



## DIRECTORS' REPORT

**on the proposals relating to the Matters on the Agenda of the Shareholders' Meeting called in ordinary session for March 16, 2012 at the time of 11 AM, in first call, at the registered office of the Company in Turin, Corso Galileo Galilei No. 12, and where necessary on March 19, 2012, at the same time and place, in second call.**

### PROPOSALS TO THE ORDINARY SHAREHOLDERS' MEETING

- 1. Resolutions concerning the composition of the Board of Directors following the end of mandate of directors appointed by the Board and the resignation from office of Ms. Giulia Maria Ligresti.**

*Dear Shareholders,*

You are reminded that Ms. Giulia Maria Ligresti resigned her position with effect from December 23, 2011.

You are also reminded that with the calling of this Shareholders' Meeting, the mandate of the Directors Mr. Roberto Cappelli, Mr. Ranieri de Marchis and Mr. Salvatore Militello concludes, appointed as replacements for the resigning Mr. Francesco Corsi, Mr. Giuseppe Morbidelli and Mr. Sergio Viglianisi, as per Article 2386 of the civil code, by the Board of Directors in the meeting of August 2, 2011, in accordance with the shareholder pact signed between Unicredit S.p.A. and Premafin Finanziaria S.p.A.

You are therefore called to pass the necessary resolutions.

We propose to confirm until the expiry of the entire Board and therefore until approval of the 2011 annual accounts, the Directors Mr. Roberto Cappelli, Mr. Ranieri de Marchis and Mr. Salvatore Militello, whose curriculum vitae is attached to the present report.

On their nomination, as confirmed today, Mr. Cappelli and Mr. Militello were declared independent directors both in accordance with the Self-Governance Code for listed companies and with Legislative Decree No. 58/98, while Mr. de Marchis was declared as non-independent in accordance with the Self-Governance Code for listed companies and independent in accordance with Legislative Decree No. 58/98.



We remind you that, in accordance with Article 13 of the company by-laws, with only one slate presented for the appointment of the Board of Directors, the appointment will be made without voting through slates.

We propose also, considering the upcoming conclusion of office of the entire Board of Directors, to reduce to 18 the number of members of the Board of Directors, and at the current moment not to appoint in replacement of Ms. Giulia Maria Ligresti another member, postponing the relative resolutions to the Shareholders' Meeting called to approve the 2011 annual accounts.

In light of that stated above, we submit for your approval the following proposal:

*"The ordinary shareholders' meeting of FONDLARLA-SAI S.p.A.*

*- having reviewed the Board of Directors' Report and the proposals therein;*

*resolves*

- (i) to reduce to 18 the number of members of Board of Directors of Fondiaria-SAI S.p.A.:*
- (ii) to appoint the following as directors, who will remain in office for the residual duration of the Board of Directors' mandate, established until the date of approval of the 2011 annual accounts:*
  - Mr. Roberto Cappelli, born in Rome on March 19, 1959, Tax No.: CPP RRT 59C19 H501G, domiciled for the purposes of office at the company registered office;*
  - Mr. Ranieri de Marchis, born in Livorno on January 8, 1961, Tax No.: DMR RNR 61A08 E625V, domiciled for the purpose of office at the company registered office;*
  - Mr. Salvatore Militello, born in Milan on June 25, 1943, Tax No.: MLT SVT 43H25 F205B, domiciled for the purposes of office at the company registered office,*  
*with express exclusion, within the legal limits, of the exemption as per Article 2390 of the civil code;*
- (iii) to mandate the pro tempore legal representatives, all necessary powers, also through proxies and within the terms and manners established by law, also individually, to execute the present resolution, as well as to amend, supplement or make deletions, where beneficial or necessary, required by the relevant authorities for the filing of the present resolution at the company registration office."*

Milan, January 29, 2012

FONDIARIA-SAI S.p.A.  
The Board of Directors