that list are elected, with a relative majority vote of the share capital represented at the Meeting.</p> <p>If there are no lists, and in the event by means of the mechanism of the list vote, the number of elected candidates is lower than the minimum number envisaged by the Bylaws for its establishment, the Board of Directors is appointed or supplemented, respectively, by the Meeting with the legal majority, as long as the presence of the minimum number of directors required by current laws and regulations who have the requirements of independence is guaranteed.</p> <p>Any elected Director who, during the term, no longer has the requirements of good reputation required by law or by the By laws, shall forfeit his office.</p> <p>If the requirements of independence required by law are no longer present, the director concerned must immediately inform the Board of directors.</p> <p>This event implies the director's forfeiture of office, with the exception of the case when such requirements are still held by the minimum number of directors envisaged by</p>

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Current text	Proposed text
minimum number of directors envisaged by current laws and regulations.	current laws and regulations.

Article 19 (Powers)

In accordance with the joint provisions under Art. 8, clause 2 of the Related Parties Regulation and under Art. 6.8 of the Procedure for transactions with related parties adopted by the Company and made available on the Company's Internet website, the Board of Directors can approve transactions with related parties of greater significance, despite the negative opinion of the Related Parties Transactions Committee, provided that the execution of such transactions is authorised by the shareholders' meeting, providing the majority of the unrelated voting shareholders does not vote against the transaction and that the unrelated shareholders present at the meeting represent at least 10% of the share capital with voting rights (so-called *whitewash*).

The mechanism of the so-called whitewash has been introduced to the Procedure for transactions with related parties since the Company has deemed it appropriate to defer to the Board of Directors the decision on whether or not a specific transaction should be submitted to the approval of the unrelated shareholders. However, this mechanism may only be applied where expressly contemplated by the Bylaws, in compliance with Art. 8, clause 2 of the Related Parties Regulation.

Consequently, in order for the whitewash clause to be effective, it is proposed to introduce a new seventh clause under Art. 19 that empowers the meeting with the authority to execute the foregoing transactions, in accordance with Art. 2364, clause 1, sub-section 5) of the Italian Civil Code subject to the majorities envisaged under Art. 6.8 of the Procedure for transactions with related parties as duly adopted by the Company.

Moreover, in accordance with Art. 13, clause 6 of the Related Parties Regulation, "*the procedures may provide that where the transaction is not under the prerogatives of the shareholders' meeting and does not require its authorization, in urgent cases transactions with related parties may be executed notwithstanding articles 7 and 8 of the Related Parties Regulation, provided that the conditions of art. 13 of the above-mentioned Regulation are complied with*". The introduction of a special clause that envisages the possibility for the Company to avail of the urgency procedure is proposed in the last clause under Art. 19, taking into account that this exception, envisaged under Art. 11.2, sub-section e) of the Procedure for transactions with related parties adopted by the Company, can only be applied if expressly permitted by the Bylaws. The clause proposed also concerns the transactions executed through subsidiary companies, since (i) Art. 11.3 of the Procedure for transactions with related parties adopted by the Company also envisages that such transactions can be subject to the simplified procedure and (ii) clause 20.2 of Consob interpretation communication No. DEM/10078683 dated September 24th2010 clarifies that in such circumstances listed companies shall introduce a specific provision in their Bylaws.

Current text	Proposed text
The Board of Directors has the widest powers for the ordinary and extraordinary management of the company, since it is	The Board of Directors has the widest powers for the ordinary and extraordinary management of the company, since it is competent on everything that is not expressly

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Current text	Proposed text
<p>competent on everything that is not expressly reserved by law and by these Bylaws to the Shareholders' Meeting.</p> <p>The Board of Directors, in accordance with law provisions and these Bylaws, can delegate its attributed powers to an Executive Committee, made up of some of its members, and determine their number and attributions.</p> <p>The Board of Directors can also delegate its attributed powers to one of its members, with the qualification of Managing Director, and determine the limitations of such empowerment.</p> <p>The Board of Directors or the Executive committee, if it has been appointed, can appoint, also from outside the Board of Directors, a General Manager, and determine the duration of the office and the relevant attributions, powers and remunerations. The offices of Managing Director and General Manager can be combined.</p> <p>The Board of Directors can also issue special mandates, as well as delegate signing on the company's behalf, but always for specific deeds or categories of deeds, by defining powers and establishing attributions and remunerations.</p> <p>Besides the powers assigned to it by law and by these By laws with respect to the issue of shares and bonds, also the deliberations regarding the following subjects are attributed to the province of the Board of Directors, under art. 2436 of the Italian Civil Code – as well as of the Extraordinary Meeting, which is competent by law:</p> <ul style="list-style-type: none"> - incorporation of fully owned companies or companies ninety per cent owned; - moving the Company Head Office, as long as it remains in Italy; - establishment or cancellation of branch offices, both in Italy and abroad; - reduction in share capital in the event of shareholder's withdrawal; - adjustment of the Bylaws to mandatory regulatory provisions. 	<p>reserved by law and by these Bylaws to the Shareholders' Meeting.</p> <p>The Board of Directors, in accordance with law provisions and these Bylaws, can delegate its attributed powers to an Executive Committee, made up of some of its members, and determine their number and attributions.</p> <p>The Board of Directors can also delegate its attributed powers to one of its members, with the qualification of Managing Director, and determine the limitations of such empowerment.</p> <p>The Board of Directors or the Executive committee, if it has been appointed, can appoint, also from outside the Board of Directors, a General Manager, and determine the duration of the office and the relevant attributions, powers and remunerations. The offices of Managing Director and General Manager can be combined.</p> <p>The Board of Directors can also issue special mandates, as well as delegate signing on the company's behalf, but always for specific deeds or categories of deeds, by defining powers and establishing attributions and remunerations.</p> <p>Besides the powers assigned to it by law and by these By laws with respect to the issue of shares and bonds, also the deliberations regarding the following subjects are attributed to the province of the Board of Directors, under art. 2436 of the Italian Civil Code – as well as of the Extraordinary Meeting, which is competent by law:</p> <ul style="list-style-type: none"> - incorporation of fully owned companies or companies ninety per cent owned; - moving the Company Head Office, as long as it remains in Italy; - establishment or cancellation of branch offices, both in Italy and abroad; - reduction in share capital in the event of shareholder's withdrawal; - adjustment of the Bylaws to mandatory regulatory provisions. <p>The Board of Directors can execute transactions with related parties of greater significance, subject to authorisation by the shareholders' meeting, despite the</p>

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Current text	Proposed text
	<p>negative opinion of the Committee for transactions with related parties, pursuant to the Procedure for transactions with related parties adopted by the Company and made available on the Company's Internet website, providing the unrelated shareholders present at the shareholders' meeting represent at least 10% of the share capital and that the majority of the unrelated shareholders with voting rights do not express a contrary vote, without prejudice to the legal majorities.</p> <p>In cases of urgency, the Board of Directors or the competent corporate body may execute transactions with related parties directly or through subsidiary companies, by applying the simplified rules envisaged by the Procedure for transactions with related parties duly adopted by the Company, if such transactions do not fall within the shareholders' meeting's prerogatives and do not have to be authorised by the shareholders' meeting.</p>

Article 25 (Appointment of the Board of Statutory Auditors)

In view of the proposal to introduce the possibility of resorting to a single call under Art. 9 of the Bylaws, it is proposed to add the reference of the date of the single call under Art. 25, in the part that disciplines the *dies a quo* of the time period to present the lists to appoint the members of the Board of Statutory Auditors, therefore, both in the tenth and in the fourteenth clause.

Current text	Proposed text
<p>The Board of statutory auditors is appointed based on lists with the objective to ensure that the minority appoints one Acting Auditor and one Substitute Auditor.</p> <p>Only those Shareholders have the right to present the lists who, alone or together with other shareholders, prove that they hold, on the date the lists are registered with the Company, a total percentage of share capital with voting right, that is no lower than that determined under the current regulation for the appointment of the Board of Directors.</p> <p>Modes, terms and participation fee required for the presentation of the lists of candidates for the office are indicated in the notice of call</p>	<p>The Board of statutory auditors is appointed based on lists with the objective to ensure that the minority appoints one Acting Auditor and one Substitute Auditor.</p> <p>Only those Shareholders have the right to present the lists who, alone or together with other shareholders, prove that they hold, on the date the lists are registered with the Company, a total percentage of share capital with voting right, that is no lower than that determined under the current regulation for the appointment of the Board of Directors.</p> <p>Modes, terms and participation fee required for the presentation of the lists of candidates for the office are indicated in the notice of call of</p>

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Current text	Proposed text
<p>of the Meeting called to deliberate on the appointment of the Board of statutory auditors. No Shareholder may present, or participate in presenting, not even by means of another person or a trustee company, more than one list, or vote in more than one list.</p> <p>Shareholders belonging to the same group and shareholders who are members of a shareholders' pact whose object is Company shares cannot present or vote for more than one list, not even by means of another person or by means of trustee companies.</p> <p>Lists presented that breach these conditions shall not be accepted.</p> <p>Each list comprises two sections: one for the candidates for the office of Acting Auditor and the other for the candidates for the office of Substitute Auditor.</p> <p>The names of no more than three candidates for the office of Acting Auditor and no more than three candidates for the office of Substitute Auditor must be listed in each section, by means of a progressive number.</p> <p>Each candidate can only participate in one list, or he shall be ineligible.</p> <p>The lists must be filed at the Company Head Office within the twenty-fifth day prior to the Meeting convened in first call to resolve the appointment of the members of the Board of Statutory Auditors; this must be mentioned in the notice of call and without prejudice to other possible forms of disclosure prescribed by the applicable discipline, also regulatory discipline.</p> <p>Together with each list, by the deadline above, the following is filed:</p> <ul style="list-style-type: none"> a) statements by means of which the individual candidates accept the candidacy and state, under their own responsibility, that there are no causes for ineligibility or incompatibility, and that they have the requirements stated in law or in these By laws for the office; b) a short <i>curriculum vitae</i> about personal and professional features of each candidate, stating the management and control offices held at other companies; c) information regarding the identity of the shareholders who have presented the lists; 	<p>the Meeting called to deliberate on the appointment of the Board of statutory auditors. No Shareholder may present, or participate in presenting, not even by means of another person or a trustee company, more than one list, or vote in more than one list.</p> <p>Shareholders belonging to the same group and shareholders who are members of a shareholders' pact whose object is Company shares cannot present or vote for more than one list, not even by means of another person or by means of trustee companies.</p> <p>Lists presented that breach these conditions shall not be accepted.</p> <p>Each list comprises two sections: one for the candidates for the office of Acting Auditor and the other for the candidates for the office of Substitute Auditor.</p> <p>The names of no more than three candidates for the office of Acting Auditor and no more than three candidates for the office of Substitute Auditor must be listed in each section, by means of a progressive number.</p> <p>Each candidate can only participate in one list, or he shall be ineligible.</p> <p>The lists must be filed at the Company Head Office within the twenty-fifth day prior to the Meeting convened in first or single call to resolve the appointment of the members of the Board of Statutory Auditors; this must be mentioned in the notice of call and without prejudice to other possible forms of disclosure prescribed by the applicable discipline, also regulatory discipline.</p> <p>Together with each list, by the deadline above, the following is filed:</p> <ul style="list-style-type: none"> a) statements by means of which the individual candidates accept the candidacy and state, under their own responsibility, that there are no causes for ineligibility or incompatibility, and that they have the requirements stated in law or in these By laws for the office; b) a short <i>curriculum vitae</i> about personal and professional features of each candidate, stating the management and control offices held at other companies; c) information regarding the identity of the shareholders who have presented the

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Current text	Proposed text
<p>d) the statement of shareholders, other than those who hold, even jointly, a controlling or a relative majority stake, which states that there are no relationships of connection, as defined by current regulations.</p> <p>The certificate or attestation confirming ownership of the percentage of capital prescribed by the discipline applicable at the date the list is presented may also be submitted after the list is registered provided the certificate or attestation is received by the Company within the time period envisaged by the discipline, also the regulatory discipline applicable for the lists to be disclosed by the Company.</p> <p>A list presented without complying with the provisions above is considered as not being presented.</p> <p>In the event, by the deadline of 25 days before the date of the Meeting in first call convened to resolve the appointment of the members of the Board of Statutory Auditors, only one list has been filed, or only lists presented by shareholders who are connected to each other under current regulations, further lists can be presented subject to the time limits indicated in the discipline in force and the threshold mentioned in the notice of call will be halved.</p> <p>In the event various lists are presented:</p> <ul style="list-style-type: none"> - two Acting Auditors and two Substitute Auditors are elected from the list that has obtained the highest number of votes at the Meeting, based on the progressive order with which they are listed in the sections of the list; - the third Acting Auditor and the third Substitute Auditor are elected from the minority list that has obtained the highest number of votes in the lists presented and voted on by the shareholders that are not connected in any way, not even indirectly, with the reference shareholders, based on the progressive order with which they are listed in the sections of the list; - if various lists have obtained the same number of votes, a ballot vote will be carried out between these lists by all 	<p>lists;</p> <p>d) the statement of shareholders, other than those who hold, even jointly, a controlling or a relative majority stake, which states that there are no relationships of connection, as defined by current regulations.</p> <p>The certificate or attestation confirming ownership of the percentage of capital prescribed by the discipline applicable at the date the list is presented may also be submitted after the list is registered provided the certificate or attestation is received by the Company within the time period envisaged by the discipline, also the regulatory discipline applicable for the lists to be disclosed by the Company.</p> <p>A list presented without complying with the provisions above is considered as not being presented.</p> <p>In the event, by the deadline of 25 days before the date of the Meeting in first or single call convened to resolve the appointment of the members of the Board of Statutory Auditors, only one list has been filed, or only lists presented by shareholders who are connected to each other under current regulations, further lists can be presented subject to the time limits indicated in the discipline in force and the threshold mentioned in the notice of call will be halved.</p> <p>In the event various lists are presented:</p> <ul style="list-style-type: none"> - two Acting Auditors and two Substitute Auditors are elected from the list that has obtained the highest number of votes at the Meeting, based on the progressive order with which they are listed in the sections of the list; - the third Acting Auditor and the third Substitute Auditor are elected from the minority list that has obtained the highest number of votes in the lists presented and voted on by the shareholders that are not connected in any way, not even indirectly, with the reference shareholders, based on the progressive order with which they are listed in the sections of the list; - if various lists have obtained the same number of votes, a ballot vote will be

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Current text	Proposed text
<p>shareholders entitled to cast their vote present at the Meeting, and the candidates will be elected from the list that obtains the relative majority of share capital represented at the Meeting.</p> <p>If a subject connected to a reference shareholder has voted for a minority list, the connection only becomes relevant, for the purpose of excluding the elected minority Auditor, if the vote was decisive for the election of the Auditor.</p> <p>In the event one single list has been presented, all the candidates included in that list are elected by a relative majority vote of share capital represented at the Meeting.</p> <p>In the event no list has been presented, the Board of statutory auditors shall be appointed by the Meeting by means of a relative majority vote of share capital represented at the Meeting.</p> <p>The Chairman of the Board of statutory auditors will be the person listed at the top of the list presented and voted by the minority, or the first name on the single list presented or the person appointed by the Meeting in the event no list has been presented.</p> <p>Any elected Auditor who, during office, no longer has the necessary requirements according to regulations and by laws, forfeits office.</p>	<p>carried out between these lists by all shareholders entitled to cast their vote present at the Meeting, and the candidates will be elected from the list that obtains the relative majority of share capital represented at the Meeting.</p> <p>If a subject connected to a reference shareholder has voted for a minority list, the connection only becomes relevant, for the purpose of excluding the elected minority Auditor, if the vote was decisive for the election of the Auditor.</p> <p>In the event one single list has been presented, all the candidates included in that list are elected by a relative majority vote of share capital represented at the Meeting.</p> <p>In the event no list has been presented, the Board of statutory auditors shall be appointed by the Meeting by means of a relative majority vote of share capital represented at the Meeting.</p> <p>The Chairman of the Board of statutory auditors will be the person listed at the top of the list presented and voted by the minority, or the first name on the single list presented or the person appointed by the Meeting in the event no list has been presented.</p> <p>Any elected Auditor who, during office, no longer has the necessary requirements according to regulations and by laws, forfeits office.</p>

Article 31 (Profit allocation)

It is deemed appropriate to submit to the shareholders' meeting the determination of the remuneration to be paid to the Board of Directors and to the Executive Committee, in line with the applicable current law (Art. 2389, clause 1 of the Italian Civil Code), considering the forthcoming implementation of the regulatory discipline in relation to remuneration, in order to adopt the European Commission Recommendations 2004/913 and 2009/385 *concerning the remuneration of Directors of listed companies*, and by virtue of which the Company will be required to adopt a remuneration policy for the corporate body and for the top management - to be illustrated and submitted to the Shareholders' non-binding vote. Accordingly, it is proposed to eliminate sub-section c) under Art. 31 of the Bylaws.

Current text	Proposed text
<p>Net profits resulting from the annual financial statements are to be allocated as follows:</p>	<p>Net profits resulting from the annual financial statements are to be allocated as follows:</p>

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<p>a) 5% to the legal reserve up to the limit established by law;</p> <p>b) a privileged dividend to holders of savings shares up to reaching 5% of the face value of the shares, and it is pointed out that, if in one year a dividend under 5% of face value is assigned to savings shares, the difference is calculated as an increase in the privileged dividend in the next two years;</p> <p>c) 1% to the Board of Directors;</p> <p>d) the remaining amount to all Shareholders, under a deliberation of the Meeting, so that savings shares are given an overall dividend increased, with respect to that of ordinary shares, by 3% of the face value of the shares, unless the Meeting decides special allocations to the extraordinary reserves or available to the Board of directors for other purposes.</p>	<p>a) 5% to the legal reserve up to the limit established by law;</p> <p>b) a privileged dividend to holders of savings shares up to reaching 5% of the face value of the shares, and it is pointed out that, if in one year a dividend under 5% of face value is assigned to savings shares, the difference is calculated as an increase in the privileged dividend in the next two years;</p> <p>c) 1% to the Board of Directors;</p> <p>c) the remaining amount to all Shareholders, under a deliberation of the Meeting, so that savings shares are given an overall dividend increased, with respect to that of ordinary shares, by 3% of the face value of the shares, unless the Meeting decides special allocations to the extraordinary reserves or available to the Board of directors for other purposes</p>
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The proposed amendments do not grant shareholders that do not approve the amendments concerned the withdrawal right, pursuant to Art. 2437 of the Italian Civil Code.

* * *

Dear Shareholders,

If you agree with the amendment proposals outlined above, we invite you to resolve upon the following resolution:

“The Extraordinary Shareholders' Meeting of Italmobiliare S.p.A. held on May ____ 2011, having examined the Board of Directors' Report,

resolves

- a) to approve the amendment to Articles 9 (Call), 11 (Participation and representation), 16 (Appointment of the Board of Directors), 19 (Powers), 25 (Appointment of the Board of Statutory Auditors) and 31 (Profit allocation) of the Company Bylaws, in the text outlined above:
- b) to grant to the Chairman-Chief Executive Officer, the Deputy Chairman and on the Director-Chief Operating Officer in office, even severally, the broadest powers to introduce all the amendments, adjustments, integrations and additions to the resolutions passed, provided the foregoing are of a formal nature, and which are rendered necessary or which may be requested by the competent Authorities”.

Milan, March 30th 2011

On behalf of the Board of Directors
The Chairman
(Giampiero Pesenti)