

ITALMOBILIARE

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Proposal to reduce the revaluation reserves and other tax-deferred reserves. Consequent and ensuing resolutions.

Dear Shareholders,

You are reminded that the separate financial statements for the year ended December 31, 2011 reflected a loss for the year of 57,299,908.50 euro. Then, the Annual General Meeting of May 29, 2012, approved the proposal to cover said loss through use of available reserves in the category "Retained earnings", represented by the following revaluation reserves and other tax-deferred reserves:

- a) for 184,678.57 euro, through use of the entire "Reserve as per art. 54 Pres.Decree 597/73", which consequently was written down to zero;
- b) for 1,771,133.42 euro, through use of the entire "Reserve as per art. 55 Pres.Decree 597/73", which consequently was written down to zero;
- c) for 29,473,394.21 euro, through use of the entire "Revaluation reserve as per Law 408/90", which consequently was written down to zero (formerly included under the caption Revaluation reserves);
- d) for 3,279,409.10 euro, through use of the entire "Revaluation reserve as per Law 413/91", which consequently was written down to zero (formerly included under the caption Revaluation reserves);
- e) for 22,591,293.20 euro, through partial use of the "Revaluation reserve as per Law 72/83" (formerly included under the caption Revaluation reserves).

The separate financial statements for the year ended December 31, 2012 also reflected a loss for the year, of 66,737,041.28 euro. Similarly, the Annual General Meeting of May 29, 2013, subsequently approved the proposal to cover said loss through use of available reserves in the category "Retained earnings", represented by the following revaluation reserves and tax-deferred reserves:

- a) for 31,417,734.66 euro, through use of the entire "Revaluation reserve as per Law 72/83" (formerly included under the caption Revaluation reserves), which consequently was written down to zero;
- b) for 2,163,956.19 euro, through use of the entire "Reserve for grants related to assets", which consequently was written down to zero;
- c) for 33,155,350.43 euro, through partial use of the "Reserve as per art. 34, Law 576/75".

The use of these reserves to cover the losses of the respective financial years was based on the individual laws that enabled their formation and ruled their irrelevance with regard to taxation (Irrpeg/Irpef).

The relevant laws referred above, including, for example, the most recent clause of paragraph 2, art. 26, of Law no. 413 of December 30, 1991, provide that earnings may not be distributed until the reserves have been replenished or reduced by a corresponding amount, through a specific resolution adopted by an extraordinary shareholders' meeting. The law also states that the resolution may be carried without following the formalities required by art. 2445, paragraphs 2 and 3, of the Italian Civil Code, and will therefore be effective immediately upon approval.

In light of the above, in order to permit distribution to the shareholders of the earnings for financial year 2013, and of future earnings, the formal reduction of the above-mentioned revaluation

ITALMOBILIARE

reserves and the other tax-deferred reserves for the amounts indicated above is proposed.

Should the extraordinary shareholders' meeting approve the reduction of the above-mentioned reserves, the requirement that they be replenished from future earnings will no longer apply, and future earnings will, consequently, be freely available for distribution.

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Dear Shareholders,

If you agree with our proposal, we invite you to carry the following resolution:

"The extraordinary meeting of the shareholders of Italmobiliare S.p.A., held on May 27, 2014, having examined the directors' report and the proposal therein set out,

hereby resolves

to approve the formal definitive reduction of the revaluation reserves and the other reserves used to cover the losses of financial years 2011 and 2012, as specified in the respective resolutions of the ordinary shareholders' meeting of May 29, 2012, and May 29, 2013, with regard to nature, denomination and respective sum, by an overall amount of 124,036,949.78 euro".

Milano, March 26, 2014

For the Board of Directors
The Chairman
(Giampiero Pesenti)