

NOTICE OF ANNUAL GENERAL MEETING

1st CALL - APRIL 26 2012 - at 3.00 p.m.

2nd CALL - APRIL 27 2012 - at 3.00 p.m.

PALAZZO DELLE STELLINE CONGRESS CENTRE

CORSO MAGENTA 61 - MILANO

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REPORT ON ITEM 2) ON THE AGENDA

**PROPOSAL TO CANCEL THE RESOLUTION OF APRIL 29 2011 RELATING TO
THE AUTHORIZATION TO BUY BACK AND DISPOSE OF OWN SHARES AND
PROPOSAL FOR A NEW AUTHORIZATION**

Dear Shareholders,

On October 29 of this year the right assigned to the Board of Directors by the Annual General Meeting of the Shareholders on April 29 2011 to buy back a maximum of 30,000,000 own shares will expire.

In the interest of the Company, we consider it opportune to propose cancelling the existing authorization for the period still to come and adopting a new resolution to buy back shares in the market, in accordance with and a result of Articles 2357 and 2357-ter of the Civil Code, with the resulting right to dispose of the same shares.

In the opinion of the Board the reasons originally adopted for the buyback of the company's own shares remain valid, and these are the following:

- The possibility of buying shares of the Company at prices below their actual value based on the real economic value of its equity and its income generating prospects, thus enhancing the value of the Company;*
- The possibility of reducing the Company's average costs of capital.*

The authorization, in accordance with and as a result of Art. 2357 of the Civil Code, is requested for a period of eighteen months, starting from the date of the Shareholders' Meeting (AGM), and is for the buyback of a maximum of 30,000,000 COFIDE shares, as follows:

a) *A maximum of 30,000,000 shares may be bought back for a nominal value of euro 15,000,000, which may not in any case exceed one fifth of the share capital of COFIDE and with a maximum disbursement limit of euro 25,000,000; the Company will set up a non-available reserve, entitled “Reserve for own shares held”, for the amount of the own shares bought back, by withdrawing a corresponding amount from the reserve “Recovery of historical cost of equity investments” 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 maximum quantity of shares that can be bought back in the market on any one day has been specified explicitly, in compliance with the limit imposed by EC Regulation no. 2273/2003;*

b) *The buyback may take place:*

- In the market*
- Through a public offer to acquire or exchange shares;*
- Through the pro-rata assignment of put options to Shareholders.*

Your Board does not consider that the buyback, which you are being asked to authorize, is aimed at reducing the share capital although this cannot be ruled out in absolute terms and will be evaluated if it represents an opportunity for the creation of value.

Concerning the authorization to dispose of the bought back own shares, the resolution being submitted to you is identical to the one currently in force and is deliberately broad in

its scope order to give it maximum operating flexibility but no exchanges or sales to the public through the issue of American Depositary Receipts or similar certificates are currently envisaged.

Lastly, we can assure you that we have instructed our subsidiaries not to approve the purchase of or to actually purchase any COFIDE shares.

Given all of the above, we are putting forward to you the proposal that the existing authorization be cancelled for the period until its expiry and that the following new resolution be adopted:

“The Ordinary Meeting of the Shareholders of COFIDE 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 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 as 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 COFIDE shares as follows:

- A maximum of 30,000,000 shares may be bought back for a nominal value of € 15,000,000, which may not in any case exceed one fifth of the share capital of COFIDE and with a maximum disbursement limit of euro € 25,000,000; the Company will set up a non-available reserve, entitled “*Reserve for own shares held*”, for the amount of the own shares bought back, by withdrawing a corresponding amount from the reserve “*Recovery of historical cost of equity investments*” 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 day on which 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 terms of the law or of regulations in force at the moment of the transaction; quantities bought back each day shall not exceed 25% of the total daily volume, as defined in EC Regulation no. 2273/2003;

- c) 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, without any time limit or constraint, to arrange 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;
 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, 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 into the reserve “*Recovery of historical cost of equity investments.*”