



REPORT OF THE BOARD OF DIRECTORS ON THE FOURTH ITEM OF THE AGENDA

Determination of the remuneration of the regular members of the Board of Statutory Auditors

Dear Shareholders,

You have been called in this session of the Shareholders' Meeting to discuss and resolve upon the determination of the remuneration of the regular members of the Board of Statutory Auditors, which this Meeting is called to elect in a separate, preceding item on the agenda.

According to the provisions of Article 2402 of the Italian Civil Code and Article 25.1 of the Bylaws, when the Board of Statutory Auditors is elected, the Shareholders' Meeting determines the annual remuneration to which the regular Auditors are entitled for their entire term of office.

We remind you that that the remuneration of the Board of Statutory Auditors whose term is expiring was set by the ordinary Shareholders' Meeting of April 29th, 2010 at Euro 85,000 a year for the Chairman and Euro 75,000 a year for the other regular Auditors, in addition to the reimbursement of travel and living expenses incurred in performing the duties of the office.

You are thus requested to determine – on the basis of the proposals made by the Shareholders also during the Meeting – the remuneration of the regular members of the Board of Statutory Auditors.