

"CIR S.p.A. - COMPAGNIE INDUSTRIALI RIUNITE"

Headquarters in Milan, Via Ciovassino 1,

Share Capital Euro 396,670,233.50

Registration no. on the Milan Register of Companies 00519120018

Company subject to management and coordination by "COFIDE"

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#### MINUTES OF THE ORDINARY ANNUAL GENERAL MEETING

In the year 2012 on the 27th day of the month of April at 10.45 a.m..

In Milan, in the Palazzo delle Stelline Congress Centre in Corso Magenta 61, the Annual General Meeting of the Shareholders took place.

The Chairman, Mr Stefano Micossi, takes the chair in accordance with the terms of Art. 17 of the Company Bylaws and with the unanimous consent of those present calls upon the Notary Public, Ms Francesca Testa to act as Secretary.

The Chairman informs that today's meeting was called for April 26 2012 at the first call and for today at the second call, with a notice published on the website of the Company and in the newspaper "La Repubblica" on March 27 2012 to pass resolution on the following

#### AGENDA

1. Annual Report and Financial Statements for the year ended December 31 2011. Resolutions on the same.
2. Proposal to cancel the resolution of April 29 2011 regarding the authorization to buy back and dispose of own shares and proposal for a new authorization.
3. Compensation Report.
4. Proposal to approve Stock Grant Plan 2012.

Since nobody attended the first call, as per the separate minutes, the Chairman reminds those present that a notice of postponement until the second call was published on the internet website of the Company and through NIS on April 19 2012.

As well as the Chairman the following persons are also present, namely the Honorary Chairman and Director Mr Carlo De Benedetti, the Chief Executive Officer Mr Rodolfo De Benedetti and the following Directors: Mr Giampio Bracchi, Mr Franco Debenedetti, Ms Silvia Giannini, Mr Franco Girard, Mr Michael Pistauer, Mr Claudio Recchi and Mr Guido Tabellini as well as all the Statutory Auditors in office: Mr Pietro Manzonetto – Chairman of the Board of Statutory Auditors, Mr Luigi Nani and Mr Riccardo Zingales.

The Directors absent have all sent their apologies.

He goes on to say that at the start of the meeting shareholders representing 439,354,737 shares with voting rights are present either in person or by proxy equal to 55.38% of the 793,340,467

shares making up the share capital and thus he declares the meeting to be validly constituted at the second call and qualified to pass resolution on the items on the Agenda.

He states that the right of those present at the meeting to exercise their votes has been verified as per the terms of the law.

He informs that:

- a recording system is in operation and that some employees are present in the meeting hall for organizational reasons;
- in compliance with the rules set out in Consob Resolution no. 11971, the list of the names of those attending the meeting is attached to these minutes under the letter "A" to form an essential and integral part of the same; this list gives the details of the Shareholder, the name of any proxy authorized to take part in the proceedings, and the name of anyone attending as a lienor, as the counterparty of a repurchase agreement or as a person with the right of usufruct;
- the list of those who have voted against or abstained from each individual vote is attached to these minutes under the letter "B" to form an essential and integral part of the same.

He requests that anyone wishing to have their absence from the meeting acknowledged should notify the staff at the entrance to the hall.

He also informs that:

- in accordance with what is set out in the Rules for Shareholders' Meetings the length of the interventions that can be made by each Shareholder is fixed at ten minutes;
- experts, financial analysts and qualified journalists have been allowed to be present at the meeting; a list of the journalists present is attached to the minutes under the letter "C".
- He states that Mr Marco Miccoli and Mr Antonio Zecca are present in the meeting room in representation of the firm of auditors Deloitte & Touche.

He duly acknowledges that the personal information of those attending the meeting will be collected and used by the Company in accordance with the provisions of Legislative Decree no. 196/2003.

The list of the Shareholders with percentages of ownership of more than 2% of the capital, resulting from the Shareholders' Book as of April 12 2012, together with the communications received as per the terms of Art. 120 of the Consolidation Act and any other information available to the Company as of April 26 2012, is as follows:

<i>Name</i>	<i>No. of shares</i>	<i>% of ord. cap.</i>
COFIDE S.P.A.	363,771,164	45.853
BESTINVER INTERNACIONAL F.I.	38,861,102	4.898
BESTINFOND F.I.	24,327,630	3.066
NORGES BANK	15,990,293	2.016

There were 13,813 Shareholders recorded in the Shareholders' Book as of April 12 2012.

As per the terms of Consob resolution no. 11971 Annex 3 e), 1st paragraph, letter c, he says who the Shareholders of last resort are, i.e. those holding more than 2% of the capital of CIR S.p.A. as of April 26 2012:

- Mr Carlo De Benedetti who indirectly owns 363,771,164 ordinary shares equal to 45.853% of the share capital;
- BESTINVER GESTION SGIIC SA which indirectly owns a total of 88,370,931 shares equal to 11.139% of the share capital: apart from the two funds already stated above, 25,182,199 shares held by individuals or entities that can be traced back to BESTINVER GESTION SGIIC SA should also be added although the owners individually hold less than 2% of the share capital.

He states that on the basis of the information available, there are no shareholder pacts as per the terms of Art. 122 of D.Lgs. no. 58 of February 24 1998 relating to CIR shares.

The own shares held by the Company as of today's date total 49,989,000 equal to 6.301% of the share capital.

For fulfilling the obligations in relation to the audit mandate and ongoing check that the accounts are being held correctly, he informs those present that Deloitte & Touche S.p.A. billed a total fee of euro 142,943 of which:

- euro 60,173 for 565 hours of audit work on the separate financial statements of the Company;
- euro 36,320 for 340 hours of audit work on the consolidated financial statements of the Group;
- euro 30,475 for 330 hours of hours of audit work on the semi-annual financial report as of June 30 2011;
- euro 8,675 for 90 hours of audit work on the ongoing accounting checks;
- euro 7,300 for expenses.

He points out that in the booklet which was handed out at the entrance to the hall, on page 52 is the "Annual Report on the System of Corporate Governance and on compliance with the Code of Conduct for Listed Companies" as per the terms of Art. 123-bis, paragraph 2, of the T.U.F..

He reminds those present that the Annual Report booklet that has been distributed containing the report and financial statements of the Company, also includes the consolidated financial statements of the Group for financial year 2011 which, although they are not the subject of discussion and approval by the Shareholders, do give the Shareholders broader and more significant information.

He points out that the share capital of CIR S.p.A., which is fully paid up, amounts to euro 396,670,233.50 and consists of 793,340,467 ordinary shares each with a nominal value of euro 0.50.

He invites anyone who may not have the right to vote as per the terms of the law to make the fact known.

The Chairman also reminds the attendees that, in accordance with the terms of Art. 135-*undecies*, of D.Lgs. 58/98, the Company has designated the company Compagnia Fiduciaria Nazionale S.p.A. as the entity that those with voting rights can contact and appoint as proxy giving them voting instructions on all or some of the motions on the Agenda; Compagnia Fiduciaria Nazionale S.p.A. has notified that they have not received any proxy requests.

Since the documentation on all the items on the Agenda was made available to the public well before the date of the meeting, with the unanimous consent of those present at the meeting he omits reading out the same.

Moving on to deal with the **first item on the Agenda** he passes the floor to the **Chief Executive Officer Mr Rodolfo De Benedetti**, who with the aid of some slides, attached to these minutes under the letter "D", illustrates the performance of the Group taking into account, among other things, the results for the first quarter approved by the Board of Directors Meeting held before the start of this Shareholders' Meeting, describing the results of the subsidiaries in detail.

**The Chairman of the Board of Statutory Auditors Mr Pietro Manzonetto**, with the consent of those present, omits a reading of the Report of the Board of Statutory Auditors given on page 223 onwards of the Annual Report booklet.

Before opening the debate, the **Chairman** informs the meeting that shareholders Marco Bava and Carlo Fabris have sent in, the latter only today, a list of questions and the answers to these questions have been made available for anyone who is interested at the entrance to the hall and are attached to these minutes under the letter "E".

The shareholder Carlo Fabris also presented a complaint as per the terms of Art. 2408 of the Civil Code in which he states that the time limit of three days given by the Company in the notice of meeting for submitting questions before the same meeting is in fact not legitimate. The Chairman therefore passes the floor to the **Chairman of the Board of Statutory Auditors Mr Pietro Manzonetto** since, in accordance with the terms of Art. 2408 1st paragraph of the Civil Code, the Board of Statutory Auditors should take this complaint into account in its Report to the Shareholders' Meeting.

Mr Manzonetto points out that it is not technically possible to include the complaint in the Report of the Board of Statutory Auditors as it reached the said Board after their Report had already been made available to the public as required by law.

According to the Statutory Auditors, the criticism made by the shareholder cannot be accepted because Art. 125-*bis* of the TUF, which stipulates what should be contained in the notice of meeting, allows the exercise of the right to be regulated and the imposition of a time limit is also in line with the interpretation given by Assonime in its Circular Letter no. 14 of May 5 2011.

The innovation introduced by Art. 125-*bis* of the TUF has the aim of enabling shareholders to participate more in the life of the company but obviously a certain amount of time is needed to answer the questions. Therefore with a view to taking both views into account it was considered appropriate to ask shareholders to send in any questions a reasonable amount of time before the meeting so that there is sufficient time to prepare the answers.

The debate then begins.

The shareholder **Tommaso Marino** complains that the Meeting started late and says that the Company ought to consider the shareholders more with regard to the start of the meeting. He would in general appreciate a greater dialogue between the Company and its shareholders and complains in particular that he has never been contacted at the e-mail address that he provided. He noted with satisfaction that this year journalists are not allowed to use TV cameras after some pictures of him appeared last year on the website [www.repubblica.it](http://www.repubblica.it) to be promptly removed by the Company when he pointed it out to them.

He asks if the amount paid to CIR following the ruling of the Court of Appeal in the Lodo Mondadori case includes moral damage and if this is not the case whether a separate lawsuit has been made for such damages from that for compensation for the damage due to lost income, and also asks how much of the amount paid out was accrued interest given that, if the case were lost in Cassation, the interest would have to be repaid together with a monetary revaluation of the principal.

The press reported recently some statements made by Mr Carlo De Benedetti about the honourable Bersani and he would like to know whether such statements were made as an entrepreneur or as a member of a political party, given the effect that they could, in his opinion, have on the Group.

He also thinks that the Company should consider investing in a television broadcaster even with a view to further broadening its scope and completing the market in which the Group operates.

**The Chairman** apologizes for the delay in starting the meeting, explaining that this was due to the fact that the Board of Directors were engaged in an in-depth examination of the results for the first quarter immediately before the Shareholders' Meeting in order to make them available to the shareholders.

He assures everyone that the Company pays great attention to relations with its shareholders and that the Company website works very well: he therefore invites the shareholder to make use of it.

The Company has taken legal action specifically to get compensation for the non-patrimonial damages suffered by CIR in the affair relating to the Lodo Mondadori. The sum of money received after the ruling last July has been set aside prudentially in the memorandum accounts together with the interest that would be owing if the ruling of the Court of Cassation were a negative one. To date the net result of the management of this sum is slightly positive.

Lastly, he reminds the shareholder that neither Mr Carlo De Benedetti's remarks nor the acquisition of television broadcasters are the subject of today's Shareholders' Meeting.

**Mr Carlo De Benedetti** takes the floor and points out that he has never been a member of a political party and does not belong to any party today.

Since nobody else has requested the floor, **the Chairman** says that for the moment there have not been any changes in the number of presences and therefore puts the Annual Report and Financial Statements for the year ended December 31 2011 to the vote, together with the following proposed allocation of the result for the year 2011, including the distribution of the dividend reported on page 35 of the Annual Report booklet distributed to all those present.

"Dear Shareholders,

The Financial Statements for the year ended December 31 2011, which we are submitting to your approval, closed with net income of euro 269,144.01 which we propose be allocated to the reserve "Retained earnings".

We also propose distributing a unit dividend of € 0.025 to each of the shares in circulation with dividend rights as of January 1 2011 (with the exclusion of own shares held as treasury stock), withdrawing the full amount from the item "Retained earnings".

The proposed allocation:

- takes into account the provisions of Art. 2357-ter, paragraph 2 of the Civil Code, which state that the dividend rights of own shares be distributed proportionally to the other shares;
- will take into account the dividend rights of 4,941 shares servicing 810 former Sasib privileged shares, the conversion of which has not yet been requested.

It should be noted that the actual amounts to be allocated to the dividend payout and the use of the "Retained earnings" reserve will take into account the own shares being held as treasury

stock and the ordinary shares in circulation as of the date of the Annual General Meeting of the Shareholders, in case any further purchases are made of own shares or any new shares are issued in exercise of options by beneficiaries of stock option plans.”

This proposal is put to the vote and is unanimously approved with the abstention of Tommaso Marino with 10 shares.

The Chairman goes on to say that the dividend of euro 0.025 will be paid out on May 24 2012 with coupon registration in the Stock Exchange on May 21 2012.

Moving on then to deal with the **second item on the Agenda**, the Chairman informs those present that on page 9 and following pages of the smaller booklet given them when they entered the hall is the Report of the Board of Directors and the proposed resolution, which is the same as the one given last year, which he proceeds to read out:

“The Ordinary Meeting of the Shareholders of CIR – COMPAGNIE INDUSTRIALI RIUNITE S.p.A.”:

- having heard the proposals made by the Board of Directors
- having duly acknowledged the favourable opinion of the Board of Statutory Auditors
- taking into account the provisions of Art. 2357 and following articles of the Civil Code, of Art. 132 of D.Lgs. 58/1998, of Art. 144-*bis* of Consob resolution 11971/1999 and of EC Regulation 2273/2003

#### RESOLVES

1. To cancel for the part not utilized and for the period between the day of this Meeting and the natural expiry date, the resolution to buy back own shares adopted by the Ordinary Meeting of the Shareholders on April 29 2011 and, and a consequence of the above, the related authorization to dispose of the same;
2. To authorize, in accordance with and as a result of the terms of Art. 2357 of the Civil Code, for eighteen months as from today, the buyback of CIR shares as follows:
  - A maximum of 30,000,000 shares may be bought back (in addition to the shares already held as treasury stock) for a nominal value of euro 15,000,000, which may not in any case exceed one fifth of the share capital of CIR and with a maximum disbursement limit of euro 50,000,000; the Company will increase its current non-available reserve, entitled “Reserve for own shares held”, by the amount of the own shares bought back, by withdrawing a corresponding amount from the reserve “Retained earnings” resulting from the financial statements as of December 31 2011, the most recently approved. The unit price of each individual purchase of shares shall not be more than 10% higher or lower than the official price recorded in trading on the Stock Exchange on the day before the purchase is carried out or the price is fixed;

- The buyback may take place:
  - a) Through a public offer to acquire or exchange shares;
  - b) On regulated markets according to operating procedures set out in the rules for organizing and managing those same markets, which do not permit bids to be matched directly with predetermined offers and in any case in such a way as to ensure the equal treatment of all the Shareholders in accordance with the provisions of Art. 132 of D.Lgs. no. 58/98 and with the terms of the law or of regulations in force at the moment of the transaction;
  - c) Through the purchase and sale of derivative instruments traded on regulated markets which involve the physical delivery of the underlying shares complying with the further provisions contained in Art. 144-*bis* of Consob resolution 11971 and its subsequent amendments and additions;
  - d) Through the proportional assignment to the Shareholders of put options to be awarded within a period of 15 months and exercisable within a period of 18 months from this resolution;

3. To authorize, in accordance with and as a result of the terms of Art. 2357-*ter* of the Civil Code, the Board of Directors and for the Board, the Chief Executive Officer to carry out, within the limits of the law, any subsequent purchase or sale transactions and also to arrange, without any time limit or constraint, the shares bought back for sale – even before completing the buybacks as authorized above – once or more than once through authorized intermediaries, at prices no lower than the last purchase price paid or recorded in the books, with a specific exception for directors and executives of the Company, and for executives and directors of its subsidiaries and parent company to whom the shares may be transferred or assigned even free of charge, in observance of the limits laid down by law, in execution of specific existing or future compensation plans based on the shares of the Company;

4. To authorize the Board of Directors again, and for the Board the Chief Executive Officer, in accordance with and as a result of the terms of Art. 2357-*ter* of the Civil Code, without any time limit or constraint, to arrange for the own shares bought back to be used – once or more than once – as payment in exchange for equity, or for sale through offer to the public and/or to the Shareholders, or even through a placement of warrants and depositary receipts representing shares (American Depositary Receipts and similar certificates);

5. To establish that in the event of alienation of the own shares, the non-available reserve set up as per the provisions of Art. 2357-*ter*, third paragraph of the Civil Code “Reserve for own shares held” shall be transferred with priority to the “Share premium reserve” until its balance is fully made up and for any remaining amount into the reserve “Retained earnings”.



**The Chairman** then opens the discussion and as nobody asks for the floor, informs those present that at that moment shareholders representing 439,354,727 shares with voting rights are present in person or by proxy, equal to 55.38% of the 793,340,467 shares making up the capital of the Company.

He therefore puts the resolution reproduced above to the vote upon which it is approved by a majority of votes, with 22,265,008 votes against and specifically with the vote against of certain Funds represented by Mr Carlo Maria Giambalvo Zilli – as specified in the list attached under the letter “B” – and with the favourable vote of all the other shareholders and with no abstentions.

Moving on to deal with the **third item on the Agenda** the Chairman informs the meeting that in the smaller booklet given them on their entry into the hall on page 13 and following pages they will find the Compensation Report and on page 30 the proposed resolution which he proceeds to read out:

“The Ordinary Meeting of the Shareholders of CIR S.p.A. - COMPAGNIE INDUSTRIALI RIUNITE,

- having seen the terms of current regulations;
- acknowledging that the Compensation Report has been filed and made available within the time limits required by law,

ADOPTS A RESOLUTION

in favour of the content of Section I of the Compensation Report approved by the Board of Directors at the meeting held on March 12 2012.”

**The Chairman** reminds those present that the meeting is called upon to express a consultative vote on just the first Section of the Report; he then opens the discussion and nobody having asked for the floor, he notes that there have been no changes in the number of persons present and therefore puts the above-cited resolution to the vote whereupon it is approved by a majority of the votes, with 27,083,711 votes against, more specifically with the votes against of certain Funds represented by Mr Carlo Maria Giambalvo Zilli – as can be seen in the list attached to these minutes under the letter “B” – and with the votes in favour of all the other shareholders and with no abstentions.

Moving on to deal with the **fourth item on the Agenda** the Chairman informs those present that the smaller booklet given to them when they entered the hall on page 31 and following pages is the Report prepared by the Board of Directors on Stock Grant 2012 and the proposed resolution which he reads out:

“The Ordinary General Meeting of the Shareholders of CIR S.p.A. – COMPAGNIE INDUSTRIALI RIUNITE, acknowledging the proposal made by the Board of Directors,

## RESOLVES

- 1) To approve Stock Grant Plan 2012 aimed at executives and/or directors of the Company, its parent company and its subsidiaries through the issuance of a maximum of 6,000,000 Units, each of which will give the beneficiaries the right to be assigned free of charge 1 share of the Company, all as illustrated in the Information Document prepared in accordance with D.Lgs. no. 58/98;
- 2) To delegate the Board of Directors to:
  - a) Define the number of Units to be assigned to each Beneficiary in respect to the maximum number approved by the Shareholders' Meeting;
  - b) Draw up the Regulations of the Plan and see that it is implemented in accordance with the terms and conditions described in the Information Document;
  - c) Fulfil the relative disclosure obligations with Consob and the market.”

The Chairman then opens the debate and, nobody having asked for the floor, notes that there has not been any change in the number of presences and that Director Maristella Botticini is also present and therefore puts the resolution cited above to the vote whereupon it is approved by a majority of the votes, with 25,014,972 votes against and more specifically with the vote against of certain Funds represented by Mr Carlo Maria Giambalvo Zilli - as can be seen in the list attached to these minutes under the letter “B” – and with the votes in favour of all the other shareholders and with no abstentions.

On behalf of the Board, the Chairman proffers sincere thanks to Mr Alberto Piaser, present in the meeting hall, for his work for the Company as a officer for over 25 years and as General Manager.

After which, there being nothing further requiring a vote, the Chairman thanks all those who have taken part and declares the meeting closed at 11.55 a.m..

THE CHAIRMAN  
(Stefano Micossi)

THE SECRETARY  
(Francesca Testa)