

The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2011. For any difference between the two texts, the Italian text shall prevail.

SAES GETTERS S.p.A.

Shareholders Meeting of April 20, 2011 – April 21, 2011 Extraordinary Part

Directors' Report on the proposed amendment to articles 8, 9, 10,19, 22, 25 and introduction of new article 31 of the By-laws

Issued pursuant to Article 72 of Consob Regulation no. 11971 of 14/05/1999 and Article 125-ter of the Legislative Decree no. 58/1998 (TUF);

Dear Shareholders,

you have been convened also in Extraordinary Meeting to be submitted a proposal of change of current articles 8, 9, 10,19, 22, 25 and introduction of new article 31of the By-laws.

The present Report has been drawn by the Board of Directors of your Company, pursuant to article 72, paragraph 1, of the Regulation approved by Consob with the resolution no. 11971 of 14/05/1999 and subsequent changes (hereinafter also the "Issuers Regulation") to present and explain the proposal contained in the sole issue indicated in the meeting agenda for the Extraordinary Part.

The proposed amendments (some merely formal) are directed to adapt the By-laws to the new dispositions set forth in the Legislative decree no. 27/2010, implementing in the Italian system of law the Shareholders' right directive as well as the dispositions on related parties, pursuant to article 2391-*bis* of the Consob Regulation on related parties no. 17221 of March 12, 2010 (Regulation on Related Parties).

- **Article 8°)**

Article 1 of the Legislative decree no. 27/2010 provides that "(...) *the By-laws of the company listed in the stock exchange market may exclude summons subsequent to the first one, provided that at the sole meeting the majorities set forth in subparagraph 1 and by article 2368, subparagraph 3 and 4 and, for the extraordinary meeting, the majorities set forth in subparagraph 7 of this article, will apply*".

Therefore, it is proposed to introduce in the By-laws a provision directed to exclude, for instance by mention it in the notice of the relevant meeting, the possibility to have calls for meeting subsequent to the first one, avoiding in this way uncertainties on the date of the meeting and useless costs deriving, if not expressly excluded, by a pluralities of notices.

Therefore, it is propose to introduce a disposition that allow the Board of Directors to establish that the notice of a meeting may exclude calls for meeting subsequent to the first one. In such a case, the majorities set forth in subparagraph 1 and by article 2368, subparagraph 3 and 4 and, for the extraordinary meeting, the majorities set forth in subparagraph 7 of this article, will apply.

This amendment does not trigger the right of withdrawal of the Shareholders.

Please find below a comparison between current text and proposed change of article 8 of the By-laws. For convenience, the proposed deletion is strikethrough.



The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2011. For any difference between the two texts, the Italian text shall prevail.

CURRENT TEXT	PROPOSED NEW TEXT
<p>Article 8°) The Shareholders' Meeting will be called by means of the publication of a notice of calling according to the modalities and within the terms set out by the applicable laws, posted onto the Company's web site, and in compliance with the other requirements provided by the laws.</p> <p>The notice of calling may also contain the date for a possible second call and, in the cases provided by the Law; a third call may also be fixed.</p> <p>If the day of the second or third call is not indicated in the notice, the second or third call of the Shareholders' Meeting may be convened within thirty days, of the first or second call respectively. In such a case, the Shareholders' Meeting is called within the 10th day prior to the date of the Shareholders' Meeting, providing that the agenda of the meeting is not modified.</p> <p>The notice of the Shareholders Meeting called to resolve upon the appointment of the Board of Directors and/or of Statutory Auditors details the minimum shareholding requested to present a list of candidates, as determined by Consob, pursuant to laws and regulations then in force.</p>	<p>Article 8°) The Shareholders' Meeting will be called by means of the publication of a notice of calling according to the modalities and within the terms set out by the applicable laws, posted onto the Company's web site, and in compliance with the other requirements provided by the laws.</p> <p>The notice of calling may also contain the date for a possible second call and, in the cases provided by the Law; a third call may also be fixed.</p> <p>If the day of the second or third call is not indicated in the notice, the second or third call of the Shareholders' Meeting may be convened within thirty days, of the first or second call respectively. In such a case, the Shareholders' Meeting is called within the 10th day prior to the date of the Shareholders' Meeting, providing that the agenda of the meeting is not modified.</p> <p>Therefore, the notice of a meeting may exclude calls for meeting subsequent to the first one, provided that at the sole meeting the majorities set forth by law for the second call and, for the extraordinary meeting, the majorities set forth by law for the calls for meeting subsequent the second one will apply.</p> <p>The notice of the Shareholders Meeting called to resolve upon the appointment of the Board of Directors and/or of Statutory Auditors details the minimum shareholding requested to present a list of candidates, as determined by Consob, pursuant to laws and regulations then in force.</p>

- **Article 9°)**

New article 154-ter, sub-paragraph 1, TUF sets forth that “*Without prejudice to the provisions of article 2364 subsection 2 and article 2364-bis subsection 2 of the Italian Civil Code, within one hundred and twenty days of the end of the financial year, listed issuers with Italy as their home member country shall make the annual report, containing the draft separate and consolidated financial statements, where appropriate, the directors' report and the statement pursuant to Article 154-bis, subsection 5 available to the public at their registered office, on their web site and by other means envisaged by Consob regulation. (...)*”.

Subsequent sub-paragraph 1-bis of said article 154-ter provides that:

“There shall be at least twenty-one days between the publication pursuant to subsection 1 and the date of the shareholders' meeting”.

Therefore, in order to fully exploit the possibility granted by the law to make available to the public the annual report within 120 days after the closing of the financial year, it is necessary to introduce in the By-laws a provision (in compliance with article 2364, sub 2) affirming the possibility to held a general meeting for the approval of the annual report after the 120th day of the closing of the financial year, indicating the related reasons.

The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2011. For any difference between the two texts, the Italian text shall prevail.

It is proposed to introduce in the By-laws a disposition that allows to held a general meeting for the approval of the annual report after the 120th day of the closing of the financial year, without prejudice to the other disposition of laws and regulation concerning the deposit and publication of the financial documents in force.

This amendment does not trigger the right of withdrawal of the Shareholders.

Please find below a comparison between current text and proposed change of article 9 of the By-laws. For convenience, the proposed deletion is strikethrough.

CURRENT TEXT	PROPOSED NEW TEXT
<p>Article 9) – The Shareholders’ meeting is called by the Board of Directors, by the person designated by the Board, or by a person allowed under the Law, at the registered office of the Company or in another place in Italy or abroad, as long as within the European Union, every year within one hundred and twenty days of the closure of the business year.</p> <p>An ordinary or extraordinary meeting will also be called anytime the Board considers appropriate, as well as in every circumstance provided by Law by the technicalities and under the terms from time to time provided.</p>	<p>Article 9) – The Shareholders’ meeting is called by the Board of Directors, by the person designated by the Board, or by a person allowed under the Law, at the registered office of the Company or in another place in Italy or abroad, as long as within the European Union, every year within one hundred and twenty days of the closure of the business year. In the event of particular Company requirements, within the terms of article 25, the Meeting may be called within one hundred and eighty days of the closure of the business year. Directors shall indicate the reasons for the delay in the report provided for in Article 2428 of the Civil Code.</p> <p>An ordinary or extraordinary meeting will also be called anytime the Board considers appropriate, as well as in every circumstance provided by Law by the technicalities and under the terms from time to time provided.</p>

- **Article 10°)**

New article 135-undecies, sub-paragraph 1, TUF provides that “*Unless otherwise stated in the Articles of Association, for each shareholders' meeting listed companies shall appoint a person upon whom shareholders may confer proxy, with voting instructions on all or a number of items on the agenda, by the second trading day prior to the date established on first or single call of the shareholders’ meeting. (...).*”.

Therefore, it is proposed to introduce in the By-laws a provision that allows to decide upon every meeting whether or not to designate a person upon whom shareholders may confer proxy.

This amendment does not trigger the right of withdrawal of the Shareholders.

Please find below a comparison between current text and proposed change of article 10 of the By-laws. For convenience, the proposed deletion is strikethrough.

CURRENT TEXT	PROPOSED NEW TEXT
Article 10°) – Attendance and representation at the	Article 10°) – Attendance and representation at the



The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2011. For any difference between the two texts, the Italian text shall prevail.

<p>Shareholders' Meeting are governed by the Law. Voting rights holders will have the right to attend the Meetings providing that their capacity to attend the meeting is certified according to the modalities and within the terms provided by the regulations and laws in force. .</p> <p>The electronic notice of the delegation to attend the Meetings may be pursued by means of related link on the Company web site, according to the modalities set forth by the notice of calling, or, alternatively, by means of certified email sent to the email address indicated in the notice of calling.</p> <p>The Chairman of the Meeting, also through appointees, shall be responsible for verifying the validity of the meeting's establishment, the identity and legitimacy of those present, and for regulating the meeting's progress, establishing the methods of discussion and voting (which shall in all cases be transparent), and announcing the results of votes.</p>	<p>Shareholders' Meeting are governed by the Law. Voting rights holders will have the right to attend the Meetings providing that their capacity to attend the meeting is certified according to the modalities and within the terms provided by the regulations and laws in force. .</p> <p>The electronic notice of the delegation to attend the Meetings may be pursued by means of related link on the Company web site, according to the modalities set forth by the notice of calling, or, alternatively, by means of certified email sent to the email address indicated in the notice of calling.</p> <p>The Company shall appoint a person upon whom shareholders may confer proxy, with voting instructions on all or a number of items on the agenda for each Meeting, this possibility must be indicated into the notice of the Meeting.</p> <p>The Chairman of the Meeting, also through appointees, shall be responsible for verifying the validity of the meeting's establishment, the identity and legitimacy of those present, and for regulating the meeting's progress, establishing the methods of discussion and voting (which shall in all cases be transparent), and announcing the results of votes.</p>
---	---

- **Article 19°)**

According to Consob Regulation no. 17221 of March del 12, 2010 on transactions with related parties it seems necessary to introduce in the By-laws some provisions to coordinate it with the Procedures on transactions with related parties approved by the Board of Directors on November 11, 2010 and therefore amend article 19 where it provides that the Board of Directors may delegate some of its reserved matters to one of more of its Directors, but only when this possibility if provided by the law and not by regulation.

Therefore in order to better specify the framework of the delegation of the Board of Directors, taking also into account Consob regulations, it is proposed to introduce a specific provision in the By-laws.

This amendment does not trigger the right of withdrawal of the Shareholders.

Please find below a comparison between current text and proposed change of article 19 of the By-laws. For convenience, the proposed deletion is strikethrough.

CURRENT TEXT	PROPOSED NEW TEXT
<p>Article 19°) The Board is invested with the broadest powers for ordinary and extraordinary management of the Company, including any other powers reserved to the Board by law or by the Articles of Association.</p> <p>It therefore has the authority to perform all acts, including of a regulatory nature that it considers necessary or advisable for the implementation and achievement of the</p>	<p>Article 19°) The Board is invested with the broadest powers for ordinary and extraordinary management of the Company, including any other powers reserved to the Board by law or by the Articles of Association.</p> <p>It therefore has the authority to perform all acts, including of a regulatory nature that it considers necessary or advisable for the implementation and achievement of the</p>



The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2011. For any difference between the two texts, the Italian text shall prevail.

<p>business purpose excluding only those acts that the Law expressly reserves to the Shareholders' Meeting.</p> <p>The following powers are granted to the Board, subject to the limits of the law:</p> <ul style="list-style-type: none"> - merger resolutions in cases pursuant to Articles 2505 and 2505-bis of the Civil Code, as referred to as to de-merger pursuant to Article 2506-ter, final paragraph of the Civil Code, where the said regulations are applicable; - the establishment or closure of secondary offices, branches; - award of powers of representation to Directors; - any reduction in capital in the event of withdrawal of a shareholder; - amendment of the Articles of Association to make it compliant to law provisions; - transfer of the registered offices within national territory. <p>The Board of Directors may delegate some of its powers to one or more of its members within the limits of the law.</p> <p>The Board of Directors may always issue directives to delegated bodies and take control of transactions entrusted with delegated bodies.</p> <p>During meetings and in all cases, at least once a quarter, the Board of Directors and the Board of Statutory Auditors shall be informed, including by delegated parties, and in relation to subsidiaries, of the activities undertaken, the general trends, their foreseeable development, and the most significant economic, financial and asset transactions in terms of size or characteristics, including, where relevant, transactions in which Board members have a direct or third party interest.</p> <p>Such report is made during meetings of the Board of Directors or of the Executive Committee; when particular circumstances so require, reports can be made in writing to the Chairman of the Board of Statutory Auditors with an obligation to refer the matter to the first meeting of the Board.</p>	<p>business purpose excluding only those acts that the Law expressly reserves to the Shareholders' Meeting.</p> <p>The following powers are granted to the Board, subject to the limits of the law:</p> <ul style="list-style-type: none"> - merger resolutions in cases pursuant to Articles 2505 and 2505-bis of the Civil Code, as referred to as to de-merger pursuant to Article 2506-ter, final paragraph of the Civil Code, where the said regulations are applicable; - the establishment or closure of secondary offices, branches; - award of powers of representation to Directors; - any reduction in capital in the event of withdrawal of a shareholder; - amendment of the Articles of Association to make it compliant to law provisions; - transfer of the registered offices within national territory. <p>The Board of Directors may delegate some of its powers to one or more of its members within the limits of the law and regulations.</p> <p>The Board of Directors may always issue directives to delegated bodies and take control of transactions entrusted with delegated bodies.</p> <p>During meetings and in all cases, at least once a quarter, the Board of Directors and the Board of Statutory Auditors shall be informed, including by delegated parties, and in relation to subsidiaries, of the activities undertaken, the general trends, their foreseeable development, and the most significant economic, financial and asset transactions in terms of size or characteristics, including, where relevant, transactions in which Board members have a direct or third party interest.</p> <p>Such report is made during meetings of the Board of Directors or of the Executive Committee; when particular circumstances so require, reports can be made in writing to the Chairman of the Board of Statutory Auditors with an obligation to refer the matter to the first meeting of the Board.</p>
--	---

- **Article 22°)**



The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2011. For any difference between the two texts, the Italian text shall prevail.

New article 144-sexies, of Consob Regulation on Issuers provides that *“If, as at the expiry date of the time limit specified in subsection 4, only one list has been submitted, or lists have only been submitted by shareholders who, in accordance with the provisions of subsection 4, are affiliated to each other pursuant to Article 144-quinquies, further lists may be submitted up to the fifth working day after said date. In such event the thresholds established in the articles of association pursuant to subsection 2 shall be halved.”*

The provision contained in the current By-laws sets forth, in accordance with the former discipline, that in case only one list has been submitted, or lists have only been submitted by shareholders who are affiliated to each other, further lists may be submitted up to the third working day after relevant date.

Taking into consideration the new discipline introduced by Consob Regulation on Issuers it is necessary to adopt the By-laws accordingly.

This amendment does not trigger the right of withdrawal of the Shareholders.

Please find below a comparison between current text and proposed change of article 22 of the By-laws. For convenience, the proposed deletion is strikethrough.

CURRENT TEXT	PROPOSED NEW TEXT
<p>Article 22^o – The Board of Statutory Auditors consists in of three effective members and two alternate members, who may be re-elected. The Board operates according to the Law. The Board of Statutory Auditors will remain in office for three business years, their office expire upon the Shareholders Meeting called to approve the financial statements of the last year of their mandate. The attributes (including the power to convene the Shareholders Meeting, the Board of Directors and the Executive Committee), duties and duration of the Board are established by the Law.</p> <p>The Auditors shall satisfy the requirements set forth by law or other applicable provisions. As far as professionalism requirements, activities related to the Company shall be deemed all the activities relating back to the business objectives set forth in article 7 of the present Bylaws and the activities related to engineering sector, production and commercialization of equipment, products and materials mentioned in previous article 7, and of scientific and industrial research. Matters related to commercial law and fiscal laws, economics and finance, are deemed to be associated activities as well.</p> <p>Any individuals who met incompatibility causes established by the Law and other applicable provisions and any individual already holding positions in administration and control in excess of the limits laid down by Consob regulation may not be elected as Statutory Auditors and, if elected, shall forfeit the office.</p> <p>At the time of their election, the Shareholders’ Meeting will establish the Statutory Auditors’ annual remuneration for the whole term of office. Statutory Auditors are also entitled to reimbursement of any expenses incurred in carrying out their duties.</p>	<p>Article 22^o – The Board of Statutory Auditors consists in of three effective members and two alternate members, who may be re-elected. The Board operates according to the Law. The Board of Statutory Auditors will remain in office for three business years, their office expire upon the Shareholders Meeting called to approve the financial statements of the last year of their mandate. The attributes (including the power to convene the Shareholders Meeting, the Board of Directors and the Executive Committee), duties and duration of the Board are established by the Law.</p> <p>The Auditors shall satisfy the requirements set forth by law or other applicable provisions. As far as professionalism requirements, activities related to the Company shall be deemed all the activities relating back to the business objectives set forth in article 7 of the present Bylaws and the activities related to engineering sector, production and commercialization of equipment, products and materials mentioned in previous article 7, and of scientific and industrial research. Matters related to commercial law and fiscal laws, economics and finance, are deemed to be associated activities as well.</p> <p>Any individuals who met incompatibility causes established by the Law and other applicable provisions and any individual already holding positions in administration and control in excess of the limits laid down by Consob regulation may not be elected as Statutory Auditors and, if elected, shall forfeit the office.</p> <p>At the time of their election, the Shareholders’ Meeting will establish the Statutory Auditors’ annual remuneration for the whole term of office. Statutory Auditors are also entitled to reimbursement of any expenses incurred in carrying out their duties.</p>



The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2011. For any difference between the two texts, the Italian text shall prevail.

<p>The Board of Statutory Auditors are elected by the Shareholders Meeting on the basis of lists presented by shareholders according to procedures stipulated hereunder, without prejudice to the application of different and further provisions under mandatory legal or regulatory rules. Minority shareholders – that are not party of a relevant connection, even indirectly, as per article 148 second paragraph of Law no 58/98 and related regulatory rules - are entitled to the appointment of one effective Member, who is the Chairman of the Board, and of one Alternate Member.</p> <p>The election of the Auditors by minority shareholders and the election of the other members of the Board of Statutory Auditors take place at once, save for replacement cases, which takes place according to what hereinafter set forth.</p> <p>Only those shareholders who, with reference to the shares registered in their account on the day of deposit of the list at the Company offices alone or together with other shareholders, own voting shares representing at least the percentage in the voting capital equal to the one determined by Consob pursuant to article 147ter, paragraph 1, of Legislative Decree 58/98 and to Issuers Regulation are entitled to present lists for statutory auditors appointment.</p> <p>All the Shareholders entitled to vote may vote for only one list, even through intermediaries or trust companies. Shareholders which are part of the same group and shareholders who entered a shareholders agreement as to shares of the Company cannot vote for more than one list, even through intermediaries or trust companies. Each candidate may enroll in only one list; failure shall result in disqualification.</p> <p>Lists, to be underwritten by all those that supported them, must be lodged at the head offices of the Company within twenty-five prior to the Meeting convened to resolve upon the appointment of the Statutory Auditors. The Company makes the lists available to the public at the company offices, at the management company of regulated market and on its website, within the terms and in the ways established by relevant regulation.</p> <p>Lists must contain the names of one or more candidates to the post of effective Auditor and of the candidate to the post of Alternate. The names are marked with a progressive number under each section of the list (Effective Auditor section, Alternate Auditors section), up to the number of Auditors to be appointed.</p> <p>The following shall be enclosed to the lists:</p> <p>a. information the identity of the shareholders submitting the list and the percentage of total voting rights owned; such indication shall be proved by a certification issued by the authorized brokers which should give evidence of the ownership of that shareholding, to be presented also</p>	<p>The Board of Statutory Auditors are elected by the Shareholders Meeting on the basis of lists presented by shareholders according to procedures stipulated hereunder, without prejudice to the application of different and further provisions under mandatory legal or regulatory rules. Minority shareholders – that are not party of a relevant connection, even indirectly, as per article 148 second paragraph of Law no 58/98 and related regulatory rules - are entitled to the appointment of one effective Member, who is the Chairman of the Board, and of one Alternate Member.</p> <p>The election of the Auditors by minority shareholders and the election of the other members of the Board of Statutory Auditors take place at once, save for replacement cases, which takes place according to what hereinafter set forth.</p> <p>Only those shareholders who, with reference to the shares registered in their account on the day of deposit of the list at the Company offices alone or together with other shareholders, own voting shares representing at least the percentage in the voting capital equal to the one determined by Consob pursuant to article 147ter, paragraph 1, of Legislative Decree 58/98 and to Issuers Regulation are entitled to present lists for statutory auditors appointment.</p> <p>All the Shareholders entitled to vote may vote for only one list, even through intermediaries or trust companies. Shareholders which are part of the same group and shareholders who entered a shareholders agreement as to shares of the Company cannot vote for more than one list, even through intermediaries or trust companies. Each candidate may enroll in only one list; failure shall result in disqualification.</p> <p>Lists, to be underwritten by all those that supported them, must be lodged at the head offices of the Company within twenty-five prior to the Meeting convened to resolve upon the appointment of the Statutory Auditors. The Company makes the lists available to the public at the company offices, at the management company of regulated market and on its website, within the terms and in the ways established by relevant regulation.</p> <p>Lists must contain the names of one or more candidates to the post of effective Auditor and of the candidate to the post of Alternate. The names are marked with a progressive number under each section of the list (Effective Auditor section, Alternate Auditors section), up to the number of Auditors to be appointed.</p> <p>The following shall be enclosed to the lists:</p> <p>a. information the identity of the shareholders submitting the list and the percentage of total voting rights owned; such indication shall be proved by a certification issued by the authorized brokers which should give evidence of the ownership of that shareholding, to be presented also</p>
---	---

The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2011. For any difference between the two texts, the Italian text shall prevail.

<p>after the deposit of the list, but in any case before the term for the publication of the list that the Company must respect;</p> <p>b. a declaration of the shareholders that are not the ones that hold, even together, a control or majority shareholding, stating that there are none of the connection relationships with the latter as set forth in article 144quinquies of the Issuers Regulation;</p> <p>c. comprehensive information on professional and personal characteristics of the candidates, together with the lists of posts as to administration and control held in other companies;</p> <p>d. statements by the candidates that there are no causes of ineligibility or incompatibility and that they possess the requisites for holding the post prescribed by the then applicable law and regulation, and their acceptance of the office;</p> <p>e. any other further declaration, information and/or document requested by applicable law and regulation.</p> <p>If upon expiry of the deadline for the presentation of the list, only one list has been deposited or only lists presented by inter-connected shareholders pursuant to relevant rules, the deadline for the presentation of lists is extended of five more days. In this case, the minimum shareholding above required for submitting the lists are reduced by half. The absence of minority lists and the extension of the deadline for submitting the same are disclosed by the Company to the market in the ways and in the terms established by relevant regulation.</p> <p>The appointment of the Statutory Auditors takes place as follows:</p> <p>i) from the list that received the greatest number votes (hereinafter "Majority List"), two effective Auditors and one Alternate are selected, on the basis of their order of priority on the list; ii) from the list that ranked second for number of votes, and that it is not connected even indirectly with the Shareholders that presented or voted the Majority List according to applicable regulations (hereinafter "Minority List"), an effective Auditor ("Minority Effective Auditor") and one Alternate ("Minority Alternate") are selected, on the basis of their order of priority on the list, on the Minority List; the Minority Effective Auditor shall become the Chairman of the Board of Statutory Auditors.</p> <p>If more lists receive the same number of votes, the one presented by shareholders owning the highest shareholding upon their presentation or, secondly, the one presented by the highest number of Shareholders, shall prevail.</p> <p>If one only list is presented, the Shareholders Meeting votes the same and if it gets the majority of the voting shareholders, without taking into account shareholders</p>	<p>after the deposit of the list, but in any case before the term for the publication of the list that the Company must respect;</p> <p>b. a declaration of the shareholders that are not the ones that hold, even together, a control or majority shareholding, stating that there are none of the connection relationships with the latter as set forth in article 144quinquies of the Issuers Regulation;</p> <p>c. comprehensive information on professional and personal characteristics of the candidates, together with the lists of posts as to administration and control held in other companies;</p> <p>d. statements by the candidates that there are no causes of ineligibility or incompatibility and that they possess the requisites for holding the post prescribed by the then applicable law and regulation, and their acceptance of the office;</p> <p>e. any other further declaration, information and/or document requested by applicable law and regulation.</p> <p>If upon expiry of the deadline for the presentation of the list, only one list has been deposited or only lists presented by inter-connected shareholders pursuant to relevant rules, the deadline for the presentation of lists is extended of three more days. In this case, the minimum shareholding above required for submitting the lists are reduced by half. The absence of minority lists and the extension of the deadline for submitting the same are disclosed by the Company to the market in the ways and in the terms established by relevant regulation.</p> <p>The appointment of the Statutory Auditors takes place as follows:</p> <p>i) from the list that received the greatest number votes (hereinafter "Majority List"), two effective Auditors and one Alternate are selected, on the basis of their order of priority on the list; ii) from the list that ranked second for number of votes, and that it is not connected even indirectly with the Shareholders that presented or voted the Majority List according to applicable regulations (hereinafter "Minority List"), an effective Auditor ("Minority Effective Auditor") and one Alternate ("Minority Alternate") are selected, on the basis of their order of priority on the list, on the Minority List; the Minority Effective Auditor shall become the Chairman of the Board of Statutory Auditors.</p> <p>If more lists receive the same number of votes, the one presented by shareholders owning the highest shareholding upon their presentation or, secondly, the one presented by the highest number of Shareholders, shall prevail.</p> <p>If one only list is presented, the Shareholders Meeting votes the same and if it gets the majority of the voting shareholders, without taking into account shareholders</p>
---	--

The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2011. For any difference between the two texts, the Italian text shall prevail.

<p>who refrain from voting, all the candidates indicated on list shall be appointed Effective Auditors and Alternates. In this case, the first candidate on the list to the post of Effective Auditor shall be appointed as Chairman of the Board.</p> <p>If no list is presented, then the Board of Statutory Auditors and its Chairman are appointed by the Shareholders Meeting with the ordinary majority requested by law.</p> <p>If, for any reason, a Majority Effective Auditor ceases, he/she is replaced by the Alternate taken from the Majority List.</p> <p>If, for any reason, a Minority Effective Auditor ceases, he/she is replaced by the Minority Alternate.</p> <p>The Shareholders Meeting foreseen in article 2401 paragraph 1 of Italian Civil Code, proceed with the appointment or replacement, in compliance with the minority representation principle.</p> <p>Meetings of the Board of Statutory Auditors may be held by audio or video conference or by equivalent means of telecommunication in accordance with the methods set out in the last paragraph of Article 16 of these Articles of Association.</p>	<p>who refrain from voting, all the candidates indicated on list shall be appointed Effective Auditors and Alternates. In this case, the first candidate on the list to the post of Effective Auditor shall be appointed as Chairman of the Board.</p> <p>If no list is presented, then the Board of Statutory Auditors and its Chairman are appointed by the Shareholders Meeting with the ordinary majority requested by law.</p> <p>If, for any reason, a Majority Effective Auditor ceases, he/she is replaced by the Alternate taken from the Majority List.</p> <p>If, for any reason, a Minority Effective Auditor ceases, he/she is replaced by the Minority Alternate.</p> <p>The Shareholders Meeting foreseen in article 2401 paragraph 1 of Italian Civil Code, proceed with the appointment or replacement, in compliance with the minority representation principle.</p> <p>Meetings of the Board of Statutory Auditors may be held by audio or video conference or by equivalent means of telecommunication in accordance with the methods set out in the last paragraph of Article 16 of these Articles of Association.</p>
---	---

- **Article 25°)**

The proposal to amend article 9 that provides the possibility to held the general meeting for the approval of the annual report after the 120th day of the end of the financial year renders necessary to specify that the legal terms for the deposit and publication of the financial documents continues to be applicable.

It is proposed to introduce a specific provision in the By-laws that recalls the respect of article 154-ter, sub-paragraph 1 of TUF.

This amendment does not trigger the right of withdrawal of the Shareholders.

Please find below a comparison between current text and proposed change of article 25 of the By-laws. For convenience, the proposed deletion is strikethrough.

CURRENT TEXT	PROPOSED NEW TEXT
<p>Article 25°) - The corporate year will close on 31st (thirty-first) December of each year.</p>	<p>Article 25°) - The corporate year will close on 31st (thirty-first) December of each year.</p> <p>According to the Consob Regulation the Company made available to the public on the corporate website, at the Company's registered office the Annual Report, together with the reports of the Board of Statutory Auditors and the Independent</p>



The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2011. For any difference between the two texts, the Italian text shall prevail.

	Auditors', the Report on the corporate governance and ownership and the statement according to article 154-bis, paragraph 5, TUF, within one hundred and twenty days before the closing of the corporate year
--	--

- **Article 31°)**

The Procedure on transactions with related parties approved by the Board of Directors on November 11, 2010 provides for the exclusion, under certain conditions, of the urgent transactions.

Such exclusion is effective only upon express disposition contained in the By-laws.

It is proposed to amend the By-laws accordingly.

This amendment does not trigger the right of withdrawal of the Shareholders.

Here below the new article 31°) of the By-laws.

PROPOSED NEW TEXT
Article 31°) Transaction with related parties The Company approves the transaction with related parties pursuant to law provision and regulation in force, as well as its statutory provisions and the procedures adopted by the Company itself. Such procedure may provide for the exclusion from the scope of the urgent transactions, if these transactions must not be approved in advance by the Shareholders' Meeting, to the extent permitted by applicable laws and regulations.

It is proposed to re-numerate articles 31°) and 32°) in 32°) and 33°) following the introduction of new article 31°).

A copy of new By-laws acknowledging all the changes as above proposed is attached to this Report.

Proposal of resolution

With reference to the report above indicated the following resolutions are proposed to the Shareholders:

“The Extraordinary Shareholders' meeting,

- taking into account the Directors report

The present is the English translation of the Italian official report approved by the Board of Directors on March 14, 2011. For any difference between the two texts, the Italian text shall prevail.

resolved

- a) to amend articles 8, 9, 10, 19, 22, 25 of By-laws as drawn by the Board of Directors in the present Report with the wording contained in the “Proposed new text” column and to add a new article 31 with the wording contained in the same Report and to re-numerate following articles as consequence.*
- b) that the President and the Vice-President and Managing Director, jointly and severally, has any necessary power for the execution of this resolution and to provide to the publications requested by law, with the right to introduce those changes, not substantive, that might be required for the Register of Companies.*

Lainate, March 14, 2011

for the Board of Directors

Dr Ing. Massimo della Porta
Chairman