
Monetary long-term incentive plans for directors and managers: related and consequent resolutions

Dear Shareholders,

The Board of Directors of your company approved in May 2002 an incentive plan for directors, and in March 2001 an incentive plan for managers, each providing for the assignment thereto of stock options upon achievement of specific targets assigned.

Under the above plan, the following options have been assigned so far

- 442,500 options under the Stock option plan for directors whereunder no options have been exercised yet;
- 424,494 options under the Stock option plan for managers whereunder 39,720 options have been already exercised.

Appropriate disclosure on the aforementioned Plans has always been provided yearly to shareholders in the Management report on the financial statements and during shareholders' meetings.

The proposal hereby submitted to you for approval is relating to:

- adoption of a «Monetary long-term incentive plan linked to Italmobiliare stock appreciation for directors and key management personnel» which will replace, for any portion thereof not exercised yet, the Stock option plan for directors currently in place;
- adoption of a «Monetary long-term incentive plan linked to Italmobiliare stock appreciation for key management personnel» which will replace, for any portion thereof not exercised yet, the Stock option plan for managers currently in place.

Below the main features of the new Plans are outlined (the Regulations whereof are attached hereto at the end of this report in their full version).

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INFORMATION MEMORANDUM

MONETARY LONG-TERM INCENTIVE PLAN, LINKED TO THE PERFORMANCE OF ITALMOBILIARE SHARES, FOR DIRECTORS AND KEY MANAGEMENT PERSONNEL

Foreword

The Monetary long-term incentive plan set forth in this information memorandum falls under the scope of a "significant plan" under and by operation of Art. 84-bis, Para. 2, of the Consob Regulation No. 11971/99.

Definitions

For the purposes of this information memorandum, the terms and expressions listed below shall have the following meaning.

“Recipients”: directors and key management personnel;

“Shares”: Italmobiliare S.p.A. ordinary shares;

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“Cycle”: each three-year period, as of 2011, into which the period of the plan (2011-2019) is broken down;

“Committee”: the Remuneration Committee of the Company;

“Board”: the Board of Directors of the Company;

“Allotment date”: the date whereon the admission of Recipients to the plan is formally resolved upon;

“Date of settlement”: the date, in any case subsequent to the end of performance monitoring period and to the beginning of the period of availability, whereon the Company pays out the rights accrued to Recipients;

“Rights”: the Rights, the number whereof is equal to the MBO payout divided by the fair value of shares at the allotment date and later proportioned to the weight of position, that enable recipients thereof to obtain, during the period of availability, a cash bonus the amount whereof is equal to the number of rights multiplied by the value of shares on the date of settlement;

“Financial years of reference”: financial years in which, during each of the Cycles included in the Plan, the achievement of the MBO payout is pursued;

“Letter of admission to the Plan”: the letter that must be exchanged between the Company and each Recipient attesting, when duly signed by the latter, their agreement with the Plan;

“MBO payout”: the total amount received on a three-year basis as the sum of the amounts received as yearly MBO by each Recipient in the financial years of reference, according to the MBO system applied within the Group, upon achievement of individual performance targets;

“Period of availability”: the period starting on a date to be defined by the Board in the financial year subsequent to the closing date of the last financial year of reference of each three-month cycle, whereon Recipient will receive any amount actually accrued;

“Performance monitoring period”: the period that includes the financial years of reference during which Recipients pursue the achievement of MBO payout, which the actual accrual of rights is dependent on;

“Plan”: the Plan under this Regulation;

“Regulation”: this Regulation governing the Plan;

“Company”: Italmobiliare S.p.A., with registered office in Milan, via Borgonuovo 20;

“Fair value of shares on the allotment date”: the value of shares of the Company as resulting from the arithmetic mean of official listings of same on the market managed by Borsa Italiana in the thirty calendar days preceding the allotment date;

“Value of shares on the date of settlement”: the value of shares of the Company as resulting from the arithmetic mean of official listings of same on the market managed by Borsa Italiana in the months of October, November and December of the last year of each cycle (for the first cycle, the period is 1 October 2013 to 31 December 2013).

1. Receivers

1.1 Names of receivers who are members of the Board of Directors or of the Management Board of issuers of financial instruments, of companies controlling the issuer and of companies directly or indirectly controlled by the latter

- Chief executive officer of Italmobiliare s.p.a.;
- Mr. Carlo Pesenti - Chief operating officer of Italmobiliare s.p.a.

1.2 Categories of employees or assistants of the issuer of financial instruments and of the Companies controlling or controlled by any such issuer

Currently these are: Mr. Carlo Pesenti - Chief operating officer, and Mr. Giorgio Moroni - Co-chief operating officer and manager in charge of preparing the company's financial reports. Other key management personnel may be included in the future.

1.3. Names of those who benefit from the Plan belonging to the following groups

- a) those in charge of management functions as defined in Art. 152-sexies, Para. 1,**

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(c)-(c2) in the issuer

- Chief executive officer of Italmobiliare s.p.a.;
- Mr. Carlo Pesenti - Chief operating officer of Italmobiliare s.p.a.

b) those in charge of management functions in a company controlled, directly or indirectly, by an issuer, if the book value of the share in any such controlled company is more than fifty percent of balance sheet assets of issuer, as resulting from the last financial statements approved, as indicated in Art. 152-sexies, Para. 1, (c)-(c.3)

This case is not envisaged here.

c) individuals controlling the issuer, who are employees or assistants of the issuer

This case is not provided hereunder.

1.4. Description and number, broken down by category

a) all managers having regular access to privileged information and have the authority to make management decisions that may have an impact on the evolution and future prospectives of the issuer, set forth in Art. 152-sexies, Para. 1 (c)-(c.2)

- Mr. Carlo Pesenti - Chief operating officer;
- Mr. Giorgio Moroni - Co-Chief operating officer.

b) all managers having regular access to privileged information and have the authority to make management decisions that may have an impact on the evolution and future prospectives in a Company controlled, directly or indirectly, by an issuer, if the book value of the equity interest in any such controlled company is more than fifty percent of balance sheet assets of issuer, as resulting from the last financial statements approved, indicated in Art. 152-sexies, Para. 1, (c)-(c.3)

This case is not provided hereunder.

c) any other category of employees or assistants for which different characteristics of the Plan have been provided for (for example, managers, middle managers, clerks etc.)

This case is not provided hereunders.

d) whenever, with reference to stock options, for those individuals set forth under Points a) and b) above, different strike prices are provided for individuals belonging to the two categories, any such individuals must be separately indicated at Points a) and/or b), indicating their names

This case is not provided hereunder.

2. Reasons underlying the adoption of the Plan

2.1 Targets

The purposes of the Plan can be summarised as follows:

- link the aggregate remuneration of Recipients to the medium/long-term performance of the company and to the value creation for shareholders;
- reward the results achieved by each Recipient, creating the conditions necessary to assure a greater involvement of the top management in the future of the Company and strengthening the sense of belonging of Recipients, incentivising their stay with the company.

2.2 Key variables, also in the form of performance indicators considered for the purpose of assigning plans based on financial instruments

Accrual of rights granted to the receivers of the plan and provided thereunder is subject to the achievement of targets linked to economic-financial and operational results and of other individual targets specifically assigned to each recipient.

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2.3 Basic elements in determining the amount of remuneration based on financial instruments, or criteria applicable to calculation thereof

The Board shall define, as part of the Plan, upon proposal of the Committee and, where necessary, with the favourable opinion of the Committee for transactions with related parties, the amounts that can be received by each recipient as an incentive based on an overall assessment which, considering the general company performance as an essential condition of the Plan, and the strategic position of each Recipient's role for the purpose of pursuing long-term objectives of the Company, will be related to:

- i) the weight of Recipient's position within the organisation;
- ii) the consistency with the "total rewarding" principles from which the remuneration policy of the Company is based upon;
- iii) the aggregate yearly MBO plans' payout in the period concerned with the Plan.

2.4 Basic reasons underlying the decision to assign remuneration plans based on financial instruments not issued by the issuer of financial instruments, such as financial instruments issued by subsidiaries or parent companies or companies unrelated to the group; whenever the above instruments are not traded on regulated markets, information on the criteria adopted in determining the value assignable thereto

This case is not provided in this Plan .

2.5 Considerations on significant tax and accounting implications that influenced the definition of plans

This case is not provided hereunder.

2.6 Any support to the plan by the Special Fund incentivising the participation of workers in businesses, under Art. 4, Para. 112, of Law No. 350 dated 24 December 2003

This case is not provided hereunder.

3. Approval procedure and instrument assignment timing

3.1 Scope of powers and functions granted to the Board of Directors by the shareholders' meeting for Plan implementation purposes

The corporate body in charge of making any decisions related to the Plan is the Board, with the support of the Committee and, where necessary, with the favourable opinion of the Committee for transactions with related parties, and with the technical support of the Human Resource and Organizational Development Manager.

In particular, the Board shall be in charge of:

- i) identifying individual Recipients for each Cycle;
- ii) determining any obtainable amounts;
- iii) ascertaining the percentage of achievement of the MBO payout by each Recipient for each Cycle;
- iv) determining the commencement date of the Period of availability.

The Board shall periodically report to Shareholders the performance of the Plan during the annual Shareholders' Meeting convened to approve the financial statements.

3.2 Indication of the individuals in charge of managing the Plan, their functions and competence

The Human Resource and Organizational Development Department is in charge of managing the Plan, in compliance with the provisions of Regulation.

3.3 Any procedures in place regarding review of plans also with respect to any variation in basic targets

The appropriateness to proceed with the review of the plans is committed to the prudent consideration of the Board, with the consent of the Committee.

3.4 Description of the method whereby the availability and assignment of financial

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instruments whereon plans are based should be determined (for example: free assignment of Shares, capital increase with the exclusion of option rights, purchase and sale of treasury shares)

The Plan provides for the assignment to Recipients of a number of Rights, determined by dividing the MBO payout by the Fair value of shares on the allotment date and by later proportioning the value resulting therefrom to the weight of each position which, multiplied by the Value of shares on the date of settlement, will enable Recipients to obtain the payment of an incentive.

3.5. Role played by each director in determining the characteristics of the aforementioned plans; existence of any conflict of interest on the part of directors concerned

This case is not provided hereunder.

3.6. For the purposes of the requirements of Art. 84-bis, Para. 1, the date of the decision adopted by the competent corporate body to propose the approval of plans to the meeting and any proposals made by the Committee, if any

Committee meeting of March 22nd 2011 and Board of Directors meeting of March 30th 2011.

3.7. For the purposes of the requirements of Art. 84-bis, Para. 5 (a), the date of the decision adopted by the competent corporate body on assignment of instruments and of any proposal to the aforementioned body made by the Committee, if any

Information currently unavailable.

3.8. Market price, registered on the above dates, of financial instruments whereon plans are based, if traded on regulated markets

Information currently unavailable.

3.9. In case of plans based on financial instruments traded on regulated markets, the terms whereon and the manners in which issuer takes into account, in determining the timing for assignment of instruments as part of implementation of plans, any temporal concurrence of:

- i) the aforementioned assignment or any decisions made in that respect by the Committee, and
- ii) the disclosure of any information relevant for the purposes of Art. 114, Para. 1; for example, whenever this information:
 - a. is not publicly known and suited to favourably influence stock market quotations, or
 - b. is already publicly known and suited to unfavourably affect stock market quotations.

Assignment of financial instruments upon proposal of the Committee will be defined by the Board meeting subsequent to the Meeting convened to approve the Plan.

4. Characteristics of assigned instruments

4.1 Description of how remuneration plans based on financial instruments are organised; for example, indicate whether the Plan is based on the assignment of: financial instruments (the so-called assignment of restricted stock); the value appreciation of any such instruments (the so-called phantom stock); option grants allowing the repurchase of financial instruments at a later time (the so-called option grant) requiring physical delivery (the so-called stock option) or in cash on the basis of a variance (the so-called stock appreciation right)

Rights assigned to Recipients, when accrued on the terms, in the manners and on the conditions of Regulation, enable Recipients to receive the outpayment of the incentive agreed upon.

4.2 Indication of the period of actual implementation of plan also with reference to any anticipated cycles

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The term of the Plan is 3 (three) three-annual Cycles in the period from 2011 through 2019. The term of the first Cycle is the 2011-2013 three-year period.

4.3 Expiry of Plan

The Plan expiry date is set at the end of the ninth year as of the one in which the Rights were assigned first (2011).

4.4 Maximum number of financial instruments, including options, assigned in each fiscal year with respect to individuals identified by name or to the categories indicated

A maximum of 100,000 Rights for the 2011-2013 Cycle.

4.5 Plan procedure and implementation provisions, indicating whether the actual assignment of instruments is subject to certain conditions to be met or to certain results also related to performance to be achieved; description of any such conditions and results

Incentive accrual depends on achieving the MBO payout in the Performance monitoring period.

The Board shall, based on the opinion of the Committee and, where necessary, with the favourable opinion of the Committee for transactions with related parties, with the support of the Human Resource and Organizational Development Department, check and assess the extent to which the MBO payout has been achieved in the Performance Monitoring Period, and therefore determine the number of rights actually accrued to each Recipient.

4.6 Indication of any availability restrictions incumbent on instruments assigned or on instruments resulting from the exercise of options, in particular the terms within which any later transfer to the Company itself or to third parties is allowed or prohibited

Rights accruing under the Plan are registered and non-transferable, save for the provisions of this Regulation in case of death of Recipient.

4.7 Description of any termination conditions related to the assignment of Plans whenever receivers perform hedging transactions that enable the nullification of any prohibition to sell the financial instruments assigned, including options, or the financial instruments resulting from the exercise of any such options

This case is not provided in this Plan.

4.8 Description of the effects caused by termination of employment

For Directors

Without prejudice to the right of the Board to resolve otherwise, the participation to the Plan is intrinsically and functionally connected to and subject to the holding of the office, by each Recipient, at the time of assignment and for the entire period of Cycle.

Safe for any exceptions in particular cases as the Board may determine based on the opinion of the Committee and, where necessary, with the favourable opinion of the Committee for transactions with related parties, the following provisions shall be applied to the instances listed below:

- a) in case of termination or amendment to the role held during the period of Cycle, the Board may, at its own discretion, with the consent of the Committee and having considered the reasons for any such termination or amendment, consider in equity the payment of a fixed compensatory bonus, proportional to the period elapsed and to the partial transitory percentage of achievement of the MBO payout;
- b) in case of death of Recipient during the Cycle, the foregoing shall apply; if death occurs after the MBO payout has been obtained, then the right to payout of any premium accrued shall pass on to Recipient's heirs.

For Key management personnel

Except for the specific cases envisaged below in this article, and without prejudice to the right of the Board to resolve otherwise, the Rights resulting for Recipients with respect to

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any Rights accrued under this Regulation are intrinsically and functionally connected to and subject to the existence, at the beginning of the period of availability, of the employment contract between Recipient and the Company.

Safe for any exceptions in particular cases as the Board may determine, the following provisions shall be applied to the following cases:

- a) in case of termination of the employment contract for dismissal or resignation, occurring after termination of the Performance monitoring period but before commencement of the Period of availability, the general principle shall apply and therefore Recipient will definitively and automatically lose entitlement to incentive;
- b) in case of mutually agreed termination of the employment contract or dismissal for retirement or following supervened disability, however occurring after the end of the Performance monitoring period, or whenever Recipient has otherwise achieved the MBO payout, then Recipient shall be still entitled to the incentive if, after the employment termination date, Rights actually accrue;
- c) in case of death of Recipient after the end of the Performance monitoring period, or whenever Recipient has otherwise achieved the MBO payout, any Rights accruing to the latter under this Plan shall be assigned to the heirs of Recipient subject to production by any such heirs, of the documentation suited to supply evidence of their condition as heirs.

Lapse of Rights, where provided, shall occur automatically, with no need for any notification or other formalities as of the actual termination of the employment contract.

Where, during the Performance monitoring period, the employment agreement of Recipient is transferred by and between the Company and its subsidiaries, regardless of any manners in which any such transfer takes place, or the position of Recipient within the organisation has changed and so have the responsibilities of the latter, then the MBO payout of reference will be reviewed accordingly.

The Board may under all circumstances determine in equity the amount to be paid out to Recipient depending on the activity carried out by the latter.

The above provisions can be amended by the Board to assure that Recipients receive a treatment equivalent to that initially offered.

4.9 Indication of any other reasons for cancellation of plans

The Board, with the consent of the Committee, may temporarily suspend the effects resulting from the accrual of rights to recipients should specific and particular needs so require, such as, for example, changes in law and regulatory provisions, except for tax rules and regulations, applicable to any legal relationships arising from the Plan.

The effects of accrual of Rights to Recipients will also be suspended on the occurrence of events such as, for example, corporate merger and demerger transactions affecting the share capital of the Company, share capital increase and decrease, amendments to the bylaws regarding Shares, that might affect the conditions regulating the application of Plan, and even alter its economic-financial prerequisites and prejudice the purposes thereof as defined at above Art. 3.

At all events, any suspension shall with no delay be notified to Recipients.

The Board may, under all of the above circumstances and with the consent of the Committee, implement any amendments and supplements to the Plan, to the Cycle and to this Regulation, and order termination of the latter should it prove to be no longer consistent with the Company circumstances, without prejudice of any Rights acquired in the meantime as a consequence of lapse of the three-year period of reference and of meeting the other requirements and conditions set forth in this Regulation.

4.10 Reasons for providing for any “redemption”, by the Company, of financial instruments covered by the plans, pursuant to Arts. 2357 et seq. of the Civil Code; the beneficiaries of any such redemption if the latter is intended for special categories of employees only; the effects of employment termination on the above

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redemption

This case is not provided in this Plan.

4.11 Any loans or other facilities to be possibly granted for the purchase of Shares under Art. 2358, Para. 3 of the Civil Code

This case is not provided in this Plan.

4.12 Considerations on the expected charge for the Company on the assignment date, as inferable from terms and conditions already defined, by total amount and with respect to each instrument covered by the Plan

The expected total charge for the Company shall be equal to the sum of the value of share on the settlement date multiplied by the number of rights actually accrued to Recipients.

4.13 Indication of any dilution effects on capital caused by remuneration plans

This case is not provided in this Plan.

4.16. Number of financial instruments underlying each option

Rights assigned to Recipients, when accrued on the terms, in the manners and on the conditions of Regulation, enable them to obtain the payment of incentive at a 1:1 ratio.

4.17. Option expiry

This case is not provided in this Plan at because the latter does not provide for any assignment of options.

4.18. Procedure (American/European), timing (for ex. eligible periods during the year) and exercise conditions (for example knock-in and knock-out clauses)

This case is not provided in the Plan because the latter does not provide for any assignment of options.

4.19. Option strike price or method and criteria for definition thereof, in particular with reference to:

- a) the calculation formula of the strike price regarding a given market price (the so-called fair market value), and
- b) the method for determining the strike price taken as the benchmark for determining the strike price

This case is not provided in this Plan because the latter does not provide for any assignment of options.

4.20. Where the strike price is not equal to the market price determined as indicated at Point 4.19.b (fair market value), statement of the reasons for any such difference

This case is not provided in this Plan because the latter does not provide for any assignment of options.

4.21. Criteria on the basis of which different strike prices are provided for different parties or different categories of Receivers

This case is not provided in this Plan because the latter does not provide for any assignment of options.

4.22. Where the financial instruments underlying the options are not traded on regulated market, indication of the value assignable to underlying instruments or the criteria adopted to determine any such value

This case is not provided in the Plan because the latter does not provide for any assignment of options.

4.23 Criteria adopted to make the necessary adjustments resulting from extraordinary operations on capital and other transactions involving changes in the number of underlying instruments (capital increase, extraordinary dividends, underlying stock grouping and split, merger and demerger, conversion into other categories of Shares etc.)

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Should the Company merge with or demerge from another company, any Rights accrued shall result in entitlement to a bonus, proportional to the value of shares of the Company arising out of merger or demerger, proportionally to the exchange rate adopted.

Should the Company be delisted, the term within which the achievement of the MBO payout which the accrual of Rights is dependent on will be assessed, will be brought forward accordingly, to enable the completion of any such accrual and therefore the commencement of the Period of availability well in advance as compared to the stipulated share trading termination date on the regulated market.

Should the ownership of the Company change, or a tender or swap offer be made concerning the Shares, then the Rights accrued shall be maintained according to the provisions of this Regulation.

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INFORMATION DOCUMENT

MONETARY LONG-TERM INCENTIVE PLAN, LINKED TO THE APPRECIATION OF ITALMOBILIARE SHARES, FOR MANAGERS

Foreword

The monetary long-term incentive Plan set forth in this information document does not falls under the scope of a “Significant plan” under and by operation of Art. 84-bis, Para. 2, of the Consob Regulation No. 11971/99, as amended.

Therefore, only the sections of document under the heading “for all plans” have been completed.

Definitions

For the purposes of this information memorandum the terms and expressions listed below shall have the following meaning.

“Recipients”: managers of the Company beneficiaries of the Plan under this Regulation;

“Shares”: Italmobiliare S.p.A. ordinary shares;

“Cycle”: each three-year period, as of 2011, into which the period of the plan (2011-2019) is broken down;

“Committee”: the Remuneration Committee of the Company;

“Director”: the Chief executive officer of the Company;

“Board”: the Board of Directors of the Company;

“Allotment date”: the date whereon the admission of Recipients to the plan is formally resolved upon;

“Date of settlement”: the date in any case subsequent to the end of the performance monitoring period and to the beginning of the period of availability, whereon the Company pays out the rights accrued to Recipients;

“Rights”: the Rights, the number whereof is equal to the MBO payout divided by the fair value of shares and later proportioned to the weight of position, that enable recipients thereof to obtain, during the period of availability, a cash bonus the amount whereof is equal to the number of rights multiplied by the value of shares on the date of settlement;

“Financial years of reference”: financial years in which, during each of the Cycles included in the Plan, the achievement of the MBO payout is pursued;

“Letter of admission to the Plan”: the letter that must be exchanged between the Company and each Recipient attesting, when duly signed by the latter, their agreement with the Plan;

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“*MBO payout*”: the total amount received on a three-year basis as the sum of the amounts received as yearly MBO by each Recipient in the financial years of reference, according to the MBO system applied within the Group, upon achievement of individual performance targets;

“*Period of availability*”: the period, starting on a date to be defined by Director within the financial year subsequent to the closing date of the latest financial year of reference of each Cycle and that lasts for three months, whereon Recipient will receive any amount actually accrued;

“*Performance monitoring period*”: the period that includes the financial years of reference during which Recipients pursue the achievement of MBO payout which the actual accrual of rights is dependent on;

“*Plan*”: the Plan under this Regulation;

“*Regulation*”: this Regulation governing the Plan;

“*Company*”: Italmobiliare S.p.A., with registered office in Milan, via Borgonuovo 20;

“*Fair value of shares on the allotment date*”: the value of shares of the Company as resulting from the arithmetic mean of official listings of same on the market managed by Borsa Italiana in the thirty calendar days preceding the allotment date;

“*Value of shares on the date of settlement*”: the value of shares of the Company as resulting from the arithmetic mean of official listings of same on the market managed by Borsa Italiana in the months of October, November and December of the last year of each cycle (for the first cycle, the period is 1 October 2013 to 31 December 2013).

1. Receivers

1.1 Names of receivers who are members of the Board of Directors or of the Management Board of issuers of financial instruments, of companies controlling the issuer and of companies directly or indirectly controlled by the latter

There are no receivers who are members of the Board of Directors or of the Board governing issuers of financial instruments, of companies that control the issuer and of companies directly or indirectly controlled by the latter.

1.2 Categories of employees or assistants of the issuer of financial instruments and of the Companies controlling or controlled by any such issuer

The managers of the company indicated by Director for this purpose.

2. Reasons underlying the adoption of the Plan

2.1 Targets

The purposes of the Plan can be summarised as follows:

- link the aggregate remuneration of Recipients to the medium/long-term performance of the company and to the value creation for shareholders;
- reward the results achieved by each Recipient, creating the conditions necessary to assure a greater involvement of the top management in the future of the Company and strengthening the sense of belonging of Recipients, incentivising their stay with the company.

2.2 Key variables, also in the form of performance indicators considered for the purpose of assigning plans based on financial instruments

The accrual of Rights to participate in the monetary long-term incentive Plan linked to the appreciation of shares assigned to the Recipients of Plan and that form the subject of same depends on achieving the objectives connected with the economic-financial and operating results of the Company and to other specific objectives assigned to Recipient, approved by Director on commencement of Cycle or thereafter in the stipulated cases of change in the appointment entrusted with beneficiary.

2.3 Basic elements in determining the amount of remuneration based on financial instruments, or criteria applicable to calculation thereof

The Director shall define, as part of the Plan, upon proposal of the Committee and, where

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necessary, with the favourable opinion of the Committee for transactions with related parties, the amounts that can be received by each recipient as an incentive based on an overall assessment which, considering the general company performance as an essential condition of the Plan, and the strategic position of each Recipient's role for the purpose of pursuing long-term objectives of the Company, will be related to:

- i) the weight of Recipient's position within the organisation;
- ii) the consistency with the "total rewarding" principles from which the remuneration policy of the Company is based upon;
- iii) the aggregate yearly MBO plans' payout in the period concerned with the Plan

2.4 Basic reasons for making the decision underlying the decision to assign plans based on financial instruments not issued by the issuer of financial instruments, such as financial instruments issued by subsidiaries or parent companies or companies unrelated to the group; whenever the above instruments are not traded on regulated markets, information on the criteria adopted in determining the value assignable thereto

This case is not provided in this Plan.

2.5 Considerations on significant tax and accounting implications that influenced the definition of plans

This case is not envisaged here.

2.6 Any support to the plan by the Special Fund incentivising the participation of workers in businesses, under Art. 4, Para. 112, of Law No. 350 dated 24 December 2003

This case is not envisaged here.

3. Approval procedure and instrument assignment timing

3.1 Scope of powers and functions granted to the Board of Directors by the shareholders' meeting for Plan implementation purposes

The corporate body in charge of making any decisions related to the Plan is the Board that entrusts the Director with the operating management of the Plan, with the support of the Committee and, where necessary, with the consent of the Committee for transactions with related parties, and with the technical support of the Human Resource and Organisation Development Manager.

In particular, the Director shall be responsible for:

- i) identifying individual Recipients for each Cycle;
- ii) determining any obtainable amounts;
- iii) ascertaining the percentage of achievement of the MBO payout by each Recipient for each Cycle;
- iv) determining the commencement date of the Period of availability.

The Director shall periodically report to Shareholders any progress of the Plan on the occasion of the Ordinary Shareholders' Meeting convened to approve the financial statements.

3.2 Indication of the individuals in charge of managing the Plan, their functions and competence

The Plan is administered by the Human Resource and Organisation Development Department of the Company consistent with the provisions of Regulation.

3.3 Any procedures in place regarding review of plans also with respect to any variation in basic targets

Considering the advisability of reviewing the Plan is referred to the prudent valuation of Director who, with the consent of the Committee, reports to the Board.

3.4 Description of the method whereby the availability and assignment of financial

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instruments whereon plans are based should be determined (for example: free assignment of Shares, capital increase with the exclusion of option rights, purchase and sale of treasury shares)

The Plan provides for the assignment to Recipients of a number of Rights, determined by dividing the MBO payout by the Fair value of shares on the allotment date and by later proportioning the value resulting therefrom to the weight of each position according with the provisions of Art. 7.1 which, multiplied by the Value of shares on the date of settlement, will enable Recipients to obtain the payment of an incentive.

4. Characteristics of assigned instruments

4.1 Description of the forms in which remuneration plans based on financial instruments are organised; for example, indicate whether the Plan is based on the assignment of: financial instruments (the so-called assignment of restricted stock); the value appreciation of any such instruments (the so-called phantom stock); option grants allowing the repurchase of financial instruments at a later time (the so-called option grant) requiring physical delivery (the so-called stock option) or in cash on the basis of a variance (the so-called stock appreciation right)

Rights assigned to Recipients, when accrued on the terms, in the manners and on the conditions of Regulation, enable Recipients to receive the outpayment of the incentive agreed upon.

4.2 Indication of the period of actual implementation of plan also with reference to any anticipated cycles

The term of the Plan is 3 (three) three-annual Cycles in the period 2011 through 2019. The term of the first Cycle is the 2011-2013 three-year period.

4.3 Expiry of Plan

The Plan expiry date is set at the end of the ninth year of the one in which the Rights were assigned first (2011).

4.4 Maximum number of financial instruments, including options, assigned in each fiscal year to individuals identified by name or to the categories indicated

No more than 35,000 Rights for the 2011-2013 Cycle.

4.5 Plan procedure and implementation provisions, indicating whether the actual assignment of instruments is subject to certain conditions to be met or to certain results also related to performance to be achieved; description of any such conditions and results

Incentive accrual depends on achieving the MBO payout in the Performance monitoring period.

Director shall, with the consent of the Committee and, where necessary, with the consent of the Committee to transactions with related parties, with the support of the Human Resource and Organisation Development Department, check and assess the extent to which the MBO payout has been achieved in the Performance Monitoring Period, and therefore determine the number of rights actually accrued to each Recipient.

4.6 Indication of any availability restrictions incumbent on instruments assigned or on instruments resulting from the exercise of options, in particular the terms within which any later transfer to the Company itself or to third parties is allowed or prohibited

Rights accrued under above Art. 9.2 are registered and non-transferable, save for the provisions of this Regulation in case of death of Recipient.

4.7 Description of any termination conditions related to the assignment of Plans whenever receivers perform hedging transactions that enable the nullification of any prohibition to sell the financial instruments assigned, including options, or the financial instruments resulting from the exercise of any such options

This case is not envisaged in the Plan at issue.

4.8 Description of the effects caused by termination of employment

Except for the specific cases envisaged below in this article, and without prejudice to the right of the Director to decide otherwise being understood, the Rights resulting for Recipients with respect to any Rights accrued under this Regulation are intrinsically and functionally connected to and subject to the existence, at the beginning of the period of availability, of the employment agreement between Recipient and the Company.

Save for any exceptions in particular cases as Director may determine, the following provisions shall be applied to the instances listed below:

- a) in case of termination of the employment agreement for dismissal or resignation, occurring after termination of the Performance monitoring period but before commencement of the Period of availability, the general principle shall apply and therefore Recipient will definitively and automatically lose entitlement to incentive;
- b) in case of mutually agreed termination of the employment agreement or dismissal for retirement or following supervened disability, however occurring after the end of the Performance monitoring period, or whenever Recipient has otherwise achieved the MBO payout, then Recipient shall be still entitled to the incentive if, after the employment termination date, Rights actually accrue;
- c) in the case of death of Recipient after the end of the Performance monitoring period, or whenever Recipient has otherwise achieved the MBO payout, any Rights accruing to the latter under this Plan shall be assigned to the heirs of Recipient subject to production by any such heirs, of the documentation suited to supply evidence of their condition as heirs.

Lapse of Rights, where provided, shall occur automatically, with no need for any notification or other formalities as from the actual termination of the employment agreement.

Where, during the Performance monitoring period, the employment agreement of Recipient is transferred by and between the Company and its subsidiaries, regardless of any manners in which any such transfer takes place, or the position of Recipient within the organisation has changed and so have the responsibilities of the latter, then the MBO payout of reference will be reviewed accordingly.

Under all circumstances, Director may determine in equity the amount to be paid out to Recipient dependent on the activity carried out.

The above provisions can be amended by Director to assure that Recipients receive a treatment equivalent to that initially offered.

4.9 Indication of any other reasons for cancellation of plans

Director, with the consent of the Committee, may temporarily suspend the effects resulting from the accrual of rights to recipients should specific and particular needs so require, such as, for example, changes in law and regulatory provisions, except for tax rules and regulations, applicable to any legal relationships arising out of the Plan.

The effects of accrual of Rights to Recipients will also be suspended on the occurrence of events such as, for example, corporate merger and demerger transactions affecting the share capital of the Company, share capital increase and decrease, amendments to the bylaws regarding Shares, that might affect the conditions regulating the application of Plan, and even alter its economic-financial prerequisites and prejudice the purposes thereof as defined at above Art. 3.

At all events, any suspension shall with no delay be notified to Recipients.

Director may, under all of the above circumstances and with the consent of the Committee, implement any amendments and supplements to the Plan, to the Cycle and to this Regulation, and order termination of the latter should it prove to be no longer consistent with the company circumstances, without prejudice of acquired rights in the meantime as a consequence of lapse of the three-year period of reference and of meeting the other requirements and conditions set forth in this Regulation.

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At all events, any suspension shall with no delay be notified to Recipients.

Director may, in all of the above cases, implement any amendments and supplements to the Plan, to the Cycle and to the Regulation, and order termination of the latter should it prove to be no longer consistent with the company circumstances.

4.10 Reasons for providing for any “redemption”, by the Company, of financial instruments covered by the plans, pursuant to Arts. 2357 et seq. of the Civil Code; the beneficiaries of any such redemption if the latter is intended for special categories of employees only; the effects of employment termination on the above redemption

This case is not provided in this Plan.

4.11 Any loans or other facilities to be possibly granted for the purchase of Shares under Art. 2358, Para. 3 of the Civil Code

This case is not provided in this Plan.

4.12 Considerations on the expected charge for the Company on the assignment date, as inferable from terms and conditions already defined, by total amount and with respect to each instrument covered by the Plan

The expected total charge for the Company shall be equal to the sum of the value of share on the settlement date multiplied by the number of rights actually accrued to Recipients.

4.13 Indication of any dilution effects on capital caused by remuneration plans

This case is not provided in this Plan.

4.23 Criteria adopted to make the necessary adjustments resulting from extraordinary operations on capital and other transactions involving changes in the number of underlying instruments (capital increase, extraordinary dividends, underlying stock grouping and split, merger and demerger, conversion into other categories of Shares, etc.)

Should the Company merge with or demerge from another company, any Rights accrued shall result in entitlement to a bonus, proportional to the value of shares of the Company arising out of merger or demerger, proportionally to the exchange rate adopted.

Should the Company be delisted, the term within which the achievement of the MBO payout which the accrual of Rights is dependent on will be assessed, will be brought forward accordingly, to enable the completion of any such accrual and therefore the commencement of the Period of availability well in advance as compared to the stipulated share trading termination date on the regulated market.

Should the ownership of the Company change, or a tender or swap offer be made concerning the Shares, then the Rights accrued shall be maintained according with the provisions of this Regulation.

* . * . *

Shareholders,

if you agree to our proposal, we invite you to resolve upon the following resolution:

“The Shareholders’ meeting of Italmobiliare S.p.A. held on May ____ 2011,

- considering the proposal of Directors

resolves

1) to approve the “Monetary Long-term incentive plan, linked to the appreciation of Italmobiliare shares, for directors and managers entrusted with strategic responsibilities” and

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the “Monetary Long-term incentive plan, linked to the appreciation of Italmobiliare shares, for managers”, on the terms and in the manners stated above by the Board of Directors;

- 2) to authorise the Board of Directors, with the consent of the Remuneration Committee, to make non-substantial amendments to the new Monetary long-term incentive plans described above and in any case such as not to alter this resolution”.

* . * . *

Annexes

REGULATION

MONETARY LONG-TERM INCENTIVE PLAN, LINKED TO THE APPRECIATION OF ITALMOBILIARE SHARES, FOR DIRECTORS AND KEY MANAGEMENT PERSONNEL

1. Foreword

- 1.1 This regulation sets forth the operation principles and rules of the monetary long-term incentive Plan linked to the performance of the Italmobiliare shares, intended for a number of Directors and key Management personnel of Italmobiliare S.p.A.

2. Definitions

- 2.1 In addition to any terms and expressions defined in other articles of the Regulation, for the purposes of same: (i) the terms and expressions listed below have the meaning indicated hereinafter for each of them; (ii) terms and expressions in the plural are meant to include also the singular and vice versa; (iii) capitalized terms and expressions are meant to be defined as indicated in this article:

“Recipients”: directors and key management personnel;

“Shares”: Italmobiliare S.p.A. ordinary shares;

“Cycle”: each three-year period, as of 2011, into which the period of the plan (2011-2019) is broken down;

“Committee”: the Remuneration Committee of the Company;

“Board”: the Board of Directors of the Company;

“Allotment date”: the date whereon the admission of Recipients to the plan is formally resolved upon;

“Date of settlement”: the date in any case subsequent to the end of the performance monitoring period and to the beginning of the period of availability, whereon the Company pays out the rights accrued to Recipients;

“Rights”: the Rights, the number whereof is equal to the MBO payout divided by the fair value of shares and later proportioned to the weight of position, that enable recipients thereof to obtain, during the period of availability, a cash bonus the amount whereof is equal to the number of rights multiplied by the value of shares on the date of settlement (value of reference equal to the average quotation in the three months preceding the closing date of Cycle);

“Financial years of reference”: financial years in which, during each of the Cycles included in the Plan, the achievement of the MBO payout is pursued;

“Letter of admission to the Plan”: the letter that must be exchanged between the Company and each Recipient attesting, when duly signed by the latter, their agreement to the Plan;

“MBO payout”: the total amount received on a three-year basis as the sum of the amounts

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received as yearly MBO by each Recipient in the financial years of reference, according to the MBO system applied within the Group, upon achievement of individual performance targets

“Period of availability”: the period starting on a date to be defined by the Board in the financial year subsequent to the closing date of the last financial year of reference of each three-month cycle, whereon Recipient will receive any amount actually accrued;

“Performance monitoring period”: the period that includes the financial years of reference during which Recipients pursue the achievement of MBO payout which the actual accrual of rights is dependent on;

“Plan”: the Plan under this Regulation;

“Regulation”: this Regulation governing the Plan;

“Company”: Italmobiliare S.p.A., with registered office in Milan, via Borgonuovo 20;

“Fair value of shares on the allotment date”: the value of shares of the Company as resulting from the arithmetic mean of official listings of same on the market managed by Borsa Italiana in the thirty calendar days preceding the allotment date;

“Value of shares on the date of settlement”: the value of shares of the Company as resulting from the arithmetic mean of official listings of same on the market managed by Borsa Italiana in the months of October, November and December of the last year of each cycle (for the first cycle, the period is 1 October 2013 to 31 December 2013).

2.2 Gender-specific terms and expressions shall be meant to include both genders.

3. Objectives and term of the Plan

3.1 The purposes of the Plan can be summarised as follows:

- link the aggregate remuneration of Recipients to the medium/long-term performance of the company and to the value creation for shareholders;
- reward the results achieved by each Recipient, creating the conditions necessary to assure a greater involvement of the top management in the future of the Company and strengthening the sense of belonging of Recipients, incentivising their stay with the company.

3.2 The period of the Plan is 3 (three) three-annual Cycles in the period from 2011 through 2019. The term of the first Cycle is the 2011-2013 three-year period.

4. Purpose of the Plan

4.1 The Plan provides for the assignment to Recipients of a number of Rights, determined by dividing the MBO payout by the Fair value of shares on the allotment date and by later proportioning the value resulting therefrom to the weight of each position according with the provisions of Art. 7.1 which, multiplied by the Value of shares on the date of settlement, will enable Recipients to obtain the payment of an incentive.

5. Management of the Plan

5.1 The body responsible for making any decisions related to the Plan is the Board, with the support of the Committee and, where necessary, with the consent of the Committee to transactions with related parties, and with the technical support of the Human Resource and Organisation Development Manager.

5.2 In particular, the Board shall be in charge of:

- i) identifying individual Recipients for each Cycle;
- ii) determining any obtainable amounts;
- iii) ascertaining the percentage of achievement of the MBO payout by each Recipient for each Cycle;
- iv) determining the commencement date of the Period of availability.

5.3 The Board shall periodically report to Shareholders the performance of Plan on the occasion of the Ordinary Shareholders' Meeting convened to approve the financial statements.

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5.4 Considering the advisability of reviewing the Plan is committed to the prudent consideration of the Board, with the consent of the Committee.

6. Participation - eligibility

6.1 The Plan is offered to Recipients considering the special relevance of the functions entrusted with them to attain the strategic goals of the Company.

6.2 Consistent with any such principle, the list of Recipients will be defined by the Board on the basis of the objective criterion consisting in Recipients being in charge within the company of strategically essential functions in terms of:

- magnitude of the business managed directly;
- strategic contribution of the role and criticality of know-how;
- position held within the organisation.

6.3 The Eligibility Requirement, that must be met to be admitted to the Plan, consists in being a member of the Board, or an employee of the Company and in not being in the notice period for dismissal or resignation.

7. Criteria for determining the amounts obtainable

7.1 The Board shall define, as part of the Plan, at the proposal of the Committee and, where necessary, with the consent of the Committee to transactions with related parties, the amounts that can be earned by each recipient as an incentive, dependent on a global assessment which, considering the general company performance and the strategic position of each Recipient's role for the purpose of pursuing long-term objectives of the Company, will be related to:

- i) the weight of Recipient's position within the organisation;
- ii) the consistency with the "total rewarding" principles from which the remuneration policy of the Company draws inspiration;
- iii) the aggregate yearly MBO plans' payout in the period concerned with the Plan.

7.2 Under all circumstances, the total amount of Rights committed to the 2011-2013 Cycle is set at no more than 100,000.

8. Notification of and agreement to admission to the Plan

8.1 The agreement to the admission to the Plan is meant to be executed upon return to the Company of the copy, duly signed by any interested Recipients, of the Letter of admission to the Plan.

9. Incentive accrual

9.1 Incentive accrual depends on achieving one MBO payout at least in one of the years included in the performance monitoring period. The amount of incentive is proportional to the sum of the payouts made in each year included in the three-year period of reference.

9.2 The Board shall, with the consent of the Committee and, where necessary, with the consent of the Committee to transactions with related parties, with the support of the Human Resource and Organisation Development Department, check and assess the extent to which the MBO payout has been achieved in the Performance Monitoring Period, and therefore determine the number of rights actually accrued to each Recipient.

10. Registration system and non-transferability of Rights

10.1 Rights accrued under above Art. 9.2 are registered and non-transferable, save for the provisions of this Regulation in case of death of Recipient.

11. Suspension of the Plan

11.1 The Board, with the consent of the Committee, may suspend temporarily the effects resulting from the accrual of rights to recipients should specific and particular needs so require, such as, for example, changes in law and regulatory provisions, except for tax rules and regulations, applicable to any legal relationships arising out of the Plan.

11.2 The effects of accrual of Rights to Recipients will also be suspended on the occurrence of events such as, for example, corporate merger and demerger transactions affecting the

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share capital of the Company, share capital increase and decrease, amendments to the bylaws regarding Shares, that might affect the conditions regulating the application of Plan, and even alter its economic-financial prerequisites and prejudice the purposes thereof as defined at above Art. 3.

- 11.3 At all events, any suspension shall with no delay be notified to Recipients.
- 11.4 the Board may, under all of the above circumstances and with the consent of the Committee, implement any amendments and supplements to the Plan, to the Cycle and to this Regulation, and order termination of the latter should it prove to be no longer consistent with the company circumstances, salvaging any Rights acquired in the meantime as a consequence of lapse of the three-year period of reference and of meeting the other requirements and conditions set forth in this Regulation.

12. Treatment in case of merger or delisting

- 12.1 Should the Company merge with or demerge from another company, any Rights accrued shall result in entitlement to a bonus, proportional to the value of shares of the Company arising out of merger or demerger, proportionally to the exchange rate adopted.
- 12.2 Should the Company be delisted, the term within which the achievement of the MBO payout which the accrual of Rights is dependent on will be assessed, will be brought forward accordingly, to enable the completion of any such accrual and therefore the commencement of the Period of availability well in advance as compared to the stipulated share trading termination date on the regulated market.
- 12.3 Should the ownership of the Company change, or a tender or swap offer be made concerning the Shares, then the Rights accrued shall be maintained according with the provisions of this Regulation.

13. Treatment in the case of lapse of or amendment to the office held as Director

- 13.1 Unless the Board shall otherwise determine, the participation in the Plan is intrinsically and functionally connected to and conditional on tenure, by each Recipient, of the role held at the time of assignment and for the entire period of Cycle.
- 13.2 Except for any exceptions in particular cases as the Board may determine with the consent of the Committee and, where necessary, with the consent of the Committee to transactions with related parties, the following provisions shall be applied to the instances listed below:
- a) in case of lapse of or amendment to the role held during the period of Cycle, the Board may, at its own discretion, with the consent of the Committee and having considered the reasons for any such lapse or amendment, consider in equity the payment of a fixed compensatory bonus, proportional to the period elapsed and to the partial transitory percentage of achievement of the MBO payout;
 - b) in case of death of Recipient during the Cycle, the foregoing shall apply; if death occurs after the MBO payout has been obtained, then the right to payout of any premium accrued shall pass on to the Recipient's heirs.

14. Treatment in the case of employment termination

- 14.1 Except for the specific cases envisaged below in this article, and unless the Board shall otherwise determine, the Rights resulting for Recipients with respect to any Rights accrued under this Regulation are intrinsically and functionally connected to and conditional on the existence, at the beginning of the period of availability, of the employment agreement between Recipient and the Company.
- 14.2 Except for any exceptions in particular cases as the Board may determine, the following provisions shall be applied to the instances listed below:
- a) in the case of termination of the employment agreement for dismissal or resignation, occurring after termination of the Performance monitoring period but before commencement of the Period of availability, the general principle shall apply and therefore Recipient will definitively and automatically lose entitlement to incentive;

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- b) in the case of mutually agreed termination of the employment agreement or dismissal for retirement or following supervened disability, however occurring after the end of the Performance monitoring period, or whenever Recipient has otherwise achieved the MBO payout, then Recipient shall be still entitled to the incentive if, after the employment termination date, Rights actually accrue;
- c) in the case of death of Recipient after the end of the Performance monitoring period, or whenever Recipient has otherwise achieved the MBO payout, any Rights accruing to the latter under this Plan shall be assigned to the heirs of Recipient subject to production by any such heirs, of the documentation suited to supply evidence of their condition as heirs.

- 14.3 Lapse of Rights, where stipulated, shall take place automatically, with no need for any notification or other formalities as from the actual termination of the employment agreement.
- 14.4 Where, during the Performance monitoring period, the employment agreement of Recipient is transferred by and between the Company and its subsidiaries, regardless of any manners in which any such transfer takes place, or the position of Recipient within the organisation has changed and so have the responsibilities of the latter, then the MBO payout of reference will be reviewed accordingly.
The Board may under all circumstances determine in equity the amount to be paid out to Recipient depending on the activity carried out by the latter.
- 14.5 The above provisions can be amended by the Board to assure that Recipients receive a treatment equivalent to that initially offered.

15. Communications

- 15.1 Unless otherwise provided for by this Regulation, any communications or notices, to be given or permitted hereunder, shall be in writing and suited to supply evidence of receipt thereof by recipient.

16. Costs, taxation and deductions

- 16.1 Unless otherwise indicated, all costs and charges related to the implementation and management of the Plan shall be borne by the Company, while Recipient shall borne any taxes and contributions, if any and to the extent payable, related to the accrual of Rights and the consequent payout of the cash bonus stipulated.
- 16.2 The Company shall withhold all amounts and do all the necessary to fulfil its tax and/or social security obligations as arising out of the Plan.

17. Personal data protection

- 17.1 Recipient agrees to the conditions of this Regulation and authorises the Companies and all the parties involved in the management of the Plan to use his personal information and data, to the extent necessary to manage and govern the Plan itself, and in compliance with the Personal Data Protection Code (Legislative Decree No. 196 dated 30 June 2003 as amended and supplemented).

18. Confidential information

- 18.1 Recipients are required to hold the Plan and this Regulation in utmost secrecy, unless any breach thereof is the consequence of compliance, on the part of Recipients, with a law obligation.
- 18.2 Should the confidentiality obligation be unlawfully breached, then Recipient will lose any rights accrued thereto.

19. Nonseverability clause

- 19.1 The provisions of this Regulation are inseparably connected to each other.

20. Arbitration clause

- 20.1 Any disputes connected with the construction, application and execution of the Plan, also

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those arising out of the application of the provisions of this Regulation, shall be referred to the exclusive competence of an arbitration panel comprised of three arbitrators as follows:

- one arbitrator is designated by the Company,
- one arbitrator is designated by Recipient or successors or assigns thereof,
- the third arbitrator, who shall act as the Chairman of the Court, is designated by the former two or, if they do not so provide within 30 days of their appointment, by the Chairman of the Law Court of Bergamo at the request of the more diligent party. The latter shall also appoint a partisan arbitrator if any such party does not so provide - or does not provide a substitute thereof - within 30 days.

20.2 The venue of the arbitration shall be Bergamo, shall determine its procedure at its discretion, shall act as amicable compounder and shall also determine arbitrators' expenses and fees, shall decide in equity and its decision shall be final in compliance with the adversary system.

20.3 The decision made by the Panel is legally binding over the parties who accept it in full.

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REGULATION

MONETARY LONG-TERM INCENTIVE PLANS, LINKED TO THE APPRECIATION OF ITALMOBILIARE SHARES, FOR MANAGERS

1. Foreword

1.1 This regulation sets forth the operation principles and rules of the monetary long-term incentive plan, linked to the performance of the Italmobiliare shares, for a number of managers of Italmobiliare S.p.A.

2. Definitions

2.1 In addition to any terms and expressions defined in other articles of the Regulation, for the purposes of same: (i) the terms and expressions listed below have the meaning indicated hereinafter for each of them; (ii) terms and expressions in the plural are meant to include also the singular and vice versa; (iii) capitalized terms and expressions are meant to be defined as indicated in this article:

"Recipients": managers of the Company beneficiaries of the Plan under this Regulation;

"Shares": Italmobiliare S.p.A. ordinary shares;

"Cycle": each three-year period, as from 2011, into which the period of the plan (2011-2019) is broken down;

"Committee": the Remuneration Committee of the Company;

"Director": the Chief executive officer of the Company;

"Board": the Board of Directors of the Company;

"Allotment date": the date whereon the admission of Recipients to the plan is formally resolved upon;

"Date of settlement": the date in any case subsequent to expiry of the performance monitoring period and to the beginning of the period of availability, whereon the Company pays out the rights accrued to Recipients;

"Rights": the Rights, the number whereof is equal to the MBO payout divided by the fair value of shares and later proportioned to the weight of position, that enable recipients thereof to obtain, during the period of availability, a cash bonus the amount whereof is equal to the number of rights multiplied by the value of shares on the date of settlement (value of reference equal to the average of quotations in the three-month period preceding the end of Cycle);

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“Financial years of reference”: financial years in which, during each of the Cycles included in the Plan, the achievement of the MBO payout is pursued;

“Letter of admission to the Plan”: the letter that must be exchanged between the Company and each Recipient attesting, when duly signed by the latter, their agreement to the Plan;

“MBO payout”: the total amount earned on a three-yearly basis as the sum of the amounts earned as yearly MBO by each Recipient in the financial years of reference, according with the MBO procedure applied within the Group, upon achievement of individual performance objectives;

“Period of availability”: the period, starting on a date to be defined by Director within the financial year subsequent to the closing date of the latest financial year of reference of each Cycle and that lasts for three months, whereon Recipient will receive any amount actually accrued;

“Performance monitoring period”: the period that includes the financial years of reference during which Recipients pursue the achievement of MBO payout which the actual accrual of rights is dependent on;

“Plan”: the Plan under this Regulation;

“Regulation”: this Regulation governing the Plan;

“Company”: Italmobiliare S.p.A., with registered office in Milan, via Borgonuovo 20;

“Fair value of shares on the allotment date”: the value of shares of the Company as resulting from the arithmetic mean of official listings of same on the market managed by Borsa Italiana in the thirty calendar days preceding the allotment date;

“Value of shares on the date of settlement”: the value of shares of the Company as resulting from the arithmetic mean of official listings of same on the market managed by Borsa Italiana in the months of October, November and December of the last year of each cycle (for the first cycle, the period is 1 October 2013 to 31 December 2013).

2.2 Gender-specific terms and expressions shall be meant to include both genders.

3. Objectives and period of the Plan

3.1 The purposes of the Plan can be summarised as follows:

- link the aggregate remuneration of Recipients to the medium/long-term performance of the company and to the “creation of value” for shareholders;
- reward the results achieved by each Recipient, creating the conditions necessary to assure a greater involvement of the top management in the future of the Company and strengthening the sense of belonging of Recipients, incentivising their stay with the company.

3.2 The period of the Plan is 3 (three) three-annual Cycles in the period from 2011 through 2019. The term of the first Cycle is the 2011-2013 three-year period.

4. Purpose of the Plan

4.1 The Plan provides for the assignment to Recipients of a number of Rights, determined by dividing the MBO payout by the Fair value of shares on the allotment date and by later proportioning the value resulting therefrom to the weight of each position according with the provisions of Art. 7.1 which, multiplied by the Value of shares on the date of settlement, will enable Recipients to obtain the payment of an incentive.

5. Management of the Plan

5.1 The body responsible for making any decisions related to the Plan is the Board that entrusts the Director with the operating management of the Plan, with the support of the Committee and, where necessary, with the consent of the Committee to transactions with related parties, and with the technical support of the Human Resource and Organisation Development Manager.

5.2 In particular, the Director shall be responsible for:

- i) identifying individual Recipients for each Cycle;

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- ii) determining any obtainable amounts;
 - iii) ascertaining the percentage of achievement of the MBO payout by each Recipient for each Cycle;
 - iv) determining the commencement date of the Period of availability.
- 5.3 The Director shall periodically report to Shareholders any progress of the Plan on the occasion of the Ordinary Shareholders' Meeting convened to approve the financial statements.
- 5.4 Considering the advisability of reviewing the Plan is referred to the prudent valuation of Director who, with the consent of the Committee, reports to the Board.

6. Participation - eligibility

- 6.1 The Plan is offered to Recipients considering the special relevance of the functions entrusted with them to attain the strategic goals of the Company.
- 6.2 Consistent with any such principle, the list of Recipients will be defined by the Director on the basis of the objective criterion consisting in Recipients being in charge within the company of strategically essential functions in terms of:
- magnitude of the business managed directly;
 - strategic contribution of the role and criticality of know-how;
 - position held within the organisation.
- 6.3 The Eligibility Requirement, that must be met to be admitted to the Plan, is to be an employee of the Company and not to be working through the notice period before dismissal or resignation.

7. Criteria for determining the amounts obtainable

- 7.1 The Director shall define, as part of the Plan, at the proposal of the Committee and, where necessary, with the consent of the Committee to transactions with related parties, the amounts that can be earned by each recipient as an incentive dependent on a global assessment which, considering the general company performance as an essential condition of the Plan and the strategic position of each Recipient's role for the purpose of pursuing long-term objectives of the Company, will be related to:
- i) the weight of Recipient's position within the organisation;
 - ii) the consistency with the "total rewarding" principles from which the remuneration policy of the Company draws inspiration;
 - iii) the aggregate yearly MBO plans' payout in the period concerned with the Plan.
- 7.2 Under all circumstances, the total amount of Rights committed to the 2011-2013 Cycle is set at no more than 35,000.

8. Notification of and agreement to admission to the Plan

- 8.1 The agreement to the admission to the Plan is meant to be executed upon return to the Company of the copy, duly signed by any interested Recipients, of the Letter of admission to the Plan.

9. Incentive accrual

- 9.1 Incentive accrual depends on achieving one MBO payout at least in one of the years of the Performance monitoring period. The amount of incentive is proportional to the sum of the payouts made in each year included in the three-year period of reference.
- 9.2 Director shall, with the consent of the Committee and, where necessary, with the consent of the Committee to transactions with related parties, with the support of the Human Resource and Organisation Development Department, check and assess the extent to which the MBO payout has been achieved in the Performance Monitoring Period, and therefore determine the number of rights actually accrued to each Recipient.

10. Registration system and non-transferability of Rights

- 10.1 Rights accrued under above Art. 9.2 are registered and non-transferable, save for the provisions of this Regulation in case of death of Recipient.

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11. Suspension of the Plan

- 11.1 Director, with the consent of the Committee, may suspend temporarily the effects resulting from the accrual of rights to recipients should specific and particular needs so require, such as, for example, changes in law and regulatory provisions, except for tax rules and regulations, applicable to any legal relationships arising out of the Plan.
- 11.2 The effects of accrual of Rights to Recipients will also be suspended on the occurrence of events such as, for example, corporate merger and demerger transactions affecting the share capital of the Company, share capital increase and decrease, amendments to the bylaws regarding Shares, that might affect the conditions regulating the application of Plan, and even alter its economic-financial prerequisites and prejudice the purposes thereof as defined at above Art. 3.
- 11.3 At all events, any suspension shall with no delay be notified to Recipients.
- 11.4 Director may, under all of the above circumstances and with the consent of the Committee, implement any amendments and supplements to the Plan, to the Cycle and to this Regulation, and order termination of the latter should it prove to be no longer consistent with the company circumstances, salvaging any Rights acquired in the meantime as a consequence of lapse of the three-year period of reference and of meeting the other requirements and conditions set forth in this Regulation.

12. Treatment in case of merger or delisting

- 12.1 Should the Company merge with or demerge from another company, any Rights accrued shall result in entitlement to a bonus, proportional to the value of shares of the Company arising out of merger or demerger, proportionally to the exchange rate adopted.
- 12.2 Should the Company be delisted, the term within which the achievement of the MBO payout which the accrual of Rights is dependent on will be assessed, will be brought forward accordingly, to enable the completion of any such accrual and therefore the commencement of the Period of availability well in advance as compared to the stipulated share trading termination date on the regulated market.
- 12.3 Should the ownership of the Company change, or a tender or swap offer be made concerning the Shares, then the Rights accrued shall be maintained according with the provisions of this Regulation.

13. Treatment in the case of employment termination

- 13.1 Except for the specific cases envisaged below in this article, and the authority of Director to decide otherwise being understood, the Rights resulting for Recipients with respect to any Rights accrued under this Regulation are intrinsically and functionally connected to and conditional on the existence, at the beginning of the period of availability, of the employment agreement between Recipient and the Company.
- 13.2 Save for any exceptions in particular cases as Director may determine, the following provisions shall be applied to the instances listed below:
 - a) in the case of termination of the employment agreement for dismissal or resignation, occurring after termination of the Performance monitoring period but before commencement of the Period of availability, the general principle shall apply and therefore Recipient will definitively and automatically lose entitlement to incentive;
 - b) in the case of mutually agreed termination of the employment agreement or dismissal for retirement or following supervened disability, however occurring after the end of the Performance monitoring period, or whenever Recipient has otherwise achieved the MBO payout, then Recipient shall be still entitled to the incentive if, after the employment termination date, Rights actually accrue;
 - c) in the case of death of Recipient after the end of the Performance monitoring period, or whenever Recipient has otherwise achieved the MBO payout, any Rights accruing to the latter under this Plan shall be assigned to the heirs of Recipient subject to production by any such heirs, of the documentation suited to supply evidence of their condition as heirs.

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- 13.3 Lapse of Rights, where stipulated, shall take place automatically, with no need for any notification or other formalities as from the actual termination of the employment agreement.
- 13.4 Where, during the Performance monitoring period, the employment agreement of Recipient is transferred by and between the Company and its subsidiaries, regardless of any manners in which any such transfer takes place, or the position of Recipient within the organisation has changed and so have the responsibilities of the latter, then the MBO payout of reference will be reviewed accordingly.
Under all circumstances, Director may determine in equity the amount to be paid out to Recipient dependent on the activity carried out.
- 13.5 The above provisions can be amended by Director to assure that Recipients receive a treatment equivalent to that initially offered

14. Communications

- 14.1 Unless otherwise provided for by this Regulation, any communications or notices, to be given or permitted hereunder, shall be in writing and suited to supply evidence of receipt thereof by recipient.

15. Costs, taxation and deductions

- 15.1 Unless otherwise indicated, all costs and charges related to the implementation and management of the Plan shall be borne by the Company, while Recipient shall borne any taxes and contributions, if any and to the extent payable, related to the accrual of Rights and the consequent payout of the cash bonus stipulated.
- 15.2 The Company shall withhold all amounts and do all the necessary to fulfil its tax and/or social security obligations as arising out of the Plan.

16. Personal data protection

- 16.1 Recipient agrees to the conditions of this Regulation and authorises the Companies and all the parties involved in the management of the Plan to use his personal information and data, to the extent necessary to manage and govern the Plan itself, and in compliance with the Personal Data Protection Code (Legislative Decree No. 196 dated 30 June 2003 as amended and supplemented).

17. Confidential information

- 17.1 Recipients are required to hold the Plan and this Regulation in utmost secrecy, unless any breach thereof is the consequence of compliance, on the part of Recipients, with a law obligation.
- 17.2 Should the confidentiality obligation be unlawfully breached, then Recipient will lose any rights accrued thereto.

18. Nonseverability clause

- 18.1 The provisions of this Regulation are inseparably connected to each other.

19. Arbitration clause

- 19.1 Any disputes connected with the construction, application and execution of the Plan, also those arising out of the application of the provisions of this Regulation, shall be referred to the exclusive competence of an arbitration panel comprised of three arbitrators as follows:
- one arbitrator is designated by the Company,
 - one arbitrator is designated by Recipient or successors or assigns thereof,
 - the third arbitrator, who shall act as the Chairman of the Court, is designated by the former two or, if they do not so provide within 30 days of their appointment, by the Chairman of the Law Court of Bergamo at the request of the more diligent party. The latter shall also appoint a partisan arbitrator if any such party does not so provide - or does not provide a substitute thereof - within 30 days.
- 19.2 The venue of the arbitration shall be Bergamo, shall determine its procedure at its

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discretion, shall act as amicable compounder and shall also determine arbitrators' expenses and fees, shall decide in equity and its decision shall be final in compliance with the adversary system.

19.3 The decision made by the Panel is legally binding over the parties who accept it in full.

Milan, March 30 2011

For the Board of Directors
Chairman
(Giampiero Pesenti)