

**MINUTES OF THE EXTRAORDINARY AND ORDINARY SHAREHOLDERS' MEETING OF "HERA  
S.P.A." HEADQUARTERED IN BOLOGNA (BO)**

I T A L I A N   R E P U B L I C

On the fifteenth of October two thousand twelve at 10:20 a.m.

In Bologna, at 101, via Gobetti.

Before me, Federico Tassinari, notary registered with the Notaries' Association of the District of Bologna, residing in Imola,

appeared

- **TOMMASI DI VIGNANO Tomaso**, born in Brescia (BS) on 14 July 1947, domiciled for the office as stated below, who was proceeding herein in his capacity as Chairman of the Board of Directors, and therefore as the legal representative, of "**Hera S.p.A.**" with its registered office in Bologna at Viale Carlo Berti Pichat 2/4, with share capital of €1,115,013,754.00 (one billion one hundred fifteen million thirteen thousand seven hundred fifty-four point zero zero), subscribed and paid up, tax code and registration number with Bologna Companies Register 04245520376, R.E.A. number BO-363550 (hereinafter also the "**Company**").

This appearing party, an Italian citizen, of whose personal identity, I, the notary, am certain, declared that an Extraordinary and Ordinary Shareholders' Meeting of the aforesaid Company had been convened on single call, in this location and for this date and time by means of a notice disclosed to the market and published on the Company's website, as well as in the Italian daily newspaper *Milano Finanza* on 28 August 2012, followed by a supplemental notice disclosed to the market and published on the Company's website and in the Italian daily newspaper *Milano Finanza* on 4 September 2012, in order to discuss and resolve upon the following

AGENDA

**Extraordinary Part:**

1. Approval of the merger by incorporation of Acegas-Aps Holding S.r.l. into Hera S.p.A. pursuant to Article 2501 et seq. of the Italian Civil Code and the consequent amendment of paragraph 5.1 of the Articles of Association: related and consequent resolutions.
2. Amendment of Articles 16 and 26 of the Articles of Association: related and consequent resolutions.
3. Amendment of Articles 7 and 17 of the Articles of Association and insertion of a transitory clause: related and consequent resolutions.
4. Capital increase, to be executed in cash over one or more occasions and in any number of tranches, divisible in general and within each tranche, on a payment basis, for a maximum nominal amount of €84,833,826.00, in addition to any share premium, by issuing a maximum of 84,833,826 ordinary shares, with regular dividend rights and with the same characteristics as those in circulation on the issue date, with exclusion of the right of option pursuant to Article 2441, paragraph 4, subparagraph 1 of the Italian Civil Code, to

service any promotion by the Company of a share exchange offer (and any purchase offer, where applicable) for the ordinary shares issued by Acegas-Aps S.p.A. and the resulting amendment of Article 5 of the Articles of Association by the insertion of paragraph 5.5: related and consequent resolutions.

5. Granting of authority to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, to be exercised for a maximum period of three years from the relevant shareholders' resolution, to increase the share capital, on several occasions if necessary, on a payment basis and in tranches, for a maximum nominal amount of €80,000,000.00, in addition to any share premium, by issuing a maximum of 80,000,000 ordinary shares with regular dividend rights and with the same characteristics as those in circulation on the issue date, to be offered as an option pursuant to Article 2441, paragraphs 1, 2 and 3 of the Italian Civil Code, and the resulting amendment to Article 5 of the Articles of Association by the insertion of paragraph 5.6: related and consequent resolutions.

**Ordinary Part:**

1. Appointment of three members of the Board of Directors, of which two shall not take office until the effective date of the merger of Acegas-Aps Holding S.r.l. into Hera S.p.A.

2. Integration of the Board of Statutory Auditors: consequent provisions.

The chairmanship of the Meeting was assumed pursuant to Article 13 of the Articles of Association and Article 4 of the Shareholders' Meeting Regulations by the said appearing party, who had ascertained that:

- the Meeting had been duly called in accordance with Articles 9 and 10 of the Articles of Association;

- in attendance for the Board of Directors were not only the said Chairman, but also the following directors:

- Maurizio Chiarini, Chief Executive Officer;
  - Giorgio Razzoli, Vice Chairman;
  - Mara Bernardini, Director;
  - Filippo Brandolini, Director;
  - Luigi Castagna, Director;
  - Marco Cammelli, Director;
  - Fabio Giuliani, Director;
  - Valeriano Fantini, Director;
  - Luca Mandrioli, Director;
  - Mauro Roda, Director;
  - Daniele Montroni, Director;
  - Roberto Sacchetti, Director;
  - Rossella Saoncella, Director;
  - Enrico Giovannetti, Director;
  - Bruno Tani, Director;
- Apologies for absence were received from:
- Pier Giuseppe Dolcini, Director;

· Giancarlo Tonelli, Director;

and from the Board of Statutory Auditors, the following were present:

· Sergio Santi, Chairman of the Board of Statutory Auditors;

· Elis Dall'Olio, Member of the Board of Statutory Auditors;

· Antonio Venturini, Member of the Board of Statutory Auditors;

- also present was the Secretary of the Board of Directors, Mila Fabbri, and, pursuant to Article 2 of the Shareholders' Meeting Regulations, the Meeting was attended by the General Manager of Operations, Roberto Barilli, and the General Manager of Development and Markets, Stefano Venier;

- authorised journalists attended at a location outside the meeting site, with a closed-circuit TV connection, as provided for in Article 2 of the Shareholders' Meeting Regulations;

- pursuant to Article 2 of the Shareholders' Meeting Regulations, attendance by support service personnel is allowed, identified by special staff badges: such staff were present to deal with the technical and organisational demands of the proceedings;

- also present were experts to aid in carrying out the Meeting's proceedings;

- the Company had engaged Servizio Titoli S.p.A. as Designated Representative, pursuant to Article 135-undecies of Legislative Decree 58/1998;

- as of today's date, the share capital totals €1,115,013,754.00 (one billion one hundred fifteen million thirteen thousand seven hundred fifty-four point zero zero), fully paid up, and divided into 1,115,013,754 (one billion one hundred fifteen million thirteen thousand seven hundred fifty-four) ordinary shares, with a nominal value of €1 (one) each, of which 1,103,346,269 carry the right to attend and vote at this Shareholders' Meeting, with Hera S.p.A. currently holding 11,667,485 treasury shares;

- verifications were made, by personnel engaged for this purpose, of the personal identity and legitimacy of the parties attending for the purposes of participation in the Shareholders' Meeting, as well as of the regularity of the proxies submitted, which documents were entered on the Company's records, a detailed list of which is attached hereto as **Appendix A**), in accordance with Appendix 3E to the regulations implementing Legislative Decree 58/1998, adopted by Consob Resolution 11,971 of 14 May 1999 as amended, and Article 2375 of the Italian Civil Code.

Therefore:

- whereas, with reference to the current legal provisions and Articles of Association, the Extraordinary Shareholders' Meeting is duly convened at first call, with the participation of more than one fifth of the share capital, while the Ordinary Shareholders' Meeting is duly convened and resolves regardless of the portion of the share capital represented by the shareholders in attendance;

- having ascertained the presence at the Meeting of those holding shares with voting rights attached, a list of whose names is included in the

abovementioned Appendix A), the Chairman declared, based on the powers conferred on him by Article 13 of the Articles of Association and by Articles 4 and 5 of the Shareholders' Meeting Regulations, that the Meeting was duly convened and able to resolve upon the items on the Agenda and engaged me, the notary, to draft the respective minutes.

Based on the provisions of Article 5 of the Shareholders' Meeting Regulations, the items on the agenda would be dealt with in the sequence indicated above.

Before going on to discuss the items on the agenda, the Chairman also noted that:

a) based on what appears in the Shareholders' Register and taking into account the updates relative to today's Meeting, the notifications received and the other information available, the shareholders that appeared to have an interest, directly or indirectly, in the share capital in excess of 2% (two per cent) were the following:

- Municipality of Bologna
- Municipality of Modena
- HSST-Mo S.p.A.
- Municipality of Imola
- CON.AMI
- Municipality of Rimini
- Rimini Holding S.p.A.
- Municipality of Cesena
- Municipality of Ferrara
- Holding Ferrara Servizi S.r.l.
- Municipality of Ravenna
- Ravenna Holding S.p.A.
- Carimonte Holding S.p.A.
- Gruppo Società Gas Rimini S.p.A.
- Lazard Asset Management LLC

b) also on record was the stipulation of the following shareholder agreements:

1) **consultation agreement signed on 23 February 2010, last amended on 03 July 2012, by 5 minority shareholders of Hera S.p.A. for a total of 104,986,756 shares equal to 9.4157% of the current share capital;**

2) **Voting Syndicate and Share Transfer Rules Agreement executed on 21 December 2011 and last amended on 02 March 2012, between 113 public shareholders of Hera S.p.A. for a total of 656,046,187 shares equal to 58.84% of the current share capital;**

3) **Voting Syndicate Agreement signed on 21 December 2011 and last amended on 02 March 2012, by 68 public shareholders of Hera S.p.A., for a total of 278,713,699 shares equal to 25.00% of the current share capital;**

4) **Framework Agreement signed on 25 July 2012 by Hera S.p.A. and Acegas-Aps Holding S.r.l., mainly concerning the obligations and conditions for proceeding with the merger by incorporation of Acegas-Aps Holding S.r.l. into**

**Hera S.p.A.**

The Chairman nevertheless formally requested that the Meeting attendees disclose the existence of relationships, agreements or pacts other than those declared and any situations that, pursuant to the Articles of Association, entail limitations on exercising voting rights.

The Chairman then went on to explain the operational procedures for carrying out the proceedings of today's Shareholders' Meeting, drawing the attendees' attention to the instructions included in the notice contained in the folder provided at reception, and specifically:

- a) the operations for recording attendance and tallying voting results would be managed with the aid of technical devices and an IT procedure;
- b) shareholders had been provided with a special electronic device known as a "radiovoter", in which an identification code for the shareholder and the respective shares held was memorised;
- c) this device had to be used to record attendance, at each time of entering or leaving the meeting room, to allow proper recording in the minutes, and to cast the vote, and had to be returned to the staff in charge at the end of the Meeting;
- d) voting would therefore take place using the "radiovoter";
- e) detailed instructions for using the "radiovoter" could be found in a specific document in the folder provided at reception;
- f) votes against and abstentions thus cast and non-voters would be automatically recorded and included in a breakdown in an appendix to the minutes of the Meeting;
- g) shareholders holding proxies who intended to cast various votes among the shares represented overall were to go to the special voting station indicated above ("assisted voting");
- h) shareholders were strongly encouraged not to go in and out of the room during voting operations to facilitate a proper attendance tally;
- i) shareholders were asked to participate in the discussion, pursuant to the provisions of Article 6 of the Shareholders' Meeting Regulations, which would be carefully implemented during the Meeting;
- l) to ensure the broadest possible participation in the discussion, shareholders were asked to make statements that were relevant to the agenda items and to limit their duration. Each shareholder could make only one statement on each agenda item.

At the end of all statements on each agenda item discussed, responses would be provided to shareholder requests, with the possible suspension of the Meeting's proceedings for a limited period of time, as allowed by Article 7 of the Shareholders' Meeting Regulations.

Those who had requested the floor would have the option after the responses of making a brief reply upon request;

- m) based on the provisions of Article 6 of the Shareholders' Meeting Regulations - taking into account the subject and relevance of the individual agenda items put up for discussion - the Chairman believed that the maximum

duration of statements should be set beforehand at ten minutes, and at five minutes for responses;

n) all those interested in requesting the floor were asked to go with the appropriate form, contained in the folder provided to attendees at reception, and with their "radiovoters", to the "SPEAKERS" station in the middle of the room;

o) as provided for by current regulations, statements would be included in the minutes in summary form, stating the names of the parties taking the floor and the responses obtained;

p) pursuant to the laws and Articles of Association in effect, the Extraordinary Shareholders' Meeting, in relation to the subject matter in:

- items 1), 2), 4) and 5) of the Agenda, would adopt resolutions based on the vote in favour of at least two thirds of the capital represented at the Shareholders' Meeting;

- item 3) of the agenda, would adopt resolutions based on the vote in favour of at least three quarters of the capital represented at the Shareholders' Meeting pursuant to Article 14 of the Articles of Association.

The Chairman also stated that the Ordinary Shareholders' Meeting would adopt resolutions by absolute majority of the capital represented by the shareholders present;

q) a voice amplification system would be working in the room, and there would be audio-visual recording for the sole purpose of facilitating the drawing up of the minutes, as allowed by Article 3 of the Shareholders' Meeting Regulations.

The Chairman declared that the requirements relating to the formation of the Meeting had been fulfilled and, on behalf of the entire Board of Directors, thanked the shareholders for attending.

The Chairman then went on to discuss the first item on the agenda for the extraordinary part.

**1. Approval of the merger by incorporation of Acegas-Aps Holding S.r.l. into Hera S.p.A. pursuant to Article 2501 et seq. of the Italian Civil Code and the consequent amendment of paragraph 5.1 of the Articles of Association: related and consequent resolutions.**

The Chairman, with the consent of the attendees, gave no reading of the Explanatory Report prepared by the Board of Directors on this agenda item, the text of which was contained in the folder provided at reception.

He saw fit, prior to examining this agenda item, to remind attendees that Hera and Acegas-Aps Holding S.r.l., a company that controlled (with 62.691% of the share capital) Acegas-Aps S.p.A., a listed multi-utility company operating in northeast Italy, had on 25 July 2012 signed a Framework Agreement outlining the principal terms of the merger between the two groups, in the context of which it was envisaged, inter alia, that: (i) the operation would take place by the merger by incorporation of Acegas-Aps Holding S.r.l. into Hera, to take effect on 1 January 2013, and (ii) Hera, by holding 62.691% of the share capital of Acegas-Aps following the merger, would

promote, subject to the merger and once the required clearances had been obtained, a public offering of all Acegas-Aps shares in accordance with Article 106, paragraphs 1 and 2-bis of Legislative Decree No. 58 of 24 February 1998.

To service the merger, a maximum of 143,380,651 ordinary shares would be issued with a nominal value of €1 each and traded on the MTA electronic stock exchange, to be assigned to shareholders of Acegas-Aps Holding in proportion to the shares currently held by each one in that company. The Chairman explained that Hera's share capital would increase by €1,115,013,754 to a maximum of €1,258,394,405.

The Framework Agreement also stated that by 15 December 2012, the Municipalities of Padua and Trieste, due to and as a result of the merger of Acegas-Aps S.p.A. into Hera, would sign the "Voting Syndicate and Share Transfer Rules Agreement", signed by Hera's public shareholders on 21 December 2011, and that this had therefore been amended as described in the Explanatory Report prepared by the Board of Directors on this agenda item.

The Chairman informed the attendees that on 14 September 2012, the auditors Reconta Ernst & Young S.p.A., appointed by Bologna District Court on the joint application of Hera and Acegas-Aps Holding, had issued its report on the fairness of the exchange ratio pursuant to Article 2501-sexies of the Italian Civil Code, available from the Company's website.

He further noted that the Disclosure Document had been prepared as required by Article 70(6) of the Issuers' Regulation, available from the Company's website together with the financial statements for the last three financial years and the consolidated half-year report to 30 June 2012, the separate financial statements of Acegas Holding S.r.l. to 30 June 2012 and other appendices to the Disclosure Document.

He emphasised that the merger operation submitted for approval represented the next major step in the Group's development.

Hera and Acegas-Aps S.p.A. shared numerous industrial and historical characteristics, with a similar ownership structure and development model, both listed in the early 2000s, and had continued their development by pursuing the acquisition of smaller, local entities operating in the same sector while maintaining an organisational structure able to accommodate the specific requirements of each region. Acegas-Aps and Hera now have a complementary business portfolio and are renowned for their commitment to debt reduction.

The merger between the two entities, with Hera acquiring Acegas-Aps Holding, which controlled Acegas-Aps, would help to optimise their respective industrial platforms, particularly in the Energy, Water and Environment sector, both in terms of economies of scale and industry presence.

In addition, the new entity would have sufficient industrial strength and size to facilitate future concentration within the Veneto and Friuli Venezia Giulia region, exploiting its industrial and operational presence and offering the new group as a whole possible solutions in response to the needs

of smaller firms (such as disposal and recovery, opportunities arising from the restructuring of the gas industry, and commercial opportunities in the Energy sector).

The merger reflected a "strong" industrial rationale involving the following key aspects:

- stronger leadership in Environment and Network Services, developing the broad-based customer portfolio and leveraging the operational and industrial synergy;
- increased investment capacity and effectiveness/quality of service, partly with a view to competing for tenders;
- establishing an industrial structure equipped to deal with local government at the highest level, in order to facilitate future mergers;
- a stronger regional presence and industrial synergy through close links with the local region;
- consolidated financial prospects based on Hera's credit rating, which even after the merger would retain its "investment grade" rating.

The new entity would have a value of production exceeding €4.5 billion, EBITDA in excess of €750 million and a net profit of approximately €140 million, with financial solidity proven by debt cover ratio of approximately 3.2x, making this the second largest Local Utilities group, with a very significant leadership and competitive positioning profile:

- the leading Italian waste treatment operator (5.4 million tonnes, of which 3.7 from third parties);
- the second largest operator in terms of water sold (300 million m<sup>3</sup>);
- the third largest gas distributor (about 1.5 million points of delivery and volumes of 2.9 billion distributed);
- the fifth largest operator in terms of electricity sales to end-users (~11 TWh of electricity sold, with over 650,000 customers);
- the seventh largest retailer of natural gas (2.8 billion m<sup>3</sup> sold to almost 1.4 million customers).

In theory, the industrial and strategic position after the merger, together with the group's expertise and operational structure, would result in stricter guidelines aimed at:

- continued development in the Energy sector, expanding the customer base and harnessing opportunities in the current and adjacent region, both through cross-selling and further penetration with a dual-fuel offering, as well as promoting upstream integration, in a context where the "minimum efficient scale" would steadily increase and the sales and upstream divisions would experiment with new business models, with a renewed customer focus and network of partnerships;
- consolidating its leadership in the domestic Environment sector based on the integrated management of the various local plants, as well as the on-going development of the business model, increasingly focused on the three pillars of recovery, recycling and disposal, with a view to maximising the group's role in renewable energy generation;



- developing and improving efficiency in the Water sector, where the new regulatory framework and tariff (in the process of being defined following the 2011 referendum), and the resulting price stability and transparency, in addition to the management models, should ensure a financial balance and an improvement in quality in general;
- harnessing innovation and efficiency to develop operations and improve the perceived quality, following best practice both with regard to the plants in operation and customers. In this respect, the emphasis would be on a model and approach that allowed (i) integrated management of resources, (ii) standard operating procedures for plant construction, (iii) cutting-edge technological solutions;
- reinforcing the sustainability model, with initiatives aimed at reducing the environmental impact and maximising recovery activities in order to promote a balanced use of local resources, particularly water;
- consolidating the balance sheet and financial position;
- creating an effective platform for future development and mergers.

In relation to the merger and corporate governance agreements between the public shareholders of Hera that signed the "Voting Syndicate and Share Transfer Rules Agreement" on 21 December 2011 and the public shareholders of Acegas-Aps Holding, contained in the aforementioned Framework Agreement, Hera would adopt certain amendments to its Articles of Association, including the amendment to Article 5, "Share capital", and more specifically paragraph 5.1 regarding the share capital and number of shares, in view of the capital increase authorised to service the Merger.

Additional amendments concerning Articles 7 "Public majority holding", 16 "Board of Directors", 17 "Appointment of the Board of Directors", 26 "Appointment of the Board of Statutory Auditors" and the introduction of the transitory clause were covered in the corresponding Explanatory Reports and were the subject of specific resolutions in the context of the following points on the agenda of the Extraordinary Shareholders' Meeting.

Furthermore, it was acknowledged that none of the bondholders of the convertible bond "EUR 140,000,000 1.75 per cent Equity - Linked Bonds due 2013", following the publication in the Official Journal of the Italian Republic of the notice required by Article 2503-bis of the Italian Civil Code within the terms set forth herein, had exercised the right of early conversion as referred to in paragraph 2 of Article 2503-bis of the Italian Civil Code.

#### Submission of requests for the floor and opening up the floor for discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter" to the "SPEAKERS" station in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the request submission order, he asked the first person requesting

the floor to come to the podium, reminding them to keep their statement to 10 minutes.

The shareholder Demetrio Rodinò took the floor, holder of six shares, who emphasised how the operation submitted for the approval of the Shareholders' Meeting represented, in his opinion, a major milestone in the Company's development and validated the Group's traditional strategy, potentially paving the way for further expansion in future. He hoped that similar mergers would take place in future, as they boosted the economic growth of the entire country. He believed that Hera's shares offered a good return for shareholders.

The floor was then given to the shareholder Donato Vena, holder of 23,500 shares, who stated that he represented certain minority shareholders who were members of the Italian Communist Party, with a view to expressing their dissent with the current resolution and the subsequent resolution relating to the number of members of the Board of Directors. He first explained that he had drafted and submitted two questions to the Company in accordance with the procedures outlined on the Company's website and had until that morning not received any written reply, either by e-mail or via the Company's website. He went on to explain that the two questions concerned Hera's position following the referendum on water and executive pay. In this regard, he believed that the assumption whereby a large corporation was good for the public sector was misplaced, since the increased size gave the management more power and diluted the influence of the mayors, who represented the public and looked after the interests of the people. He indicated that he would be voting against this agenda item.

The floor was then given to the shareholder Katrin Bove, holder of 90 shares, who believed that the merger under discussion at the Meeting was a momentous operation, since in the sector in question, expansion not only created economies of scale, but was also good in view of the size of competitors. He asked for clarification of the nature of the synergy between Hera and Acegas, and how this would affect free market operation.

The floor was then given to Giordano Tabanelli, speaking on behalf of the Municipality of Fusignano, holder of 362,885 shares, by virtue of the authority vested in him by the council to express certain points on the merger operation. He pointed out that the operation created uncertainty linked with the gradual liberalisation of the sector, which could, in view of the increased solvency and financial power of the Company, undermine its commitment to the local region and to addressing the concerns of the public. He hoped that the management would continue to pay attention to its consumers, particularly the most vulnerable and exposed groups, and to small and medium-sized enterprises; he also asked that Hera, as a public company, reduce its costs and the number of directors, passing the cost savings on to its customers; finally, he hoped for a system of governance that could ease the on-going confrontation between the management and its public shareholder base. He indicated that he would be voting for this proposal on the agenda.

The floor was then given to the shareholder Enrico Nannetti, holder of 1,400 shares, who declared that he was speaking personally and as the spokesperson of a group of minority shareholders. Aside from the current merger, he asked whether there was a way of establishing a dialogue with shareholders on the subject of the Company's expansion in general, and of checking whether there were alternative options that would also create synergy and economies of scale. He feared that a policy of expansion alone would eventually be detrimental to the smallest shareholders. He also feared that this expansion would end up with the Company turning to much larger suppliers with less competitive costs than at present; he also asked how the Company viewed the right of shareholders to exercise a postal or electronic vote in accordance with the Shareholders Rights' Directive. He hoped that the mayors who found themselves having to sell their shares would at least negotiate a right of repurchase, so that they could potentially buy back the shares sold, and that the Syndicate Agreement contained a list of suppliers that were not only based in Italy, but also had their production facilities there. He indicated that he would be voting against this proposal on the agenda.

The floor was given to the shareholder Davide Giorgio Reale, holder of one share, who described himself as a "non-resident" shareholder, being from Milan, and noted the consistency of the operation with the Company's long-avowed growth policy. He acknowledged the wide consensus with which the operation had been received; as a shareholder he was satisfied with the effects of the merger announcement on the markets. He hoped that these positive effects would not be diluted in future, for example by the Tobin Tax. He asked for information on the additional operations currently handled by Acegas-Aps.

The floor was then given to Marco Macciantelli, mayor of San Lazzaro di Savena, holder of 2,772,010 shares, who declared that he had attended the Meeting out of curiosity and noted, as the other shareholders had done, that this was an operation that sought to strengthen the integrated services model without in any way suggesting privatisation or a disregard for the principle of water as a public resource. He thought it only fair to stress the need for close links in future between the merged company and the local area, hoping that the search for growth in the services sector would boost competition and help to bolster the overall strategic aspect, without using individual operations as a pretext for reviewing the basis of the Company's strategy. He believed that the merger on which the shareholders were being asked to vote was sound, although he pointed out that there had not been much time to assess properly all the stages of the operation, partly due to it coinciding with the holiday period.

The floor was then given to the Municipality of Imola, represented by its mayor, Daniele Manca, holder of 71,480 shares, who noted how, some ten years since the flotation of the company, the time had come for a broad assessment of the operations of Hera, which had been able to "reduce the fragmentation" within the market and grow the business, even beyond the confines of the

region, increasing the company's capital and assets, and thereby managing vastly to improve and enhance the quality of the services offered. In a fragmented market, firms would have been unable to cope with the increased competition that came from liberalisation. The merger in question represented a new, debt-free phase in the Company's development, beyond the traditional confines of the region, heralding, as further proof of the quality of its services and its local roots, a step change that would allow renewed investment in the region served by the Company. He underlined the similarities between the two regions, and the shared viewpoint that had thus far guided both companies, characterised by an ability to manage the entire industrial cycle of local public services. He believed that the merger in question was a firm guarantee of Hera's ability to deal with the major changes afoot in the country. He conveyed the appreciation of Hera's public shareholders for the way in which the Company had been run by the directors and management team, as evidenced by the decision of the Fondo Strategico Italiano, controlled by the Cassa Depositi e Prestiti S.p.A., to invest in the Company as a key partner.

The floor was then given to the Chairman, who noted:

- in terms of the Company's commitment towards merger operations in general, he emphasised, as previously noted by the mayors of San Lazzaro di Savena and Imola, that the Company had always acted sensibly in other regions, selecting operations that would not distort the fundamental characteristics and governance of Hera;

- in terms of growth drivers, he pointed to three factors that together had reconciled a consistent management approach with the needs of the local area:
  - i) the organic growth of products and services;
  - ii) the size of the investments made;
  - iii) the quality of the corporate mergers carried out;

- regarding Mr Vena's statement, the Chairman promised that his criticisms would be taken on board, and confirmed that the Company's website contained all the answers to the questions raised in accordance with the statutory procedures and within the prescribed time limits;

- in terms of the referendum, he noted that the Company was complying with the rules applicable to the water sector and, from the date of the referendum, which had no retroactive effect, would implement the decisions taken by the competent authorities;

- with regard to the reduction in the influence of the mayors, he believed that, in terms of the size of the overall public holding, this would grow and not be reduced following the operations approved by the Shareholders' Meeting;

- in response to Mr Bove, he observed that the synergy of the group had been described in a press release, which forecast EBITDA of around €25 million a year by 2016; to that end, he gave several forecasts, as requested by the shareholder himself, demonstrating that the effects of the synergy had been calculated over a five-year period. He also emphasised that the Company had in the past completed other operations with the company META that were

similar to the one currently being submitted to the shareholders;

- in response to Mr Tabanelli, the Chairman confirmed the Company's on-going commitment to the issues raised, in line with the statements contained in the sustainability report;

- in response to the mayor of San Lazzaro di Savena, he confirmed that no mergers, either now or in future, would distort the Company's governance; he emphasised how the little time available for announcing the operation was due to the confidentiality requirements typical of a listed company and therefore, prior to 25 July, the Company had been unable to disclose any aspect of the operation.

The Chairman confirmed that the waste cycle and water integration project remained priorities for the Company. With regard to Company overheads, he referred to the analysis that would be carried out during the ordinary part of the Meeting. He could however reveal that, during the subsequent term of office, there would be a significant reduction in the number of directors and thus in the overall amount of executive pay, with a focus on reconciling the need to remain competitive with its ability to attract and retain the best talent. Finally, returning to the statement by Mr Nannetti, the Chairman pointed out that ROE was specific to each shareholder, and that a tool had been made available on the Company's website for this purpose which shareholders could use to calculate their own ROE based on their particular circumstances. He then presented several slides illustrating the performance of the Company's ROE (rather than of individual shareholders), comparing the results with those of other companies in the sector. He explained that ROE had been negative until 2011 and that, since 1 January 2012, the only investment with a positive ROE had been Hera's, unlike other companies in the sector.

The Chairman concluded by thanking the mayor Daniele Manca for his support for the operation and the clarity with which he had expressed his approval. Since there were no other interested parties, he declared the floor closed to statements.

The Chairman then declared the discussion closed and moved on to the vote.

#### Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the first item on the agenda for the extraordinary part.

"The Shareholders' Meeting of Hera S.p.A.:

- having read and approved the Explanatory Report of the Board of Directors, prepared pursuant to Article 2501-quinquies of the Italian Civil Code and its annexes;

- having examined and discussed the Merger Plan;

- recognising that the Merger Plan had been approved by the Board of Directors at its meeting on 28 August 2012;

- acknowledging the fulfilment, on 29 August 2012, of the requirement to file

the Merger Plan pursuant to Article 2501-ter, paragraph 3, of the Italian Civil Code;

- acknowledging the statements of financial position and income statements of the acquiring company, Hera S.p.A., and the acquiree Acegas-Aps Holding S.r.l., both to 30 June 2012;

- acknowledging the report dated 14 September 2012 on the fairness of the exchange ratio prepared by Reconta Ernst & Young S.p.A., as the expert appointed by Bologna District Court pursuant to Article 2501-sexies of the Italian Civil Code;

- acknowledging the filing at the headquarters of Hera S.p.A. and Acegas-Aps Holding S.r.l. of the documents referred to in Article 2501-septies of the Italian Civil Code.

#### **resolves**

(i) to approve the Merger Plan of Acegas-Aps Holding S.r.l. into Hera S.p.A., as registered with the relevant company registries, in accordance with the terms and conditions set forth in the Merger Plan and therefore, inter alia:

- with the retirement of all shares representing the entire share capital of Acegas-Aps Holding S.r.l. and the allocation of Hera S.p.A. shares to the respective holders in accordance with the exchange ratio indicated in the Merger Plan;

- with the consequent increase in the share capital of Hera S.p.A. from the current €1,115,013,754.00 to €1,258,394,405.00, by issuing a maximum of 143,380,651 ordinary shares with a nominal value of €1.00 each, to be reserved exclusively for the exchange of shares relating to the merger, with exclusion of the right of option of the shareholders of Hera S.p.A.;

- with the adoption from the effective date of the merger of the amendments to paragraph 5.1 of the Articles of Association as follows:

"5.1 The share capital amounts to €1,258,394,405.00 (one billion two hundred and fifty-eight million three hundred and ninety-four thousand four hundred and five point zero zero) represented by 1,258,394,405.00 (one billion two hundred and fifty-eight million three hundred and ninety-four thousand four hundred and five) shares with a nominal value of €1 (one) each. The shares are freely transferable;"

(ii) to grant the widest possible powers to the Chairman of the Board of Directors to give effect to this resolution, even by means of proxy, where required, necessary or appropriate, including the power to:

- make and sign the public deed of merger, deciding on each clause and component thereof, including the effective date, in accordance with that set forth in the Merger Plan;

- make and sign any records of acknowledgment, amendment and/or rectification, establishing any clause, term and procedure for the Merger Plan, consenting to the transfer of registration and transfer of any assets, including any publicly registered real and personal property, public and private securities, rights, sureties, licenses, concessions, and receivables from the government and other public entities;

- to acknowledge, during the execution of the merger, the new version of the Articles of Association as of the effective date of the merger itself, and so that it may be filed with the Companies Register;
- to complete any necessary formality so that the resolutions adopted are registered in the Companies Register, with the specific power to disclose the amount of share capital used to service the merger and to make any amendments, deletions and/or additions to said resolutions, provided that they are not substantial, that should be necessary during registration."

Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the duration of the voting operations.

He then declared the vote open on the proposed resolution on the first item of the agenda for the extraordinary part.

Holders of proxies intending to cast various votes on the proposal were asked to go to the "assisted voting" station.

The other shareholders could remain seated and cast their votes using the "radiovoters", according to the instructions indicated in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were reports from shareholders intending to correct the vote cast using the "radiovoters".

He then declared the vote on the proposal indicated in the first item of the agenda for the extraordinary part closed and asked a staff member to provide the results of the vote.

He then announced the results of the vote, which are reported, in accordance with the abovementioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix B)**:

having obtained the approval of shareholders representing two thirds of the share capital represented at the Meeting, as shown in the breakdown in the attached witnessing document, and with

862,445,638 votes in favour

25,000 votes against

282,229 abstentions

0 non-voters

**the proposal was declared approved.**

Therefore the Chairman:

- handed me the Merger Plan approved by this Meeting, recorded in the Bologna Companies Register on 30 August 2012, reference number 60337/2012, which plan is attached hereto, together with its appendix, and marked **C)**, with the

stipulation that the Articles of Association attached to the Merger Plan already indicate the additional amendments made to the Articles of Association, which shall take effect from the effective date of the merger and which shall be the subject of specific resolutions in connection with the subsequent items on the agenda of this Extraordinary Shareholders' Meeting;

- handed me the report on the fairness of the exchange ratio prepared by the company "Reconta Ernst & Young S.p.A.", registered office 32 Via PO, Rome, with offices at 34 Via D'Azeglio, Bologna, tax code and registration number with the Rome Companies Register 00434000584, listed in the Special Register referred to in Article 161 of Legislative Decree no. 58 of 24 February 1998, by Consob resolution no. 10831 of 16 July 1997, also listed in the Auditors' Register under number 70495 by a measure published in the Official Journal of the Italian Republic, Supplemental 13 - IV Special Series of 17 February 1998, appointed by Bologna District Court by order of 1 August 2012, as the joint expert, and charged to prepare, pursuant to Article 2501-sexies of the Italian Civil Code, the report on the fairness of the exchange ratio, said report being appended hereto and marked **D**);

documents that the Chairman declared had remained on file in accordance with the law.

The Articles of Association, updated with the amendment relating to the amount of share capital resulting from the merger, would be filed by the Chairman, on behalf of the Board of Directors, with the Companies Register within 30 days of the effective date.

The Chairman asked me to acknowledge that, in relation to the Merger Plan, all documentation required by Article 2501-septies of the Italian Civil Code had been filed in accordance with the law and that, pursuant to Article 2502-bis of the Italian Civil Code, together with these minutes and their appendices, documents would also be filed with the Bologna Companies Register as required by Article 2501-septies of the Italian Civil Code, with the stipulation that the financial statements for the 2009, 2010 and 2011 financial years had already been filed with the relevant Companies Register under the following reference numbers:

"**Hera S.p.A.**" registered office 2/4 Viale Carlo Berti Pichat, Bologna, with share capital of €1,115,013,754.00 (one billion one hundred and fifteen million thirteen thousand seven hundred and fifty-four point zero zero), fully paid up, tax code and registration number with the Bologna Companies Register 04245520376, filed its accounts with the Bologna Companies Register under the following reference numbers:

\* for the year ended 31 December 2011, reference number 27733/2012, on 16 May 2012;

\* for the year ended 31 December 2010, reference number 24632/2011, on 9 May 2011;

\* for the year ended 31 December 2009, reference number 28153/2010, on 19 May 2010;

"**ACEGAS - APS HOLDING S.R.L.**", registered office 5/A Corso Stati Uniti,



Padua, with share capital of €188,000,000.00 (one hundred and eighty-eight million point zero zero), fully paid up, tax code and registration number with the Padua Companies Register 03902390289, filed its accounts with the Padua Companies Register under the following reference numbers:

\* for the year ended 30 June 2011, reference number 87720/2011, on 30 November 2011;

\* for the year ended 30 June 2010, reference number 77023/2010, on 26 November 2010;

\* for the year ended 30 June 2009, reference number 1269/2010, on 12 January 2010.

The Chairman noted that the discussion of the first agenda item for the extraordinary part had ended and proceeded with a discussion of the second agenda item for the extraordinary part.

## **2. Amendment of Articles 16 and 26 of the Articles of Association: related and consequent resolutions.**

The Chairman, with the consent of the attendees, gave no reading of the Explanatory Report prepared by the Board of Directors on this agenda item, the text of which was contained in the folder provided at reception.

He explained that the proposed amendments were mainly aimed at altering Hera's Articles of Association in view of the requirements arising from the merger with Acegas-Aps Holding S.r.l., and specifically at implementing the provisions of the Framework Agreement signed by the two companies on 25 July 2012.

Owing to their connection with the Framework Agreement, the amendments referred to in this agenda item, if approved, would take effect from the effective date of the merger of Acegas-Aps Holding into Hera pursuant to Article 2504-bis, paragraph 2, of the Italian Civil Code. The merger is due to take effect on 1 January 2013.

The Chairman explained that the amendments to Articles 16 and 26 concerned:

### **- Article 16 (Board of Directors):**

The proposed amendment consists of increasing the number of members of the Board of Directors from 18 to 20, in order to give effect to the governance agreements contained in the Framework Agreement and consequently to grant the Municipalities of Padua and Trieste the right each to appoint a member of the Board of Directors, with effect from the effective date of the merger of Acegas-Aps Holding into Hera. Since the Framework Agreement states that the merger shall take effect from 1 January 2013, and therefore prior to the re-election of the Board of Directors currently in office, due to take place at the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2013, said representation may be assured only by the aforementioned increase in the current number of members of the Board of Directors from 18 to 20.

### **- Article 26 (Appointment of the Board of Statutory Auditors):**

The proposed amendment to paragraph 26.1 consists of the provision that, for the purposes of appointing members of the Board of Statutory Auditors, other

public entities or authorities, in addition to consortiums or corporations directly or indirectly controlled by same, may submit a single slate for the election of statutory auditors, in addition to the municipalities, provincial authorities and consortiums formed pursuant to Article 31 of Legislative Decree 267/2000.

Said amendment was deemed necessary to harmonise the wording of the provision with the new wording of Article 7 of the Articles of Association, as amended following that provided under item 3 of the agenda (extraordinary part).

Submission of requests for the floor and opening up the floor for discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter" to the "SPEAKERS" station in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the request submission order, he asked the first person requesting the floor to come to the podium, reminding them to keep their statement to 10 minutes.

Since there were no statements, he declared the discussion closed.

The Chairman then moved on to the vote.

Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the second item on the agenda for the extraordinary part.

"The Shareholders' Meeting of Hera S.p.A.:

- having heard the Chairman's report;
- having examined and approved the Explanatory Report of the Board of Directors and the proposals made therein;

**resolves**

(i) to amend Articles 16 and 26 of the Articles of Association as indicated below:

**"ART. 16 BOARD OF DIRECTORS**

16.1 The Company shall be managed by a Board of Directors composed of 20 (twenty) members, who need not be shareholders, and who shall remain in office for three financial years until the date of the Shareholders' Meeting called to approve the financial statements for the year in which their term of office expires; they shall be re-eligible for office and their term of office shall expire in accordance with the law.;"

**"ART. 26 APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS**

26.1 The appointment of the Statutory Auditors shall take place on the basis of slates submitted by the shareholders, using the procedure described below to guarantee minority shareholders the appointment of one principal statutory auditor and one alternate statutory auditor. Municipalities, provinces or consortiums created pursuant to Article 31 of Legislative Decree 267/2000, or other public entities or authorities, as well as consortiums or corporations

controlled in any case by them shall submit a single slate, until the Company is no longer classified as majority publicly owned, pursuant to Article 7. Slates must contain a number of candidates that does not exceed the number of members to be elected, listed using consecutive numbers. Each candidate may run on only one slate, on pain of ineligibility.

26.2 Shareholders who alone or together with other shareholders represent at least 3% (three per cent) of the shares with voting rights at an Ordinary Shareholders' Meeting have the right to submit slates.

26.3 Every shareholder may submit, or contribute to submitting, only one slate. If this rule is broken, the shareholders' vote with respect to any slate submitted will not be taken into account.

26.4 Slates signed by the Board of Directors and by the shareholders that have submitted them, must be filed, on pain of forfeiture, together with a declaration certifying the lack of pacts or connections of any sort with other shareholders that have submitted other slates, with the registered office at least twenty-five days prior to the date set for the Meeting. These slates must be made available to the public according to the procedures and deadlines stipulated in Article 17.5.

By the deadline set for filing slates, the individual candidates must file statements accepting their candidacy and declaring, under their own responsibility, the non-existence of grounds for ineligibility and conflict of interest as provided for by law, as well as the existence of the requirements of honesty and professionalism required by law for members of the Board of Statutory Auditors, and must provide the list of administrative and oversight offices held by them at other companies. Slates for which the above provisions are not observed shall be deemed not submitted.

Every party entitled to vote may vote for one single slate.

26.5 From the slate obtaining the greatest number of votes cast by the shareholders, two principal statutory auditors and one alternate shall be taken, in the consecutive order in which they are listed on the said slate.

The third principal statutory auditor and the other alternate shall be taken from other slates, electing the first and second candidate, respectively, from the slate showing the second highest quotient. In the event of a tied vote between two or more slates, the candidate most senior in age will be elected a statutory auditor.

26.6 The chairmanship of the Board of Statutory Auditors shall fall to the first candidate on the slate obtaining the second highest quotient.

In the event of a tied vote between two or more slates, the candidate most senior in age will be appointed as chairman.

For the appointment of the statutory auditors who for any reason are not appointed by the slate voting procedure, the Shareholders' Meeting shall resolve by the legal majorities.

26.7 In the event of the replacement of a principal statutory auditor, he or she is succeeded by the alternate auditor belonging to the same slate as the auditor to be replaced.

The appointment of statutory auditors to comprise the Board of Statutory Auditors, pursuant to Article 2401 of the Italian Civil Code, shall be made by the Shareholders' Meeting with the majorities provided for by legal provisions, from among the names indicated by the same shareholders submitting the slate to which the statutory auditor leaving office belonged; if this is not possible, the Shareholders' Meeting shall replace him with the legal majorities.

26.8 The Shareholders' Meeting determines the compensation due to the statutory auditors, plus reimbursement of the expenses incurred in carrying out the office.

The statutory auditors' powers, duties and term in office are those established by law;"

(ii) to grant the widest possible powers to the Chairman of the Board of Directors to give effect to the resolution, even by means of proxy, where required, necessary or appropriate, including the power to:

- sign and publish any document, deed and/or declaration useful or appropriate for such purpose, in addition to any communication envisaged by the applicable rules and regulations;
- to act where required, necessary or appropriate to implement the aforementioned resolution in full, making any non-substantial changes that should be required by the competent authorities, including for the purposes of registration with the Companies Register."

Vote on the proposed resolution

The Chairman asked the attendees not to leave the room during the voting operations.

He then declared the voting open on the proposed resolution on the second agenda item for the extraordinary part.

Holders of proxies intending to cast various votes on the proposal were asked to go to the "assisted voting" station.

The other shareholders could remain seated and cast their votes using the "radiovoters", according to the instructions indicated in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were reports from shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the second item of the agenda for the extraordinary part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported,

in accordance with the abovementioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix E**):

having achieved the majority of two thirds of the share capital represented at the Meeting, as it appears from the breakdown in the attached witnessing document, and with

852,807,608 votes in favour

178,664 votes against

282,229 abstentions

23,500 non-voters

**the proposal was declared approved.**

The Articles of Association, updated with the amendments relating to Articles 16 and 26, would take effect from the effective date of the approved merger, and would be filed by the Chairman on behalf of the Board of Directors with the Companies Register within 30 days of said effective date.

The Chairman noted that the discussion of the second agenda item for the extraordinary part was closed, and moved on to discuss the third item on the agenda for the extraordinary part.

**3. Amendment of Articles 7 and 17 of the Articles of Association and insertion of a transitory clause: related and consequent resolutions.**

The Chairman, with the consent of the attendees, again gave no reading of the Explanatory Report prepared by the Board of Directors, the text of which was contained in the folder provided at reception.

He further explained that the amendments proposed under this agenda item were mainly aimed at altering Hera's Articles of Association in view of the requirements arising from the merger with Acegas-Aps Holding S.r.l., and specifically at implementing the provisions of the Framework Agreement signed by the two companies on 25 July 2012.

Owing to their connection with the Framework Agreement, the amendments referred to in this agenda item, if approved, would take effect from the effective date of the merger of Acegas-Aps Holding into Hera pursuant to Article 2504-bis, paragraph 2, of the Italian Civil Code. The merger is due to take effect on 1 January 2013.

The proposed amendments also concerned articles of the Articles of Association for which, pursuant to paragraph 14.2 of the Articles of Association, the resolutions had been carried by a qualified majority of three-quarters of the share capital represented at the Meeting.

Specifically, the proposed amendments concerned:

**- Article 7 (Public majority holding):**

Without prejudice to the principle laid down by Article 7 of the Articles of Association, the proposed amendment was intended for clarification and interpretation purposes, with the provision whereby the public majority holding could also take the form of Hera shares held by other public entities or authorities (other than the municipalities, provincial authorities and consortiums formed pursuant to Article 31 of Legislative Decree 267/2000) or companies whose share capital was majority-held, even indirectly, by public

entities or authorities (as well as by the municipalities, provincial authorities and consortiums formed pursuant to Article 31 of Legislative Decree 267/2000).

- **Article 17 (Appointment of the Board of Directors):**

The proposed amendment came within the scope of the governance agreements contained in the Framework Agreement, and concerned paragraph 17.2(i), according to which the increase in the number of members of the Board of Directors from 14 to 16 would be taken from the slate that received the highest number of votes. Said amendment was necessary to harmonise the Articles of Association with the amendment to Article 16 of the Articles of Association authorised in item 2 of the agenda, which provided for an increase in the number of members of the Board of Directors from 18 to 20.

- **Introduction of the transitory clause:**

It was proposed that a transitory clause be inserted containing certain amendments to paragraphs 16.1, 17.2 and 21.3 of the Articles of Association, with effect from the date of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2013. Specifically, the amendment to paragraph 16.1 concerned the reduction in the number of members of the Board of Directors from 20 to 15; the amendment to paragraph 17.2 consisted of reducing from 16 to 12 the number of members of the Board of Directors taken from the slate of candidates for the election of the Board of Directors obtaining the highest number of votes, and in the consequent reduction, from 4 to 3, of the number of remaining members taken from non-majority slates; finally, the amendment to paragraph 21.3 concerned the reduction in the quorum necessary for the adoption of resolutions of the Board of Directors on certain matters, reducing this from three-quarters of members in office to two-thirds of members in office, plus a director. The amendments were intended to allow the Board of Directors to operate more efficiently, with a view to cutting costs and complying with the governance agreements set out in the Framework Agreement.

**Submission of requests for the floor and opening up the floor for discussion**

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter" to the "SPEAKERS" station in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the request submission order, he asked the first person requesting the floor to come to the podium, reminding them to keep their statement to 10 minutes.

Since there were no interested parties, he declared the floor closed to statements.

The Chairman then declared the discussion closed and moved on to the vote.

**Submission of the proposed resolution**

As provided for by Article 5 of the Shareholders' Meeting Regulations, the

Chairman therefore submitted for approval the following proposal relative to the third item on the agenda for the extraordinary part.

"The Shareholders' Meeting of Hera S.p.A.:

- having heard the Chairman's report;
- having examined and approved the Explanatory Report of the Board of Directors and the proposals made therein;

**resolves**

(i) to amend Articles 7 and 17 of the Articles of Association and to insert a transitory clause as follows:

**"ART. 7 PUBLIC MAJORITY HOLDING**

7.1 At least 51% of the Company's share capital shall be held by municipalities, provincial authorities and consortiums formed pursuant to Article 31 of Legislative Decree 267/2000 or other public entities or authorities, or consortiums or corporations in which the municipalities, provincial authorities and consortiums formed pursuant to Article 31 of Legislative Decree 267/2000 or other public entities or authorities directly or indirectly hold the majority of the share capital.

7.2 Except for transactions carried out on the electronic stock exchange (Mercato Telematico Azionario), any transfer of shares shall be deemed ineffective vis-à-vis the Company if it would result in a public shareholding of less than 51%, and it is prohibited for any share transfer carried out in breach of this provision to be recorded in the shareholders' register.;"

**"ART. 17 APPOINTMENT OF THE BOARD OF DIRECTORS**

17.1 The election of the members of the Board of Directors shall be based on slates in which the candidates are numbered consecutively and their number must not be greater in any event than the members to be elected.

17.2 The appointment of the members of the Board of Directors shall take place as provided for below:

(i) from the slate obtaining the greatest number of votes, 16 members of the Board of Directors shall be taken based on the consecutive order in which they are listed;

(ii) for the appointment of the remaining 4 (four) members, the votes obtained by each of the slates other than the one referred to in paragraph (i), and which were not submitted or voted for by shareholders associated according to the pro-tempore regulations in force with the shareholders that submitted or voted for the slate referred to in paragraph (i), shall be divided successively by one, two, three and four. The quotients thus obtained are assigned progressively to the candidates on each slate, in the order provided for therein. The candidates are thus placed in a single decreasing gradation, according to the quotients assigned to each candidate. Candidates winning the largest quotients are elected up to the remaining amount of members to be elected. In the event of tied quotients between candidates from different slates, preference will be given in electing the last member to the one from the slate that has obtained the greatest number of votes or, in the event of a further tie, to the candidate that is most senior in age.

17.3 Slates must include at least two candidates possessing the independence requirements established for Statutory Auditors by Article 148, paragraph 3 of Legislative Decree 58/1998 and those provided for by the Code of Conduct prepared by the Corporate Governance Committee of Borsa Italiana S.p.A.

17.4 Slates may be submitted by shareholders representing at least 1% of the shares with voting rights at Ordinary Shareholders' Meetings, or another percentage provided for by the regulations in force and indicated in the notice of meeting.

17.5 Slates must be filed with the registered office, on pain of forfeiture, at least twenty-five days prior to the Meeting and will be made available to the public at the registered office, on the Company's website and by the other means provided for by regulatory provisions at least twenty-one days prior to the Meeting.

17.6 Each shareholder may submit or contribute to submitting and vote for one single slate. Support and votes cast in violation of that prohibition shall not be attributed to any slate.

17.7 Together with the slates, the parties submitting them must file a description of the candidates' professional curricula, the candidates' irrevocable acceptance of the office (subject to their appointment), certification of the non-existence of grounds for ineligibility and/or forfeiture, as well as any declaration of meeting the independence requirements established for Statutory Auditors by Article 148, paragraph 3, of Legislative Decree 58/1998 and those provided for by the Code of Conduct prepared by the Corporate Governance Committee of Borsa Italiana S.p.A. Slates for which the above provisions are not observed shall be deemed not submitted.

17.8 No one may be a candidate on more than one slate. The acceptance of candidacies on more than one slate shall be grounds for ineligibility.

17.9 In the event that a candidate-elect cannot or does not intend to take office, he shall be subrogated by the first of the unelected candidates from the slate to which that candidate belonged. In the event of the submission of only one slate of candidates, the members of the Board of Directors shall be elected from within that slate. For the election of directors not appointed for any reason under the above conditions, the Shareholders' Meeting shall resolve with the legal majorities.

17.10 If one or more directors appointed on the basis of slate voting should leave office during the course of the financial year, their places will be filled by means of the co-opting, pursuant to Article 2386 of the Italian Civil Code, of the first unelected candidates from the slate to which the departing directors belonged who have not yet been members of the Board of Directors. If, for any reason, no candidates are available, the Board will carry out the co-opting, again pursuant to Article 2386 of the Italian Civil Code. The directors thus appointed will remain in office until the next Shareholders' Meeting, which will deliberate in accordance with the procedures established for the appointment."



**"TRANSITORY CLAUSE**

As of the date on which the Shareholders' Meeting takes place for the approval of the financial statements for the year ending 31 December 2013, Articles 16.1, 17.2 and 21.3 of the Articles of Association shall be replaced as follows:

16.1 The Company shall be managed by a Board of Directors composed of 15 (fifteen) members, including non-shareholders, who shall remain in office for three financial years and whose term of office shall expire on the date of the Shareholders' Meeting called to approve the financial statements for the year in which their term of office expires; they shall be re-eligible for office and their term of office shall expire in accordance with the law.

17.2 The appointment of members of the Board of Directors shall take place as provided for below:

(i) from the slate obtaining the greatest number of votes, 12 (twelve) members of the Board of Directors shall be taken based on the consecutive order in which they are listed;

(ii) for the appointment of the remaining 3 (three) members, the votes obtained by each of the slates other than the one referred to in paragraph (i), and which were not submitted or voted for by shareholders associated according to the pro-tempore regulations in force with the shareholders that submitted or voted for the slate referred to in paragraph (i), shall be divided successively by one, two and three. The quotients thus obtained are assigned progressively to the candidates on each slate, in the order provided for therein. The candidates are thus placed in a single decreasing gradation, according to the quotients assigned to each candidate. Candidates winning the largest quotients are elected up to the remaining amount of members to be elected. In the event of tied quotients between candidates from different slates, preference will be given in electing the last member to the one from the slate that has obtained the greatest number of votes or, in the event of a further tie, to the candidate that is most senior in age.

21.3 The Board of Directors, with the vote in favour of (a) at least 2/3 (two-thirds), if necessary rounded down, of the members in office and (b) of an additional board member, added to the 2/3 (two-thirds) of members calculated in accordance with point (a) above, shall deliberate on:

(i) the appointment and/or removal of the Chairman and the Vice Chairman, except where the Chairman is appointed by the Shareholders' Meeting;

(ii) the appointment and/or removal of the Chief Executive Officer and/or the Chief Operating Officer;

(iii) the formation and composition of the Executive Committee, and the appointment and/or removal of members of the Executive Committee;

(iv) the determination of the powers delegated to the Chief Executive Officer and/or the Chief Operating Officer and/or the Executive Committee, and modification of those powers;

(v) the approval and modification of any long-term plans or business plans;

(vi) the approval and modification of Group regulations, if adopted;

(vii) the recruitment and/or appointment, on the proposal of the Chief Executive Officer, of the managers responsible for each departmental area."

(ii) to grant the widest possible powers to the Chairman of the Board of Directors to give effect to the resolution, even by means of proxy, where required, necessary or appropriate, including the power to:

- sign and publish any document, deed and/or declaration useful or appropriate for such purpose, in addition to any communication envisaged by the applicable rules and regulations;

- to act where required, necessary or appropriate to implement the aforementioned resolution in full, making any non-substantial changes that should be required by the competent authorities, including for the purposes of registration with the Companies Register."

Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the duration of the voting operations.

He then declared the voting open on the proposed resolution on the third agenda item for the extraordinary part.

Holders of proxies intending to cast various votes on the proposal were asked to go to the "assisted voting" station.

The other shareholders could remain seated and cast their votes using the "radiovoters", according to the instructions indicated in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were reports from shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the third item of the agenda for the extraordinary part closed and asked a staff member to provide the results of the vote.

He then announced the results of the vote, which are reported, in accordance with the abovementioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix F**):

having achieved at least three quarters of the capital present at the Meeting, as it appears in the breakdown in the attached witnessing document, and with

856,527,173 votes in favour

202,164 votes against

282,229 abstentions

0 non-voters

**the proposal was declared approved.**

The Articles of Association, updated with the amendments relating to Articles 7 and 17 and the addition of the transitory clause, would take effect from the effective date of the approved merger, and would be filed by the Chairman on behalf of the Board of Directors with the Companies Register within 30 days of said effective date.

The Chairman noted that the discussion of the third agenda item for the extraordinary part was closed, and moved on to discuss the fourth agenda item for the extraordinary part.

**4. Capital increase, to be executed in cash over one or more occasions and in any number of tranches, divisible in general and within each tranche, on a payment basis, for a maximum nominal amount of €84,833,826.00, in addition to any share premium, by issuing a maximum of 84,833,826 ordinary shares, with regular dividend rights and with the same characteristics as those in circulation on the issue date, with exclusion of the right of option pursuant to Article 2441, paragraph 4, subparagraph 1 of the Italian Civil Code, to service any promotion by the Company of a share exchange offer (and any purchase offer, where applicable) for the ordinary shares issued by Acegas-Aps S.p.A. and the resulting amendment of Article 5 of the Articles of Association by the insertion of paragraph 5.5: related and consequent resolutions.**

The Chairman, with the consent of the attendees, again gave no reading of the Explanatory Report prepared by the Board of Directors, the text of which was contained in the folder provided at reception.

He briefly explained that the Board of Directors of Hera S.p.A. had called the Extraordinary Shareholders' Meeting to submit for its approval a resolution on the capital increase, to be executed over one or more occasions and in any number of tranches, divisible in general and within each tranche, on a payment basis, for a maximum nominal amount of €84,833,826.00, in addition to any share premium, by issuing a maximum of 84,833,826 ordinary shares, with regular dividend rights and with the same characteristics as those in circulation on the issue date, with exclusion of the right of option pursuant to Article 2441, paragraph 4, subparagraph 1 of the Italian Civil Code, to service any promotion by the Company of a public offer to exchange (and purchase, where applicable) the ordinary shares of Acegas-Aps S.p.A. and the resulting amendment of the Articles of Association.

Said resolution would be adopted pending the merger of Acegas-APS Holding S.r.l. into Hera, following the effective date of which, on 1 January 2013, the latter, by that stage holding 62.691% of the share capital of Acegas-APS, would be required to promote, once it obtained the necessary authorisation, a public offering within the meaning of and pursuant to Article 106 of Legislative Decree 58/98, as subsequently amended and supplemented, of all Acegas-APS shares. Said offering would take place in the forms required by Article 106, paragraphs 1 and 2-bis of the Consolidated Law on Finance (TUF), and thus in the form of the purchase and exchange of shares.

He explained that, in exchange for the shares contributed to the offering and

in consideration of same, Hera intended to offer subscribers of the offering: (i) new Hera shares with the same characteristics as the Hera shares already in circulation on the basis of an equivalent exchange ratio to that recognised during the merger for the shareholders of Acegas-APS Holding, or 0.76266304 ordinary Hera shares with a nominal value of €1.00 for a nominal €1.00 of the share capital of Acegas-APS Holding, and thus to offer 4.15994709 Hera shares for every Acegas-APS share contributed to the offering and (ii) the payment of a cash sum of €0.27342352 for each Acegas-APS share contributed to the offering based on (a) the cash payment of €0.01812273 for every nominal €1.00 of the share capital of Acegas-APS Holding recognised during the merger for the shareholders of Acegas-APS Holding and (b) the net financial position of Acegas-APS Holding at 30 June 2012.

For the purposes of the offering, it was therefore necessary to approve a separate capital increase, to be executed in cash over one or more occasions and in any number of tranches, divisible in general and within each tranche, for a maximum of €84,833,826.00, plus a share premium, by issuing a maximum of 84,833,826 ordinary shares.

Taking into account the time necessary to implement the merger and the subsequent offering, it was expected that the capital increase would be carried out by 31 December 2014.

The Chairman informed the attendees that, on 14 September 2012, Prof. Paolo Bastia, appointed by Bologna District Court pursuant to Article 2343 of the Italian Civil Code, had issued a sworn report on the value of the Acegas-APS shares involved in the offering pursuant to Article 2440, paragraph 1 and Article 2343 of the Italian Civil Code, available on the Company's website.

In addition, on 21 September 2012 the auditors PricewaterhouseCoopers S.p.A. had issued its report on the fairness of the issue price of Hera shares servicing the offering, pursuant to the combined provisions of Article 2441, paragraph 4, subparagraph 1 and paragraph 6 of the Italian Civil Code and Article 158, paragraph 1 of the Consolidated Law on Finance (TUF), available from the Company's website.

Concerning the amendment to the Articles of Association linked with the resolution to increase the share capital to service the offering, he emphasised that this concerned Article 5 (Share capital) of the Articles of Association and proposed the addition of paragraph 5.5, which contained a specific reference to said resolution, to be worded as follows (the rest remaining unchanged):

**"ART. 5 SHARE CAPITAL**

5.5 The Extraordinary Shareholders' Meeting of 15 October 2012 resolved to increase, by 31 December 2014, in cash over one or more occasions and in any number of tranches, divisible in general and within each tranche, the share capital for a maximum nominal amount of €84,833,826.00 (eighty-four million eight hundred and thirty-three thousand eight hundred and twenty-six point zero zero), by issuing a maximum of 84,833,826 (eighty-four million eight hundred and thirty-three thousand eight hundred and twenty-six) ordinary

shares, with regular dividend rights and with the same characteristics as those in circulation on the issue date, with a nominal value of €1.00 each, plus a share premium, with exclusion of the right of option pursuant to Article 2441, paragraph 4, subparagraph 1 of the Italian Civil Code, to service any promotion by the Company of a public offer to exchange (and purchase, where applicable) the following financial instruments: ordinary shares issued by Acegas-Aps S.p.A."

Submission of requests for the floor and opening up the floor for discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter" to the "SPEAKERS" station in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the request submission order, he asked the first person requesting the floor to come to the podium, reminding them to keep their statement to 10 minutes.

Since there were no interested parties, he declared the floor closed to statements.

The Chairman then declared the discussion closed and moved on to the vote.

Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the fourth item on the agenda for the extraordinary part.

"The Shareholders' Meeting of Hera S.p.A.:

- having heard the Chairman's report;
- having examined and approved the Explanatory Report of the Board of Directors and the proposals made therein;
- having acknowledged the fairness opinion expressed pursuant to Article 2441, paragraph 6 of the Italian Civil Code and Article 158 of the Consolidated Law on Finance (TUF) by the appointed auditors PricewaterhouseCoopers S.p.A.;
- having acknowledged the sworn report prepared by the expert appointed by Bologna District Court pursuant to Articles 2440 and 2343 of the Italian Civil Code;
- having read the statement by the Board of Statutory Auditors that the current share capital is fully subscribed and paid up and that the Company is not presently in a situation that could require any prior corporate action,

**resolves**

(i) to increase, by 31 December 2014, pursuant to Article 2441, paragraph 4, subparagraph 1 of the Italian Civil Code, the share capital, over one or more occasions and in any number of tranches, divisible in general and within each tranche, on a payment basis, for a maximum nominal amount of €84,833,826.00, by issuing a maximum of 84,833,826 ordinary shares, with regular dividend rights and with the same characteristics as those in circulation on the issue

date, to be paid up by the contribution in kind of a proportion of the shares contributed to the public offer to purchase and exchange all ordinary shares of Acegas-Aps S.p.A., to be promoted by the Company, subject to the effectiveness of the merger by incorporation of Acegas-Aps Holding S.r.l. into the Company, based on a ratio of 4.15994709 new ordinary shares of Hera for every Acegas-Aps S.p.A. share contributed, with a nominal value of €5.16 each, net of the cash sum of €0.2734235227 for every Acegas-APS share contributed to the offering. The subscription price of the new Hera shares is a nominal €1 plus a share premium to be set by the Board of Directors of Hera S.p.A. in accordance with the applicable international accounting standards and market practice;

(ii) to establish that, pursuant to Article 2439 of the Italian Civil Code, in the event that the aforementioned capital increase (even with regard to its individual tranches) should not be fully subscribed by the final deadline of 31 December 2014, it shall proceed based on the subscriptions received by that date;

(iii) consequently to amend Article 5 of the Articles of Association of the Company by adding the following text after paragraph 5.4 of the Articles of Association: "5.5 The Extraordinary Shareholders' Meeting of 15 October 2012 resolved to increase, by 31 December 2014, in cash over one or more occasions and in any number of tranches, divisible in general and within each tranche, the share capital for a maximum nominal amount of €84,833,826.00 (eighty-four million eight hundred and thirty-three thousand eight hundred and twenty-six point zero zero), by issuing a maximum of 84,833,826 (eighty-four million eight hundred and thirty-three thousand eight hundred and twenty-six) ordinary shares, with regular dividend rights and with the same characteristics as those in circulation on the issue date, with a nominal value of €1.00 each, plus a share premium, with exclusion of the right of option pursuant to Article 2441, paragraph 4, subparagraph 1 of the Italian Civil Code, to service any promotion by the Company of a public offer to exchange (and purchase, where applicable) the following financial instruments: ordinary shares issued by Acegas-Aps S.p.A."

(iv) to grant the widest possible powers to the Chairman of the Board of Directors to give effect to the resolution, even by means of proxy, where required, necessary or appropriate, including the power to:

- sign and publish any document, deed and/or declaration useful or appropriate for such purpose, in addition to any communication envisaged by the applicable rules and regulations;

- to proceed, if necessary, with the revision of the estimate and all additional requirements provided for by Article 2343, paragraphs 3 and 4 of the Italian Civil Code;

- to update Article 5 of the Articles of Association of the Company, in accordance with that required by law, according to the progress of the capital increase, in order to record, from time to time, the execution of the aforementioned capital increase, indicating from time to time the amount of

capital subscribed and paid up and the number of shares issued and still to be issued to service the public offer to purchase and exchange all Acegas-Aps S.p.A. shares;

- to fulfil any requirement necessary for the admission to trading of the new Hera S.p.A. shares;

- to act where required, necessary or appropriate to implement the aforementioned resolution in full, making any non-substantial changes that should be required by the competent authorities, including for the purposes of registration with the Companies Register."

Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the duration of the voting operations.

He then declared the voting open on the proposed resolution on the fourth agenda item for the extraordinary part.

Holders of proxies intending to cast various votes on the proposal were asked to go to the "assisted voting" station.

The other shareholders could remain seated and cast their votes using the "radiovoters", according to the instructions indicated in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were reports from shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the fourth item of the agenda for the extraordinary part closed and asked a staff member to provide the results of the vote.

He then announced the results of the vote, which are reported, in accordance with the abovementioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as Appendix G):

having achieved at least two thirds of the capital present at the Meeting, as it appears in the breakdown in the attached witnessing document, and with 855,319,941 votes in favour

3,628,900 votes against

282,229 abstentions

0 non-voters

**the proposal was declared approved.**

The Chairman, in relation to the aforementioned capital increase resolution, declared that the share capital of "Hera S.p.A.", as of that day, had been subscribed and paid up in the amount of €1,115,013,754.00 (one billion one hundred and fifteen million thirteen thousand seven hundred and fifty-four

point zero zero) and that the Company was not in any of the situations referred to in Articles 2446 and 2447 of the Italian Civil Code.

The Chairman then handed me the aforementioned report prepared pursuant to Articles 2440 and 2343 of the Italian Civil Code by Prof. Paolo Bastia, born in Bologna (BO) on 5 March 1957, residing at 32 Viale Carlo Berti Pichat, Bologna, tax code BST PLA 57C05 A944T, with an office at 7 Via Castiglione, Bologna, a chartered accountant registered with the Register of Chartered Accountants and Bookkeepers of the Province of Bologna under no. 1639/A and with the Register of Expert Witnesses of Bologna District Court, registered in the Register of Auditors under no. 75073, in accordance with the measure of 26 May 1999, published in the Official Journal of the Italian Republic, Supplemental No. 45, Special Series IV, of 8 June 1999, appointed by Bologna District Court on 2 August 2012, swearing on oath before the notary Elena Tradii in Bologna on 14 September 2012, deed no. 9004, registered in Bologna on 14 September 2012 under no. 14593, the report of the Board of Directors prepared pursuant to Article 2441, paragraph 6 of the Italian Civil Code and the opinion of the auditors on the fairness of the issue price, prepared pursuant to Article 158 of Legislative Decree 58/1998, appended hereto, **as Appendix H), I) and L)**, respectively, which documents the Chairman declared to me had remained deposited at the Company's registered office according to the statutory terms and conditions and had been published on the Company's website.

The Articles of Association, updated with the amendments to Article 5, entailing the addition of paragraph 5.5, shall come into force and take effect from the effective date of the approved merger, and shall be filed by the Chairman on behalf of the Board of Directors with the Companies Register within 30 days of said effective date.

The Chairman noted that the discussion of the fourth agenda item for the extraordinary part was closed, and moved on to discuss the fifth agenda item for the extraordinary part.

**5. Granting of authority to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, to be exercised for a maximum period of three years from the relevant shareholders' resolution, to increase the share capital, on several occasions if necessary, on a payment basis and in tranches, for a maximum nominal amount of €80,000,000.00, in addition to any share premium, by issuing a maximum of 80,000,000 ordinary shares with regular dividend rights and with the same characteristics as those in circulation on the issue date, to be offered as an option pursuant to Article 2441, paragraphs 1, 2 and 3 of the Italian Civil Code, and the resulting amendment to Article 5 of the Articles of Association by the insertion of paragraph 5.6: related and consequent resolutions.**

The Chairman, with the consent of the attendees, again gave no reading of the Explanatory Report prepared by the Board of Directors, the text of which was contained in the folder provided at reception.

He explained briefly that the proposal for a resolution to be submitted for



the approval of the Shareholders' Meeting concerned the granting to the Board of Directors of authority that might be exercised for a maximum of three years from the relevant shareholders' resolution to increase, on a payment basis and in tranches, the share capital, for a maximum nominal amount of €80,000,000.00, plus any share premium, to be offered as an option pursuant to Article 2441, paragraphs 1, 2 and 3 of the Italian Civil Code, with the consequent amendment to the Articles of Association.

Based on the authority granted pursuant to Article 2443 of the Italian Civil Code, the Board of Directors would be entitled to establish the terms and conditions of such an optional capital increase, in accordance with the limits indicated in the resolution, and thus to determine:

(i) in addition to the number of new shares, the time during which the capital increase or increases could be subscribed for and paid up by the beneficiaries - including, therefore, holders of convertible bonds - and the subscription price of the new Hera shares, to be set by Hera, taking into account the performance of the shares on the stock exchange and/or market practice in similar operations;

(ii) the possibility of splitting the capital increase so that the Board of Directors might decide that, if the increase was not fully subscribed by the deadline from time to time set for this purpose, the capital would remain increased by an amount equal to the amount of subscriptions received by that date.

The new Hera shares would confer on their holders the same rights as the ordinary shares in circulation on the issue date and would be offered as an option to shareholders in proportion to the existing Hera shares held by them.

The proposal for a resolution in question primarily enabled the Company, if the circumstances so required, to streamline the decision-making processes in relation to the capital increase. In general, the reason for granting the authority was to give the Board of Directors, in view of the uncertainty and volatility of the equity markets, the necessary flexibility and time to implement corporate actions, taking advantage of the most favourable conditions as and when they should arise.

The purpose of the optional capital increase was:

- to strengthen the financial position of the Hera Group in view of the major challenges that the multi-utilities sector would face in future years and the new development opportunities on offer, without jeopardising the operational and financial situation, particularly in light of the merger with the Acegas-Aps Group;

- to maintain firm public control through the entry of a qualified, predominantly publicly-held investor, on a non-speculative, long-term basis, open to further capital investment.

In this context, the Chairman noted that Fondo Strategico Italiano S.p.A. (FSI), a financial holding company owned by Cassa Depositi e Prestiti S.p.A., set up to acquire investments in companies of national importance, had

examined the possibility of investing in Hera, in view of the proposed merger with the Acegas-APS Group. In this regard, he pointed out that, on 30 August 2012, Hera had received a proposal from Fondo Strategico Italiano S.p.A. to sign an investment agreement, which was accepted on 3 September 2012.

Under this agreement, FSI committed, subject to certain conditions and provided that the subscription involved a sufficient number of shares to enable it to have at least a 3% stake in the share capital of Hera following the optional capital increase, or provided that FSI was able to subscribe for at least 2.6% by purchasing options from certain Hera shareholders, to subscribe for all the shares corresponding to any options purchased from Hera's major shareholders, in addition to any options still unexercised, resulting from a capital increase, to be approved by 15 October 2013 and executed by 15 March 2014, by issuing a maximum of around 80,000,000 ordinary shares with a nominal value of €1.00 each, to be offered as an option pursuant to Article 2441, paragraphs 1, 2 and 3 of the Italian Civil Code.

The FSI Agreement also stated that Hera: (a) concurrently with the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2012, should table an amendment to the Articles of Association, increasing the number of members of the Board of Directors by one, such that the number of members of the Board of Directors appointed from slates other than the one obtaining the highest number of votes pursuant to Article 17 of the Articles of Association increased from 4 to 5, without prejudice to Hera's right to table before the same Shareholders' Meeting a reduction in the number of members of the Board of Directors to 15 and the number of members appointed from slates other than the one obtaining the highest number of votes pursuant to Article 17 of the Articles of Association to 3; (b) should do its utmost to ensure that the aforementioned proposal for an amendment to the Articles of Association allows the new member of the Board of Directors appointed by FSI to be appointed as soon as possible after the approval of the aforementioned amendment to the Articles of Association; (c) should submit to certain Hera shareholders, previously selected and identified, a proposal for an option purchase agreement.

The FSI Agreement also stipulated that the execution of FSI's subscription commitment would be subject to certain conditions precedent, in accordance with market practice for similar operations, for example that the subscription price of each share should be set at no less than €1.00 and that the price paid for the options under the purchase agreements added to the subscription price should not total more than €1.25 per share.

The FSI Agreement further stipulated that the execution of the FSI subscription commitment would be subject to other conditions precedent, including: (a) the effectiveness of the merger; (b) the adoption, by 15 October 2013, of the resolution by the Board of Directors to exercise the capital increase option; (c) that where FSI had appointed a member to Hera's Board of Directors in time for the Shareholders' Meeting called to increase the number of members of the Board of Directors, such member should be

promptly appointed, although the effectiveness of such appointment might be subject to the condition precedent of the execution of FSI's subscription commitment; **(d)** the issuance, by 15 September 2013, of authorisation by the competent authorities as part of the certification procedure required under European and domestic legislation on unbundling carried out or in the process of being carried out, or to be carried out, by the investee companies of Cassa Depositi e Prestiti S.p.A. in the electricity and natural gas sectors; **(e)** the announcement in writing by the competent anti-trust authority, or other Italian or European authorities, by 15 September 2013, that FSI's investment might be carried out under the terms and conditions set forth in the FSI Agreement and that no alterations were required to the conditions relating to prior purchase transactions, nor any constraints imposed that could be detrimental to the legal or financial position of Cassa Depositi e Prestiti S.p.A., or its investments in the electricity and natural gas sector; **(f)** the absence of any material circumstances having an adverse impact on the financial conditions and assets of the Hera Group and/or market disturbances, such as a material suspension or restriction of trading across the entire MTA stock exchange organised and managed by Borsa Italiana or the outbreak of any hostility or declaration of a national emergency or war; **(g)** "clearance" for the publication of the prospectus on the capital increase from the Italian Securities and Exchange Commission (CONSOB).

Concerning the amendment to the Articles of Association linked with the resolution for an optional capital increase, the Chairman emphasised that this concerned Article 5 (Share capital) of the Articles of Association and proposed the addition of paragraph 5.6, which contained a specific reference to the authority granted to the Board of Directors, to be worded as follows:

**"ART. 5 SHARE CAPITAL**

"5.6 The Board of Directors has the power, pursuant to Article 2443 of the Italian Civil Code, to authorise, in several tranches and for a maximum period of three years from the relevant shareholders' resolution, a capital increase, to be offered as an option pursuant to Article 2441, paragraphs 1, 2 and 3 of the Italian Civil Code, for a maximum of €80,000,000.00 (eighty million point zero zero), corresponding to a maximum of 80,000,000 (eighty million) shares with a nominal value of €1.00 each, plus any share premium, to be used to increase the assets of the Company.

At the end of the period from time to time set by the Board of Directors for the subscription of the capital increase, the share capital shall be deemed to have increased by an amount equal to that found to have been subscribed on each date indicated by the Board of Directors."

Submission of requests for the floor and opening up the floor for discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter" to the "SPEAKERS" station in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of

additional requests submitted during the statements.

Following the request submission order, he asked the first person requesting the floor to come to the podium, reminding them to keep their statement to 10 minutes.

Since there were no interested parties, he declared the floor closed to statements.

The Chairman then declared the discussion closed and moved on to the vote.

Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relative to the fifth item on the agenda for the extraordinary part.

"The Extraordinary Shareholders' Meeting of Hera S.p.A., having examined the Board of Director's report and the proposals made therein,

**resolves**

(i) to grant, pursuant to Article 2443 of the Italian Civil Code, the Board of Directors the option, which may be exercised for a maximum period of three years from the shareholders' resolution of 15 October 2012, to increase the share capital on a payment basis, and on one or more occasions and in tranches, for a maximum nominal amount of €80,000,000.00 (eighty million point zero zero), corresponding to a maximum of 80,000,000 (eighty million) ordinary shares with regular dividend rights and with the same characteristics as those in circulation on the issue date, to be offered as an option pursuant to Article 2441, paragraphs 1, 2 and 3 of the Italian Civil Code;

(ii) to grant the Board of Directors the utmost power to establish from time to time, in exercising the aforementioned option and in accordance with the applicable legal and regulatory provisions, and the terms and conditions and procedures for the capital increase, listed as, but not restricted to, the power to set the issue price, including any share premium, of the new shares, to be determined by it, taking into account the performance of the shares on the stock exchange and/or market practice in similar operations, as well as the terms of the agreement signed by Hera S.p.A. and Fondo Strategico Italiano S.p.A. on 3 September 2012, the number of shares to be issued, the corresponding report on the option grant and the exact value of the capital increase, the divisibility of the increase so that the Board of Directors may decide that, if the increase is not fully subscribed within the period from time to time set for this purpose, the capital shall be increased by an amount equal to the amount of subscriptions received within such time;

(iii) to amend Article 5 of the Articles of Association by inserting the following text after paragraph 5.5 of the Articles of Association: "5.6 The Board of Directors has the power, pursuant to Article 2443 of the Italian Civil Code, to authorise, in several tranches and for a maximum period of three years from the relevant shareholders' resolution, a capital increase, to be offered as an option pursuant to Article 2441, paragraphs 1, 2 and 3 of the Italian Civil Code, for a maximum of €80,000,000.00 (eighty million point

zero zero), corresponding to a maximum of 80,000,000 (eighty million) shares with a nominal value of €1.00 each, plus any share premium, to be used to increase the assets of the Company. At the end of the period from time to time set by the Board of Directors for the subscription of the capital increase, the share capital shall be deemed to have increased by an amount equal to that found to have been subscribed on each date indicated by the Board of Directors;"

(iv) to grant the widest possible powers to the Chairman of the Board of Directors, on behalf of the Board of Directors itself, to give effect to this resolution, even by means of proxy, where required, necessary or appropriate, and to complete the formalities necessary to proceed with the option offer pursuant to Article 2441, paragraphs 1 and 2 of the Italian Civil Code, and the listing of the newly issued ordinary shares on the Mercato Telematico Azionario electronic stock exchange organised and managed by Borsa Italiana S.p.A., the offering pursuant to Article 2441, paragraph 3 of the Italian Civil Code, and the granting of any options not exercised to one or more persons identified by the Board of Directors, including Fondo Strategico Italiano S.p.A., and to complete the necessary formalities so that all resolutions adopted at this Meeting obtain the necessary statutory approval and in general, to give full effect to the resolutions themselves, with each and every power necessary and appropriate to that end, barring and excluding none, in addition to the power to make to the resolution itself any amendments, additions or deletions of a non-substantial nature or that should be deemed necessary or merely advisable or that should be requested by the competent authorities during registration with the Companies Register."

#### Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the duration of the voting operations.

He then declared the voting open on the proposed resolution on the fifth agenda item for the extraordinary part.

Holders of proxies intending to cast various votes on the proposal were asked to go to the "assisted voting" station.

The other shareholders could remain seated and cast their votes using the "radiovoters", according to the instructions indicated in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

#### Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were reports from shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the fifth item of

the agenda for the extraordinary part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the abovementioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix M)**:

having achieved at least two thirds of the capital present at the Meeting, as it appears in the breakdown in the attached witnessing document, and with

855,385,652 votes in favour

25,000 votes against

282,229 abstentions

0 non-voters

**the proposal was declared approved.**

The Articles of Association, updated with the amendments to Article 5, entailing the addition of paragraph 5.6, shall come into force and take effect from the effective date of the approved merger, and shall be filed by the Chairman on behalf of the Board of Directors with the Companies Register within 30 days of said effective date.

The Chairman noted that the discussion of the fifth agenda item for the extraordinary part was closed, and moved on to discuss the first item on the agenda for the ordinary part.

**1. Appointment of three members of the Board of Directors, two of whom shall not take office until the effective date of the merger of Acegas-Aps Holding S.r.l. into Hera S.p.A.**

The Chairman, with the consent of the attendees, again gave no reading of the Explanatory Report prepared by the Board of Directors, the text of which was contained in the folder provided at reception.

He reminded those present that the director Nicodemo Montanari, appointed by the Shareholders' Meeting of 27 April 2011 from among the candidates on the slate that obtained the highest number of votes, had tendered his resignation from the Board of Directors of Hera S.p.A. effective 27 June 2012.

He also announced that, pursuant to Article 17.10 of the Articles of Association, the Board of Directors of Hera S.p.A., at its meeting on 27 June 2012, had, by resolution seconded by the Board of Statutory Auditors, co-opted Daniele Montroni to the Board in replacement of Nicodemo Montanari, explaining that the co-opted member would remain in office until the subsequent Shareholders' Meeting, pursuant to Article 2386, paragraph 1 of the Italian Civil Code.

The shareholders were therefore called to an Ordinary Shareholders' Meeting to deliberate on the appointment of a director who would remain in office until the normal expiry of the term of office of the Board, and thus until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2013.

He also informed the attendees that, under the Framework Agreement signed on 25 July 2012 between Hera S.p.A. and Acegas-Aps Holding S.r.l. to implement the merger between the two groups, it was envisaged, at a governance level,

that Hera S.p.A. would increase the number of members of its Board of Directors from 18 to 20 (a resolution already carried under item 2 of the agenda for the extraordinary part) in order to allow the Municipality of Padua and the Municipality of Trieste, both shareholders, each to appoint, from the effective date of the merger of Acegas-Aps Holding S.r.l. into Hera S.p.A., their own representative on the Board of Directors.

The Shareholders' Meeting was therefore called to deliberate on the appointment of two additional directors, who would remain in office until the normal expiry date of the term of office of the Board, and thus until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2013; said appointment, in accordance with that envisaged under the aforementioned Framework Agreement, would only take effect from the effective date of the merger of Acegas-Aps Holding S.r.l. into Hera S.p.A., which the Framework Agreement indicated as 1 January 2013.

The Chairman recalled that the Board of Director in office at that time had 16 directors who fulfilled the independence criteria.

He also emphasised that the Board of Directors had refrained from making specific proposals on the agenda item and therefore invited the shareholders to submit nominations for the appointment of a director, together with the CV of each candidate and a declaration whereby the candidate accepted the nomination and certified under his/her own responsibility the absence of any grounds for ineligibility or incompatibility, the existence of the requirements prescribed by the Articles of Association, laws and regulations, and whether they were eligible to be considered independent under current legislation.

#### Submission of requests for the floor and opening up the floor for discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter" to the "SPEAKERS" station in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the request submission order, he asked the first person requesting the floor to come to the podium, reminding them to keep their statement to 10 minutes.

The floor was given to the Municipality of Imola, which made the following proposal:

"We hereby submit our nomination for Daniele Montroni, born in Imola (BO) on 27 October 1961, to replace the outgoing director Nicodemo Montanari.

We also propose the appointment, in accordance with that envisaged under the aforementioned Framework Agreement of 25 July 2012, effective from the effective date of the merger of Acegas-Aps Holding S.r.l. into Hera S.p.A., of Giovanni Perissinotto, born in Conselice (RA) on 6 December 1953, and Cesare Pillon, born in Padua (PD) on 10 September 1953. Their CVs are available from the assisted voting desk."

The floor was given to the shareholder Donato Vena, who recommended that a simpler and more accessible system be set up for replying to questions submitted via the Company's website; he hoped that, for the next Shareholders' Meeting, anyone submitting a question would also be able to receive a reply by e-mail.

On this subject, he compared the data contained in the 2011 financial statements with that of certain competitors, particularly with regard to IREN, a company operating in the same sector, whose board expenses totalled around €2.5 million, compared with those incurred by Hera, which exceeded €3.5 million. He stressed that this was not a populist issue, but an austerity issue, which had been raised at previous meetings. He also advocated austerity when setting the pay of Hera's directors and auditors, in the knowledge, however, that for listed companies, while operating in the public sector, there was no upper limit on pay, as there was for unlisted public companies. Finally, he expressed reservations that there should be clear and direct proportionality between the amount of pay and the quality of managers, particularly in view of the experience in the United States. He was confident that at the next Shareholders' Meeting, the costs incurred by the Board of Directors would be adjusted to bring them into line with those incurred by other companies in the sector.

The floor was given to the shareholder Enrico Nannetti, who reiterated that he wished to receive replies to the questions raised previously, particularly with regard to the right of shareholders to vote electronically, as envisaged by the Shareholders Rights' Directive, and clarification of how the Company intended to generate economies of scale in the business plan. He hoped that centralised gas procurement and management procedures would be introduced by the ATOs (local environment agencies) in order to cut costs.

The Chairman took the floor again to respond to the statements:

- in response to Mr Vena, he pointed out that the shareholder had already explained that the mandatory upper limit on pay did not apply to listed companies and that therefore nothing more could be added in this respect; he stressed that Mr Vena's comments were based on a misinterpretation of the 2011 financial statements, since the overall cost mentioned not only included the pay for Hera's directors, but also for its auditors and regional committees. In actual fact, the basic salaries for the Board of Directors, in addition to executive bonuses, came to €2,254,353, from which €856,988 was deducted by the Company for the attendance of directors/executives at board meetings of Group companies;

- concerning Mr Nannetti, not wishing to enter into a debate with other companies, he simply provided the results obtained by Hera compared with its competitors in this sector, acknowledging that Hera was in a prime position compared with its competitors and that, to date, the Company had been inspired by the austerity measures recommended, particularly regarding executive pay, which had been reduced, where deemed compatible with the need to recruit quality talent, mentioned earlier; this had all been covered at



the previous Shareholders' Meeting by the mayor Daniele Manca, on behalf of the public shareholders. Regarding the directive on electronic voting, he explained that, since this method was not compulsory, the Company had exercised its right not to use it, like other listed companies.

Since there were no other interested parties, he declared the floor closed to statements.

The Chairman then declared the discussion closed and moved on to the vote.

#### Submission of the proposed resolution

As provided for by Article 5 of the Shareholders' Meeting Regulations, the Chairman therefore submitted for approval the following proposal relating to the first item on the agenda for the ordinary part.

"The Ordinary Shareholders' Meeting of Hera S.p.A., acknowledging the aforementioned proposal,

#### **resolves**

to appoint:

- in replacement of the outgoing director Nicodemo Montanari, Daniele Montroni, born in Imola (BO) on 27 October 1961, tax code MNT DNL 61R27 E289E, who shall remain in office until the normal expiry date of the term of office of the Board of Directors, and more specifically until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2013;

- with effect from the effective date of the merger of Acegas-Aps Holding S.r.l. into Hera S.p.A., Giovanni Perissinotto, born in Conselice (RA) on 6 December 1953, tax code PRS GNN 53T06 C963W, and Cesare Pillon, born in Padua (PD) on 10 September 1953, tax code PLL CSR 53P10 G2240, who shall remain in office until the normal expiry date of the term of office of the Board of Directors, and more specifically until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2013."

#### Vote on the proposed resolution

The Chairman asked the attendees not to leave the room throughout the duration of the voting operations.

He then declared the vote open on the proposed resolution on the first item of the agenda for the ordinary part.

Holders of proxies intending to cast various votes on the proposal were asked to go to the "assisted voting" station.

The other shareholders could remain seated and cast their votes using the "radiovoters", according to the instructions indicated in the document included in the folder provided at reception.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were reports from shareholders intending to correct the vote cast using the "radiovoters".

He then declared the vote on the proposal indicated in the first item of the agenda for the ordinary part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the abovementioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix N**):

having achieved an absolute majority of the capital present at the Meeting, as it appears in the breakdown in the attached witnessing document, and with

732,958,407 votes in favour

93,034,655 votes against

20,657,702 abstentions

0 non-voters

**the proposal was declared approved**

and the following were appointed as members of the Board of Directors:

- Daniele MONTRONI, born in Imola (BO) on 27 October 1961, tax code MNT DNL 61R27 E289E, domiciled in a professional capacity at the registered office of the Company at 2/4 Viale Carlo Berti Pichat, Bologna;

- Giovanni PERISSINOTTO, born in Conselice (RA) on 6 December 1953, tax code PRS GNN 53T06 C963W, residing at 1/1 Via Panzera, Trieste (TS), domiciled in a professional capacity at the registered office of the Company at 2/4 Viale Carlo Berti Pichat, Bologna, with effect from the effective date of the merger of Acegas-Aps Holding S.r.l. into Hera S.p.A.;

- Cesare PILLON, born in Padua (PD) on 10 September 1953, tax code PLL CSR 53P10 G2240, residing at 61 Via G. Zanella, Abano Terme (PD), domiciled in a professional capacity at the registered office of the Company at 2/4 Viale Carlo Berti Pichat, Bologna, with effect from the effective date of the merger of Acegas-Aps Holding S.r.l. into Hera S.p.A.,

all domiciled in a professional capacity at the registered office of the Company at 2/4 Viale Carlo Berti Pichat, Bologna.

The Chairman also announced that, as provided for by Article 16.1 of the Articles of Association, the members of the Board of Directors would remain in office until the normal expiry date of the term of office of the Board of Directors, and more specifically until the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2013.

The Chairman, in response to the questions raised by Mr Nannetti, felt obliged to explain that the synergy between Hera and Acegas-Aps would be described in more detail in the business plan, which had not yet been approved. In general, it could be expected that certain organisational models would be imposed on Acegas-Aps, and more specifically: the network remote control system, automated procurement management, the system for electronic management of network operations, the system for gas procurement through Hera Trading, which had already delivered an excellent performance, the extension

of the commercial policies adopted for the Emilia Romagna region and a reduction in overheads. He pointed out that the ATOs (local environment agencies) had not existed for months, and that, in any case, by law they had not been involved with energy services, only with environment and water, so it would have been impossible to impose centralised gas procurement on them. The Chairman noted that the discussion of the first agenda item for the ordinary part had ended and proceeded with a discussion of the second agenda item for the ordinary part.

## **2. Integration of the Board of Statutory Auditors: consequent provisions.**

The Chairman, with the consent of the attendees, again gave no reading of the Explanatory Report prepared by the Board of Directors, the text of which was contained in the folder provided at reception.

He briefly reminded the attendees that Stefano Ceccacci, Alternate Statutory Auditor for Hera S.p.A., appointed by the Shareholders' Meeting of 27 April 2011 from among the candidates on the slate that obtained the second highest number of votes, had tendered his resignation effective 9 July 2012.

In consideration of the foregoing, the Shareholders' Meeting was called on to decide the appointment of a new alternate statutory auditor, who would remain in office until the normal expiry date of the term of office of the board, and therefore until the date of the Shareholders' Meeting called to approve the financial statements for the year ending 31 December 2013.

The Board of Directors refrained from making specific proposals on this agenda item, inviting the shareholders, pursuant to Article 26.7 of the Articles of Association of Hera S.p.A., to decide in this respect based on the proposals that would be made.

Attendees were reminded that, together with the nominations, a CV had to be submitted for the candidate, in addition to a specific declaration whereby the candidate accepted the nomination, declaring that there were no grounds for ineligibility, forfeiture or incompatibility as provided by law, in addition to the fulfilment of the integrity and professionalism criteria prescribed by law for members of the Board of Statutory Auditors, furthermore providing a list of executive appointments held with other companies.

### Submission of requests for the floor and opening up the floor for discussion

The Chairman invited all those interested in submitting requests to take the floor to go, if they had not already done so, with the appropriate form and their "radiovoter" to the "SPEAKERS" station in the middle of the room.

He then asked a "SPEAKERS" station staff member to provide the list of requests to take the floor and to update the said list in the event of additional requests submitted during the statements.

Following the request submission order, he asked the first person requesting the floor to come to the podium, reminding them to keep their statement to 10 minutes.

The floor was then given to the shareholder Bruno Tani, holder of 110,000 shares, who read out the following proposal:

"We propose the appointment, in replacement of the outgoing Alternate

Statutory Auditor Stefano Ceccacci, Massimo Spina, born in Piano di Sorrento (NA) on 29 June 1960 and whose CV is available from the assisted voting desk."

Since there were no other interested parties, he declared the floor closed to statements.

The Chairman then declared the discussion closed and moved on to the vote.

#### Candidate vote

The Chairman asked the attendees not to leave the room throughout the duration of the voting operations.

He then declared the voting open on the proposed resolution on the second agenda item for the ordinary part.

Holder of proxies intending to cast various votes on the proposal were asked to go to the "assisted voting" station.

The other shareholders could remain seated and cast their votes using the "radiovoters", according to the instructions indicated in the document included in the folder provided at reception.

The Chairman then put the motion to appoint a new alternate statutory auditor to the vote.

The Chairman then declared the voting open.

The Chairman then asked voters to:

- press the button corresponding to the vote they wished to cast ("F" for a vote in FAVOUR or "A" for ABSTAIN or "C" for vote AGAINST);
- check on the screen that this choice was correct;
- press the "OK" button;
- check on the screen that the vote had been sent correctly.

#### Announcement of the results of the vote

The Chairman asked the "assisted voting" station if there were reports from shareholders intending to correct the vote cast using the "radiovoters".

He then declared the voting on the proposal indicated in the second item of the agenda for the ordinary part closed and asked a staff member to provide the results of the vote.

He then announced the outcome of the vote, the results of which are reported, in accordance with the abovementioned Appendix 3E to Regulation 11,971 of 14 May 1999, in the document attached hereto as **Appendix O**):

having achieved an absolute majority of the capital present at the Meeting, as it appears in the breakdown in the attached witnessing document, and with 753,357,107 votes in favour

62,327,151 votes against

24,485,028 abstentions

0 non-voters

#### **the proposal was declared approved**

and the Chairman therefore declared that the following person had been appointed as Alternate Statutory Auditor and would remain in office until the normal expiry date of the term of office of the board, and more specifically until the Shareholders' Meeting called to approve the financial statements

for the year ended 31 December 2013: Massimo SPINA, born in Piano di Sorrento (NA) on 29 June 1960, residing at 4 Via Crisostomo Salistri, Rome (RM), tax code SPN MSM 60H29 G568A, registered with the Register of Auditors under number 107580 by Ministerial Decree of 25 November 1995 published in the Official Journal of the Italian Republic, Supplemental No. 100, Special Series of 17 December 1999, Alternate Statutory Auditor.

The Chairman noted that the discussion of the second agenda item for the ordinary part was closed.

In relation to the declaration pursuant to Article 2408 of the Italian Civil Code, submitted on 28 April 2012 by the shareholder Mr Fabris, the Chairman announced that the Board of Statutory Auditors had prepared a special report attached hereto as **Appendix P**).

He also announced that questions received prior to that day's Meeting had been answered in a special section of the Company's website.

Before concluding, he thanked the notary, the staff at the "SPEAKERS" and "ASSISTED VOTING" stations, and all those who had collaborated in the organisation and carrying out of this Shareholders' Meeting.

The meeting proceedings were then closed at 1:22 p.m.

The appearing party, under his own responsibility, aware of the significance of his actions under criminal law pursuant to Article 55 of Legislative Decree 231/2007, declared:

- that he was aware that the information and other data supplied during the preliminary investigation and execution of this instrument would be used by the executing notary for the purposes of the obligations laid down by the aforementioned Legislative Decree;
- that the information and data were current.

The costs of this deed and those related and consequent hereto were defrayed by the Company.

The appearing party released me from the obligation to read the attached documentation.

I, the notary  
read the deed to the appearing party, who approved and confirmed it.  
Written by a person trusted by me and completed by me, the notary, on twenty-one sheets over eighty-three pages.  
Signed at 1:22 p.m.  
Signed Tomaso TOMMASI DI VIGNANO - FEDERICO TASSINARI