

PARTIAL DEMERGER PLAN OF LUXOTTICA S.r.l. IN FAVOUR OF LUXOTTICA GROUP S.p.a.

The Board of Directors of Luxottica S.r.l., a single-member company (hereinafter “**Luxottica**” or the “**Company to be Demerged**”) and Luxottica Group S.p.A. (hereinafter “**Luxottica Group**”, or the “**Beneficiary Company**” and Luxottica and Luxottica Group referred to collectively hereinafter as the “**Companies Participating in the Demerger**”) have prepared the following Demerger plan (the “**Demerger Plan**”) for the partial demerger of Luxottica S.r.l. in favour of Luxottica Group S.p.A. (hereinafter, the “**Demerger**”) in accordance with articles 2506, 2501-*ter* and 2505 paragraph 2, as referred to in article 2506-*ter* of the Italian Civil Code.

It is to be noted that:

(i) Luxottica Group holds the full share capital of Luxottica and therefore, in compliance with the provisions of articles 2505, paragraph 1, and 2506-*ter*, paragraph 5, of the Italian Civil Code:

- The administrative bodies of Luxottica and the Luxottica Group did not prepare the report for the Demerger Plan as stated in articles 2506-*ter* paragraphs 1 and 2, and 2501-*quinquies* of the Italian Civil Code;
- The experts’ report will not be prepared as stated in article 2501-*sexies* of the Italian Civil Code, as referred to in article 2506-*ter*, paragraph 3, Italian Civil Code.

(ii) In accordance with the terms of articles 2505, paragraph 2, and 2506-*ter*, paragraph 5, of the Italian Civil Code, the provisions of article 23 of the articles of association of Luxottica Group (contained in Annex “A” of the Demerger Plan), and article 21 of the articles of association of Luxottica (contained in Annex “B” of the Demerger Plan), the respective administrative bodies of each of the Companies Participating in the Demerger are qualified to make the decisions regarding the Demerger in accordance with article 2502 of the Italian Civil Code, as referred to in 2506-*ter*, paragraph 5 of the Italian Civil Code;

(iii) In accordance with the terms of article 2505, paragraph 3 and article 2506-*ter*, paragraph 5, of the Italian Civil Code, the shareholders of the Luxottica Group representing at least 5% of the share capital are entitled to request that a resolution approving the Demerger is undertaken at an extraordinary shareholders’ meeting. This request shall be submitted to Luxottica Group within 8 days from the deposit of the Demerger plan by in the competent Trade Registers.

DEMERGER PLAN

1. TYPE, NAME AND REGISTERED OFFICE OF THE COMPANIES PARTICIPATING IN THE DEMERGER

Company to be Demerged:

<i>Company name</i>	Luxottica S.r.l.
<i>Type of company</i>	Single member limited liability company
<i>Registered office</i>	Agordo (BL), Via Valcozzena, no. 10.
<i>Share capital</i>	10,000,000.00 euros
<i>Place where registered in the Trade Register</i>	Belluno
<i>Registration number in the Trade Register and fiscal code</i>	00064820251
<i>Management and coordination</i>	Luxottica Group S.p.A., with registered office in Milan, via Cantù, no. 2

Beneficiary Company:

<i>Company name</i>	Luxottica Group S.p.A.
<i>Type of company</i>	Joint-stock company
<i>Registered office</i>	Milan, via Cantù, no. 2.
<i>Share capital</i>	28,021,783.98 euros, represented by 467,029,733 ordinary shares with a nominal unit value of 0.06 euros
<i>Place where registered in the Trade Register</i>	Milan
<i>Registration number in the Trade Register and fiscal code</i>	00891030272

2. DESCRIPTION OF THE ASSETS TO BE TRANSFERRED TO THE BENEFICIARY COMPANY

2.1. The Demerger proposes the reformulation of the perimeter of business activities of Luxottica, rationalizing it in the framework of the overall business activities of the group to which it belongs and which reports back to Luxottica Group and consequently by allocating to the latter the activities that, not being connected to the production and design of glasses, can be carried out more efficiently by Luxottica Group, in compliance with its own business purpose.

In this respect, the following functions and activities will be allocated to the Beneficiary Company, Luxottica Group S.p.A.: (a) the managing of licence or sub-licence agreements of the brands of products that the Company to be Demerged is a part of and the economic exploitation of these brands and concerning, among others, the selection and coordination phases of the subjects entrusted with the manufacturing and supply of glasses; (b) the selling of glasses and products in

the eyewear and similar sectors through wholesale and retail networks, which is currently carried out by the Company to be Demerged and including the activities connected and instrumental thereto, including also distribution and logistics, and excluding commercial debts and commercial credits involving companies within the group other than those indicated in point 2.2 below; (c) several existing support and administrative functions that Luxottica S.r.l. is in charge of, namely: the purchases office (limited to employed personnel), the information technology office (employed personnel, software and hardware) and the administration, fiscal and analytical accounting offices (limited to employed personnel); (d) all the receivables from and payables to Luxottica Group S.p.A. (except for the payable for deliberated dividends); (e) the participating interest in Luxottica Italia S.r.l.

Production and design, the premises other than the premises in Sedico (via Landris no.1 – Belluno) and Milan (via Cantù 2) and the commercial receivables and payables as stated in point (b) will remain in the control of Luxottica S.r.l.

All existing legal and contractual relations related to the functions or business activities allocated as described above (and their connected rights, obligations and charges also related to returns of finished products, other than those excluded in this paragraph 2) will also be transferred as part of the Demerger. Guarantees, liabilities and risks related to the branch of business and the other business activities subject to the Demerger have also been allocated.

2.2 By way of the Demerger, the following assets, which in the statement of assets and liabilities, as at June 30, 2011, were recorded on the basis of the accounting values indicated below, will be allocated to the Beneficiary Company:

Buildings

The building in Milan, via Cantù 2, and the building in Sedico, via Landris no.1 (Belluno) will be transferred to the Beneficiary Company. The net accounting value as at 30 June 2011 for these assets was equal to 44,233,219 euros.

Participating interests

The participating interest in Luxottica Italia S.r.l. with an accounting value of 14,343,438 euros as at 30 June 2011 will be transferred to the Beneficiary Company.

Plants and Machinery

The general and specific plants and machinery located in the buildings which are part of the Demerger will be transferred to the Beneficiary Company. The net accounting value as at 30 June 2011 for these assets was equal to 8,361,191 euros. Additionally, 9913 euros for prepaid taxes on plants and machinery will also be allocated to the Beneficiary Company.

Industrial and Commercial Equipment

The industrial and commercial equipment located in the buildings which are part of the Demerger will be transferred to the Beneficiary Company. The net accounting value as at 30 June 2011 for these assets was equal to 186,190 euros.

Other Assets

Assets recorded in the balance sheet under “Other Assets” consisting of trade fair stands, hardware, furniture and fittings located in the buildings which are part of the Demerger and the prepaid taxes related thereto will be transferred to the Beneficiary Company. The net accounting value as at 30 June 2011 for these assets was equal to 4,330,194 euros and the related prepaid taxes amounted to 24,209 euros.

Intangible Fixed Assets

The Company to be Demerged allocates a share of the intangible fixed assets, represented by all the software (with the related assets under development and advances), with a net accounting value of 51,204,979 euros, to the Beneficiary Company.

Inventories

The inventories of finished products, advertising and replacements will be allocated to the Beneficiary Company. As at 30 June 2011, the accounting value, net of the obsolescence provisions, was 82,012,626 euros. The related prepaid taxes on these provisions, with an accounting value of 4,507,231 euros as at 30 June 2011, are also allocated to the Beneficiary Company.

Loans to the Parent Company

The Company to be Demerged will transfer loans granted to its parent company. As at 30 June 2011 the net accounting value of these loans was 2,277,182 euros.

Commercial credits with other companies of the group

The Company to be Demerged will allocate a share of the receivables from the other companies in the group to the Beneficiary Company, and to be precise all the accounts receivable from the following companies on the date the Demerger becomes effective (the amount of which as at 30 June 2011 is indicated next to each one of them):

Luxottica Iberica SA	44,713,313
Luxottica Italia Srl	24,574,071
Luxottica France SAS	16,261,702
Luxottica Trading and Finance Limited	8,144,334
Luxottica Portugal-Comercio de Optica SA	7,709,110
Luxottica Hellas AE	5,900,808
Luxottica STARS SRL	5,561,514
Luxottica Fashion Brillen Vertriebs Gmbh	4,129,631
Luxottica Belgium NV	3,155,324
Luxottica Nederland BV	2,120,847
Luxottica Extra Limited	1,335,218
Luxottica Vertriebsgesellschaft MBH	975,338
Sunglass Hut Ireland Limited	433,357
Sunglass Hut Netherlands BV	241,113
Sunglass Hut Portugal Comercio de Oculos e Relogios LDA	133,330

The total net accounting value equals 125,389,010 euros.

Royalties

The Company to be Demerged allocates all the licence and sub-licence agreements to the Beneficiary Company for product brands related both to third-party brands and brands owned by the Beneficiary Company. As a result, the rights related to advances on royalties paid by the Company to be Demerged to the licensors of the respective brands for the use of these rights as well as the obligations to pay the minimum amounts determined contractually are also allocated to the Beneficiary Company. The accounting value of these advances on royalties as at 30 June 2011 equaled 132,466,694 euros and the obligations to pay the minimum amounts as indicated in the memorandum accounts as at 30 June 2011 amounted to 219,482,911 euros.

Provisions for Contingencies and other Liabilities

The liabilities related to potential returns of products from clients will be transferred to the Beneficiary Company. A provision of 4,4,20,078 euros was allocated to cover the aforesaid liabilities in the financial statements as at 30 June 2011 of the Company to be Demerged, and a provision of 12,046,220 euros was allocated in the financial statements as at 30 June 2011 of the Company to be Demerged for the liabilities related to advertising expenses for licenses. The prepaid taxes related to these provisions, amounting to a total of 5,170,417 euros as at 30 June 2011, were also transferred to the Beneficiary Company.

Amounts owed to the Parent Company

The Company to be Demerged allocates all the amounts it owes to the parent company on the date the Demerger becomes effective, except for the debts related to deliberated dividends to the Beneficiary Company. As at 30 June 2011, the accounting value of these debts was 201,828,963 euros.

Payables to Personnel

Employment contracts with the staff in charge of the logistics department, the staff employed in the administrative, fiscal, analytical accounting, purchasing and information technology offices will be transferred to the Beneficiary Company. The Company to be Demerged allocates the value related to severance indemnity and other deferred remuneration of these members of staff along with the relevant social security contributions, which as at 30 June 2011 had an accounting value of 12,455,699 euros, to the Beneficiary Company.

Prepaid expenses and accrued income

Prepaid expenses and accrued income recorded among both the assets and the liabilities will be transferred to the Beneficiary Company. These items relate to existing legal relationships and contracts that can be assigned to the items described above which are part of the Demerger. The accounting value as at 30 June 2011 was 5,833,659 euros for prepaid expenses and accrued income recorded among assets, 172,057 euros for accrued income and prepaid expenses recorded among liabilities.

2.3 The assets described in the previous paragraph will be allocated to Luxottica Group on the basis of the corresponding accounting values on the date the Demerger becomes effective.

The accounting value of the net assets to be demerged, as they appear on the statement of assets and liabilities as at 30 June 2011, stands at 249,427,135 euros and will remain unchanged (unless any adjustments are made as stated in paragraph 2.4) as any variations in the net overall amount of the allocated components – between 30 June 2011 and the date the Demerger becomes effective – will be dealt with as follows:

- if they are positive, through the corresponding reduction of the receivables from associated companies (in the same order provided for in 2.4 below), subordinately through the inclusion of commercial debts concerning invoices to be received on demerged licenses, and also subordinately, in cash;
- if they are negative, in cash.

The actual value of the net shareholders' equity allocated to the Beneficiary Company and of that remaining with the Company to be Demerged will not be lower than the corresponding accounting value.

2.4 Due to the Demerger, the share capital of the Company to be Demerged will not be reduced, as the net accounting value of the assets allocated to the Beneficiary Company will be imputed in full to items other than the share capital. In particular, the accounting value of the net shareholders' equity of Luxottica will be reduced by a total amount that corresponds to the

accounting value of the net assets as identified above, equal to 249,427,135 euros, through the allocation of the relative amount to the following items in the shareholders' equity, in the following order:

- the profit for the 2011 financial year (up to the full amount available);
- the extraordinary reserve (up to the full amount);
- the reserve for payments of shareholders into the capital account (up to the full amount).

In the event that the aforesaid items of shareholders' equity are insufficient, the net assets allocated to the Beneficiary Company will be reduced correspondingly – so that the accounting value of the net assets allocated to the Beneficiary Company will be equal to the sum of the three items of net shareholders' equity indicated above – by reducing the allocation of the commercial credits towards other companies of the Group in the following order:

Sunglass Hut Portugal Comercio de Oculos e Relogios LDA

Sunglass Hut Netherlands BV

Sunglass Hut Ireland Limited

Luxottica Vertriebsgesellschaft MBH

Luxottica Extra Limited

Luxottica Nederland BV

Luxottica Belgium NV

Luxottica Fashion Brillen Vertriebs GmbH

Luxottica STARS SRL

Luxottica Hellas AE

Luxottica Portugal-Comercio de Optica SA

Luxottica Trading and Finance Limited

Luxottica France SAS

Luxottica Italia Srl

Luxottica Iberica SA

and subordinately through the inclusion of the commercial debts for invoices to be received for demerged licences.

3. SHARE CAPITAL OF THE BENEFICIARY

Considering that Luxottica Group holds the full share capital of Luxottica, in compliance with the provisions of article 2504-*ter*, paragraph 2, of the Italian Civil Code, as referred to in article 2506-*ter*, paragraph 5, of the Italian Civil Code, no shares of Luxottica Group will be granted in exchange as a consequence of the Demerger; consequently, no capital increase in the share capital of the Luxottica Group will occur as a result of the Demerger.

4. ARTICLES OF ASSOCIATION OF THE COMPANY TO BE DEMERGED AND THE BENEFICIARY COMPANY

The articles of association of Luxottica Group are attached as “Annex A” of this plan and will not be amended as a result of the Demerger. It is to be noted that the total share capital and the number of shares, as indicated in Annex “A”, are subject to possible periodic variations due to the subscription of conversion shares for the increases in capital deliberated upon at the General Shareholders' Meetings of 20 September 2001 and 14 June 2006, as stated in the company's articles of association.

The articles of association of Luxottica are attached as Annex “B” of this plan and will not undergo any changes due to the Demerger.

5. METHODS OF DEMERGER

As set forth in article 3 above, taking into account the fact that Luxottica Group holds the entire share capital of Luxottica, no shares of the Luxottica Group will be granted in exchange; consequently no exchange ratios have been provided.

With reference to provisions of article 2501-*ter*, paragraph 1, no.3, 4 and 5 of the Italian Civil Code, as referred to in article 2506*bis* of the Italian Civil Code, no information relating to the exchange of shares is set forth in this Demerger Plan, such as the exchange ratios (and possible adjustment), the methods used to allocate the shares to be allocated in the exchange and the date from which such shares will take part in the allocation of dividends.

The statement of assets and liabilities of the Demerger which provides the basis on which the Demerger will be carried out, is that of 30 June 2011 for both participating companies.

6. COMMENCEMENT DATE OF THE EFFECTS OF THE DEMERGER AND TRANSFER OF THE TRANSACTIONS TO THE FINANCIAL STATEMENTS OF THE BENEFICIARY COMPANY.

The Demerger becomes effective following the last registration of the Demerger Deed at the office of the trade register in which the Companies Participating in the Demerger are registered or as of the alternative subsequent date indicated in the Demerger Deed.

The assets subject to Demerger will be allocated to Luxottica Group’s financial statements as of the effective date of the Demerger provided in the previous paragraph.

7. TREATMENT RESERVED FOR SPECIAL CATEGORIES OF SHAREHOLDERS AND HOLDERS OF SECURITIES OTHER THAN SHARES.

There are no special categories of shareholders, and there is no provision for special treatment reserved to the holders of securities other than shares.

8. SPECIFIC BENEFITS FOR DIRECTORS OF THE COMPANIES PARTICIPATING IN THE DEMERGER

There is no provision of special benefits for the directors of the Companies Participating in the Demerger.

Milan, 19 September 2011

Luxottica Group S.p.A.
Andrea Guerra

Luxottica S.r.l.
Enrico Cavatorta

Annex A

BY-LAWS OF THE COMPANY *LUXOTTICA GROUP S.P.A*

TITLE I

COMPANY'S NAME – REGISTERED OFFICE – PURPOSE–DURATION

Article 1) -A public corporation is established under the name “*LUXOTTICA GROUP S.P.A.*”

Article 2) -The Company's registered office shall be located in Milan.

The Board of Directors shall have the authority to establish, change and close, both in Italy and abroad, sub-offices, branches, agencies and subsidiaries of any kind.

Article 3) -The Company shall have the following purposes:

a) acquisition and management of shareholdings in other companies or entities, in Italy and abroad, on its own account and not directed towards the public;

b) financing and financial and managerial coordination of companies or entities in which it participates, such as,

without limitation: the coordination of operating strategies, investment programs and development plans; management of financial policies for the companies of the Group; promotion and research activities; use of technological assets, the name and trademarks for the benefit of the companies in which interests are held or for third parties; personnel administration and management, both for operational and disciplinary purposes, and, in general, the exercise of the typical functions of a holding company of which is demanded the unified approach and operating efficiency necessary for the rationalization of management, cost reduction and the most effective possible action in achieving the corporate purposes both in Italy and abroad;

c) purchase and sale of public and private securities, not to the public, that are instrumental to the achievement of the Company's purpose; the holding and management of the same;

d) granting of warranties and sureties, and the assumption of joint and several obligations in the interest of companies of the Group;

e) purchase, construction, sale, exchange and leasing of tangible and intangible assets, including machinery tools of the relevant field;

f) sale, also on commission, in Italy and abroad, of frames for optical glasses, sunglasses and products of the eyewear field.

The Company may also perform any other industrial, commercial or financial transaction, not directed towards the

public in general, concerning movables or immovables, in favor and in the interest of the Companies of the Group.

Article 4) -The duration of the Company is established up to and including December 31, 2050.

TITLE II STOCK CAPITAL

Article 5) - The capital stock amounts to EURO 28,021,783.98 (twenty eight million twenty one thousand seven hundred eighty three point ninety eight euro) and is divided into 467,029,733 common shares stock of nominal value, EURO 0.06 (zero point zero six euro) each.

The meeting of stockholders held on June 26, 2001, at which the capital stock was converted into EURO, stated that on June 13, 2001, the increased capital was subscribed for a total amount of 182,646,700 Lire and, therefore, it can be further subscribed for a maximum amount of 1,042,353,300 Lire which, converted into EURO, equals up to EURO 538,330.55.

The meeting of stockholders held on September 20, 2001 resolved to further increase the capital stock in one or more installments, until March 31, 2017, up to a maximum amount of EURO 660,000 (six-hundred sixty thousand) through the issuance of new common stock to be offered for subscription exclusively to employees of the Company and/or of its subsidiaries. At the expiration date, the capital stock will be considered increased by an amount equal to the subscriptions obtained.

The meeting of stockholders held on June 14, 2006, resolved to further increase the capital stock, in one or more installments, until June 30, 2021, up to a maximum of EURO 1,200,000 through the issuance of new common stock to be offered for subscription exclusively to employees of the Company and/or of its subsidiaries. At the expiration date, the capital stock will be considered increased by an amount equal to the capital subscription obtained.

Pursuant to the above-mentioned increases in capital, a total amount of 7,074,800 of stock have been subscribed.

The Company may issue convertible and non-convertible bonds.

Article 6) -The stock is freely transferable.

Article 7) -The payment of the stock not fully paid-up will be called up by the Board of Directors according to the terms and conditions it shall deem appropriate.

TITLE III MEETING OF STOCKHOLDERS

Article 8) -The duly constituted meeting of stockholders represents all the stockholders and its resolutions, adopted according to the law and to the present By-Laws, and binds all stockholders, albeit absent or dissenting.

Article 9) -Each share is entitled to the right to one vote.

Article 10) -The meeting of stockholders is ordinary or extraordinary according to the law. It can be called in Italy, or in any member state of the European Union or in the United States of America.

The meeting of stockholders for approval of the financial statements shall be convened in accordance with Italian law in force from time to time.

Article 11) -The meeting of stockholders shall be called by the Board of Directors, by written notice, stating the date, time and place of such meeting as well as the agenda for such meeting and the other information required by the laws and regulations in force from time to time.

Such written notice shall be published as required by law on the Company's website, and in accordance with the other requirements imposed by the laws and regulations in force from time to time.

Should the laws and regulations in force from time to time require the publication of the notice in a daily newspaper, such notice may be published in one or more of the following: "Il Sole 24 Ore", "Il Corriere della Sera", "la Repubblica."

Article 12) -Those with respect to whom the Company receives notices from the intermediaries adopting the

centralized financial instruments management system according to the laws and regulations in force from time to time shall be entitled to attend a meeting of stockholders and to exercise the voting rights related to such stockholdings.

Each party entitled to attend a meeting of stockholders may authorize another person to act for him by a written proxy in accordance with the law. The proxy can also be granted by electronic means, in accordance with the requirements set forth in the Set of Rules of the Ministry of Justice. The electronic notice of the proxy can be given - in compliance with what is laid down in the call notice - either by using a specific section of the Company's website, or - if contemplated in the call notice - by sending the document to the certified electronic mail address of the Company.

The Chairman of a meeting of stockholders, who may avail himself of ad hoc assistants, shall verify that such meeting is duly convened, check the identity and right of participation of the attendees, run the course of such meeting and attest to the results of the voting.

Article 13) -The meeting of stockholders shall be presided over by the Chairman of the Board of Directors or by one of the Managing Directors or, in their absence, by a person appointed by a vote of the majority of those in attendance.

The meeting of stockholders shall appoint a Secretary, who is not required to be a stockholder himself. The Secretary's assistance is not required when a Notary is designated to draft the minutes of the meeting. Unless otherwise provided for by mandatory rules, all resolutions shall be approved by open vote.

Article 14) -The validity of the meetings and of the related resolutions is governed by the applicable laws.

Article 15) -Provided what is set forth in Article 12 of these By-Laws, any stock owned by directors attending a meeting of stockholders or by stockholders who for any reason will abstain from voting, shall be taken into account in calculating the stock capital required for the validity of the resolutions, save what it is set forth in Article 2368 c.c. last paragraph.

Article 16) -The resolutions of a meeting of stockholders will be transcribed in minutes, drawn up according to the law and recorded in the minute book. The minutes shall be signed by the Chairman and the Secretary. The minutes of extraordinary meetings of stockholders shall be drawn up by a Notary.

TITLE IV MANAGEMENT

Article 17) -The Company is governed by a Board of Directors consisting of not less than five and not more than

fifteen members, appointed after the exact number has been determined by the meeting of stockholders.

Pursuant to article 147-ter, subparagraph 4, legislative degree no. 58/1998, at least one director, or in the event the

Board is composed of more than 7 members, then at least two directors, must fulfill the necessary requirements to be considered "independent" (hereinafter "Independent Director in accordance with article 147 ter").

Directors are appointed by the meeting of stockholders pursuant to lists submitted by the stockholders, which shall set forth not more than fifteen candidates, listed in descending numerical order.

Each candidate may not appear on more than one list, or he shall be ineligible.

In case multiple lists are submitted, they shall not be related in any way; even indirectly. Therefore, each stockholder may not submit or contribute to submit, by means of trust or proxy, more than one list.

Moreover, stockholders falling within the following categories may submit or contribute to submitting only one list: a) parties to a stockholders' agreement relating to the Company's shares; b) a person or a company and its controlled companies; c) jointly controlled companies; d) a company and its directors or chief executive officers.

In case a stockholder violates these rules, such stockholder's vote, with respect to any of the submitted lists, will not be taken into account.

A list for the appointment of directors can be presented only by those stockholders who, at the time of the presentation of the list, hold an interest at least equal to that determined by Consob, pursuant to article 147 ter subparagraph 1 legislative decree 58/98.

The lists, signed by the stockholders submitting them, together with the professional CVs of the candidates, as well as the statements by the candidates accepting their office, confirming the nonexistence of causes for their ineligibility or of any incompatibilities under the law, and confirming the fulfillment of any requirements set forth in such list, shall be filed at the registered office of the Company at least twenty-five days prior to the meeting of stockholders on first call.

The Company shall make available to the public the lists and their annexes at its registered office, on its website, and in any other manners provided for by Consob, at least twenty-one days prior to the date of the meeting of stockholders on first call.

Whether the minimum required stockinterest is held – which is required for submitting such lists – is determined with reference to the shares of stock that are ascertained as registered, in favor of the stockholders who submitted the list, on the day the list is filed with the Company, with reference to the stock capital subscribed on the same date. The relevant certification can be also produced to the Company after the list filing, provided that this occurs within the time period required for the publication of the lists by the Company.

Each list shall contain and expressly name at least one Independent Director in accordance with article 147ter within the first seven candidates named in the list but if the list is composed of more than seven

candidates, such list shall contain and expressly name a second Independent Director in accordance with article 147ter.

If appropriate, each list may also expressly name directors having the requirements of independence as provided for by the codes of conduct drawn up by companies managing regulated markets or industry associations.

At the end of the voting, the candidates from the two lists that have obtained the highest number of votes will be elected, according to the following criteria:

(a) all members of the Board, up to the number of members of the Board previously determined by the meeting of stockholders less one, will be elected from the list which obtains the most votes (hereinafter, "Majority List").

Such candidates will be appointed in the numerical order they appear on the list.

(b) One director shall be the candidate listed first on the list which has obtained the second highest number of votes and which is not connected, even indirectly, with the stockholders who have presented or voted for the Majority List according to the applicable provisions (hereinafter, "Minority List"). However, if, for a board composed of no more than seven members, an Independent Director in accordance with article 147 ter is not elected from the Majority List or, in the event the board is composed of more than seven members, only one Independent Director in accordance with article 147 ter has been appointed, then the first Independent Director in accordance with article 147 ter indicated in the Minority List shall be elected instead of the first candidate indicated in the Minority List.

The lists which have not reached a percentage of votes at least equal to half of that requested for the presentation of the same shall not be considered.

The first candidate listed on the Majority List will be appointed as Chairman of the Board of Directors.

In the event of a tie with respect to the top two lists, the meeting of stockholders will proceed to take a new vote on only the top two lists.

If only one list was submitted, the meeting of stockholders will cast its votes on it and, if the list gets a simple majority, the candidates listed in descending numerical order will be elected as directors, until the requisite number, as determined by the meeting of stockholders, is reached, subject to the obligation of the stockholders' meeting to appoint a minimum number of Independent Directors in accordance with article 147 ter. The candidate listed the first on the Majority List will be elected as Chairman of the Board of Directors.

If there are no lists, the Board of Directors will be appointed by the meeting of stockholders with such majorities as required by law.

The Independent Directors in accordance with article 147 ter, indicated as such at the time of their appointment, shall inform the Company in the event that they no longer satisfy the independence and integrity requirements, or should unexpected occurrences result in ineligibility or incompatibility.

Should one or more directors leave office for any reason, they will be freely replaced according to the provisions of article 18 below, subject to the obligation to maintain a minimum number of Independent Directors ex article 147 ter as provided by law.

Article 18) -Directors shall serve for a period of three years and their terms shall expire on the date of the meeting of stockholders called for the approval of the balance sheet related to the last year of their term, and they can be re-elected at such time.

Whenever there is a vacancy among the Board of Directors during the fiscal year, the other directors shall provide for their substitutions by resolution approved by the Board of Statutory Auditors, provided that the majority is composed of directors appointed by the meeting of stockholders.

Directors so appointed will hold office until the following meeting of stockholders, which will be called to reappoint them, to supplement the Board by appointing other directors or to reduce the number of directors.

Directors appointed by the meeting of stockholders will hold office until the end of the term of office of the directors who were in office when they were appointed.

Should the majority of directors appointed by the meeting of stockholders leave office, the entire Board of Directors terminates its duty; the directors still in office shall timely call a meeting to appoint the new Board of Directors.

Article 19) -If the stockholders' meeting did not appoint the Chairman in compliance with article 17 above, the Board of Directors shall appoint a Chairman from among its members and, if it deems it convenient, it will also appoint a Deputy Chairman.

The Board of Directors may also appoint and determine the powers of one or more Managing Directors.

The Board may delegate some of its functions to an Executive Committee. The Executive Committee is composed of a minimum of five and a maximum of seven members of the Board of Directors.

The functions set forth in Articles 2420-ter, 2423, 2443, 2446, 2447, 2501-ter and 2506-bis of the Civil Code, cannot be delegated.

The Company's managing bodies have a duty to timely report to the Board of Directors and the Board of Statutory Auditors, at least quarterly, on the general business trend, the modalities of exercise of the proxies conferred and the most relevant transactions from an economic, financial and balance sheet point of view, made by the Company and its subsidiaries.

The Board of Directors may set up one or more Committees and give to such Committees those powers as it considers appropriate, not the least in order to implement codes of conduct drawn up by companies managing regulated markets or industry associations.

The Board of Directors may also appoint and determine the duties of a Secretary, who does not need to be a member of the Board of Directors.

Moreover, the Board of Directors will—by such ordinary majorities as provided for by these by-laws—appoint the executive in charge of drawing up corporate accounting records, subject to the mandatory but not binding opinion of the Board of Statutory Auditors, pursuant to art. 154-bis of Legislative Decree No. 58/1998, and will give him/her adequate powers and resources to exercise the duties attributed to him/her by law. The executive in charge of preparation of the corporate and accounting records shall have the following professional qualifications: qualified experience in administration and control, or in the performance of executive or consultancy functions at publicly traded companies and/or at a related group of companies of material size and importance also with reference to the functions of drafting and control of corporate and accounting records

Article 20) - A meeting of the Board of Directors may be called by the Chairman or by any Managing Director at any time he or she deems it appropriate or when requested by at least two members of the Board or by one member of the Board of Statutory Auditors. Board meetings shall be held at either the principal place of business of the Company or at any other place determined by the Chairman or by any Managing Director, who shall also establish the agenda of the meeting, oversee the work thereof, and ensure that the directors are adequately informed regarding the items to be discussed at the meeting.

Written notice of each meeting of the Board of Directors shall be given by telex, facsimile, letter, telegram or electronic mail, with return receipt at least three days in advance of the meeting. In the event of urgent circumstances, such term may be reduced to one day.

Regardless of the observance of the foregoing requirements, the Board of Directors shall be deemed duly convened if all directors and Statutory Auditors holding office are present or participate in such meeting by means of video or telephone conference.

Article 21) -The Board of Directors, duly convened, is validly constituted with the attendance of the absolute majority of its members holding office.

The Board of Directors is presided over by the Chairman of the Board or, in his absence, by any Managing Director or by a director designated by those in attendance.

The Secretary, if not already appointed by the Board of Directors, will be designated by the Chairman for the sole

purposes of the meeting in progress.

The meetings of the Board of Directors may also be held by means of video or telephone conference, so long as all members participating in such meetings are duly identified and can follow the discussions and participate therein. The Board of Directors' meetings will be deemed to be held where the Chairman and the Secretary of the meeting are located, in order to ensure the signing of the minutes and their filing in the minute book.

The person who presides over the Board of Directors meeting oversees the work of the Board of Directors and is

responsible for providing the directors with adequate information regarding the items on the agenda and the nature, confidentiality and urgency of the matters.

Article 22) -The Board of Directors validly resolves by the absolute majority of the directors present at the meeting or participating by video or telephone conference. In the event of a tie vote, the vote of the presiding officer shall prevail.

Minutes of the Board meeting will be prepared and kept in the minute book, signed by both the Chairman of the meeting and by the Secretary.

Article 23) -The management of the Company is entrusted to the Board of Directors which adopts all resolutions necessary to implement the Company's object, except those resolutions expressly reserved by law to the meeting of stockholders.

Subject to the concurrent competence of the extraordinary meeting of stockholders, the Board of Directors shall also have authority over resolutions in connection with mergers and demergers in accordance with Articles 2505 and 2505 bis and 2506 ter of the Civil Code, the establishment or termination of branches, the determination of which directors shall be entrusted with the power of representing the Company, the reduction of the outstanding capital stock in the event of withdrawal of a stockholder, the amendment of the By-Laws to comply with legal requirements, and the transfer of the principal place of business within the national territory.

In addition, the Board of Directors has authority over the issuance of convertible bonds in accordance with art. 2420 - *ter* of the Civil Code.

The Board of Directors can further appoint, dismiss, and determine the powers of managers and attorneys-in-fact for specific matters or categories of matters.

The Board of Directors shall have exclusive authority with respect to the following matters:

- 1) defining the general investment and development plans and the goals of the Company and of the Group;
- 2) determining the budget of the Company;
- 3) defining the financial programs and approving any indebtedness of the Company exceeding 18 months;
- 4) approving strategic transactions

The directors shall report to the other directors or to the Board of Statutory Auditors with regard to those transactions involving an interest on their own account or on account of third parties, or influenced by the company who exercises the power of direction and coordination on its subsidiaries.

Article 24) -The Company is represented by the Chairman of the Board of Directors to whom authority is granted, by means of free signature, to implement all the Board of Directors' resolutions, unless otherwise provided. The President shall represent the Company before any Court and has the authority to file lawsuits or administrative or judiciary petitions in connection with any jurisdictional degree or phase, including actions for revocation or before the supreme court, and to appoint, for such purposes, counsels.

The Company is further represented by the Managing Directors and the persons appointed by the Board of Directors for specific matters or category of matters, within the limits of the powers entrusted to them.

Article 25) -The members of the Board of Directors and of the Executive Committee are entitled to compensation to be determined in the resolution of appointment or by the meeting of the stockholders. The compensation of Directors holding particular offices or members of the committees appointed by the Board of Directors shall be fixed by the Board of Directors upon receiving the advisory opinion of the Board of Statutory Auditors.

The members of the Board of Directors are, in any event, entitled to reimbursement of the expenses incurred by reason of their office.

Article 26) -The directors shall not be personally liable for the obligations of the Company and have no other liability except as provided by law.

TITLE V AUDITORS

Article 27) -The Board of Statutory Auditors consists of three regular Auditors and two alternate Auditors appointed by the Stockholders and who may be re-elected. The requirements, powers, duties and length of office are those established by law. Auditors shall serve for a period of three fiscal years and their terms shall expire on the date of the meeting of stockholders called for the approval of the balance sheet relating to the third fiscal year following their appointment. The amount of their consideration is determined by the meeting of stockholders.

Statutory Auditors shall have the qualifications provided by law or applicable provisions.

The professional qualifications of the Statutory Auditors, the subjects and the fields of activity strictly concerning the Company activity are those indicated in article 3 above. The limits regarding the plurality of administration and control offices, provided by Consob regulation, shall be applicable to the Statutory Auditors.

Subject to mandatory law or regulation, the Board of Statutory Auditors shall be appointed by the general meeting of stockholders on the basis of lists presented by stockholders pursuant to the procedures indicated hereinafter.

The appointment of one regular statutory Auditor, as Chairman, and of one alternate statutory Auditor shall be reserved for the minority – which is not part, even indirectly, of the relationship to be considered pursuant to article 148, subparagraph 2 of the legislative decree no 58/1998 and the related regulations. The appointment of the statutory Auditors to be appointed by a minority shall occur at the same time as the appointment of the other members of the Board of Statutory Auditors, except in case of replacement of members as indicated below.

A list for the appointment of statutory Auditors can be presented by those stockholders who, alone or jointly with other presenting stockholders, at the time of the presentation of the list, hold a stockholders' interest equal to that determined by Consob pursuant to article 147 ter subparagraph 1 legislative decree 58/98.

The lists shall be filed at the registered office of the Company at least twenty-five days prior to the meeting of stockholders called for the appointment of the Statutory Auditors.

The lists shall indicate the name of one or more candidates to be appointed as regular Auditors and alternate Auditors.

The name of each candidate shall be marked in a descending numerical order in each section (section of regular Auditors and section of alternate Auditors) and the candidates listed shall not be more than the members of the body to be appointed.

The lists shall further include, even as per attachments:

- (i) information related to the identity of the stockholders who have filed the list, indicating the percentage of their combined shareholding;
- (ii) representations of stockholders different from the ones who hold, separately or jointly, a shareholding interests of control or of simple majority, stating the lack of relationship as per section 144 –quinquies of Regolamentoo Emittenti
- (iii) exhaustive information on personal and professional qualifications of each candidate as well as a declaration of the candidate confirming the existence of the qualifications provided by law, the acceptance of the office jointly with the administration and control offices held in other companies.

The Company shall make available to the public the lists and their annexes at its registered office, on its website, and in any other manners provided for by Consob, at least twenty-one days prior to the date of the meeting of stockholders on first call.

Whether the minimum required stock interest is held – which is required for submitting the lists – is determined with reference to the shares of stock that are ascertained as registered, in favor of the stockholders who submitted the list, on the day the list is filed with the Company, with reference to the stock capital subscribed on the same date. The relevant certification can be also produced to the Company after the list filing, provided that this occurs within the time period required for the publication of the lists by the Company.

In the event that only one list is submitted or only lists by stockholders connected pursuant to applicable law are submitted as of the last day provided for the presentation of such lists it is possible to present list either until the fourth day following such date, or such other time period as may be required pursuant to applicable law in force from time to time. In such case the above thresholds, provided for the presentation of the lists, shall be reduced by half.

A stockholder cannot submit and vote more than one list, even if through third parties or by means of trust companies.

Stockholders belonging to the same group and stockholders signing a stockholders' agreement regarding the shares of the listed company shall not present or vote more than one list even if through third parties or by means of trust companies. Each candidate shall present only one list subject to ineligibility.

The appointment of the statutory auditors shall occur according to the following criteria:

- (i) two regular Auditors and one alternate Auditors shall be taken from the list which have obtained the highest number of votes (hereinafter “Majority List”), on the basis of the descending numerical order by means of which the candidates are listed;
- (ii) a regular Auditor, which will be also the Chairman of the Board of the Statutory Auditors (hereinafter “Minority Statutory Auditor”), and one alternate Auditor (hereinafter “Alternate Minority Statutory Auditor”) shall be taken from the second list which has obtained the highest number of votes and which shall not be connected in any manner with the stockholders who have presented or voted Majority List pursuant to applicable law (hereinafter “Minority List”) on the basis of the descending numerical order by means of which the candidates are listed. In case of an equal number of votes among the lists, the list presented by the stockholders holding the major shareholding interests at the time of filing, or in second

instance, the list presented by the stockholders who owned the major number of stockholders interests shall prevail.

If only one list is submitted, the stockholders' meeting shall vote on it and, if the same list obtains the majority of the voting persons, without including those abstaining from voting, all the candidates included in such list shall be appointed. In such case the Chairman of the Board of the Statutory Auditors shall be the first regular statutory auditor.

In the case no list is submitted or in case for any reason the number of candidates is not sufficient, the Statutory Auditors and eventually, if the case, the Chairman shall be appointed by the stockholders' meeting with the quorum provided by law.

If, for any reason, the Majority Statutory Auditors shall cease his office, such person will be substituted by the Alternate Statutory Auditors taken by the Majority List.

If, for any reason, the Minority Statutory Auditor shall cease his office, such person will be substituted by the Alternate Statutory Auditors taken by the Minority List.

When the stockholders' meeting is called to appoint new members of the Board of Statutory Auditors in substitution of statutory auditors appointed by the Minority List, if provided by applicable law, such resolution shall be approved with simple majority not including votes of the stockholders who, pursuant to the communications made in compliance with applicable law, own, even if indirectly or jointly with other stockholders who entered a stockholders agreement ex article 122 of the legislative decree no. 58/98, the majority of votes exercisable in the meeting as well as of the stockholders controlling, controlled or subject to joint control of the same stockholders. In any case the new Minority Statutory Auditor shall be appointed also as Chairman.

The Board of Statutory Auditors can meet by video or teleconference in accordance with the provisions of article 21, paragraph 4 of these By-Laws.

Article 28) -The statutory audit of the Company is performed by an independent auditor appointed by the general meeting of stockholders, which shall serve for nine fiscal years until the date of the stockholder's meeting called to approve the financial statements of the ninth financial year following the appointment, and its fee is fixed by the general meeting of stockholders.

The duties, responsibilities and obligations in connection with the appointment of the independent auditor are provided by law.

Article 29) -The activity performed by the independent auditor shall be recorded in a book kept at the principal place of business of the Company.

TITLE VI FINANCIAL STATEMENTS AND PROFITS

Article 30) -The Company's fiscal year shall end on December 31 (thirty-one) of each year. At the end of each fiscal year the Board prepares the financial statements to be drafted in accordance with law provisions.

Upon approval of the financial statements, the stockholders' meeting resolves on the distribution of profits, in compliance with provisions of the law and consistently with the Company's needs.

The Board of Directors may approve early distributions of dividends in the cases and according to the terms and conditions established by article 2433 bis of the Italian Civil Code and article 158 of Legislative Decree no. 58/1998.

Dividends which are not collected within five years from the day in which they become available shall prescribe in favor of the Company.

TITLE VII WINDING UP- GENERAL PROVISIONS

Article 31) -In the event the Company winds-up, an extraordinary stockholders' meeting shall determine the winding up procedure and appoint and establish the powers of one or more liquidators.

Article 32) -The Company may, pursuant to article 1891 Civil Code, at its expense, obtain an insurance policy for the civil liability of Directors and Statutory Auditors, in all cases within articles 2392, 2393, 2393bis, 2394, 2395 and 2407 of the Civil Code, in the interest and on behalf of whom will hold such offices.

Article 33) - Current provisions of law and of regulations shall apply to any matters not expressly mentioned in these By-Laws.

Annex B

BY-LAWS

of Company

"LUXOTTICA S.r.l."

NAME, REGISTERED OFFICE, PURPOSE and DURATION of the COMPANY

Art. 1

A limited liability Company called

"LUXOTTICA S.r.l."

is incorporated. The corporate name can be represented with any graphic shape or according to the alphabet used in the various Countries.

The Company can adopt a registered trademark for its products or services both in Italy and abroad. The Board of Directors or the Sole Director can adopt other trademarks.

Art. 2

The Company has its registered office in Agordo.

The Board of Management can establish and/or suppress secondary offices, Managements, Delegations, Subsidiaries, Branch Offices, Representations and Agencies, both in Italy and abroad.

Art. 3

The domicile of members and of entitled parties, Directors, internal Auditors and the external Auditor - if appointed - for their relationships with the Company, is the one reported on the company books.

Art. 4

The Company's purpose includes the following activities:

. The production, purchase, distribution, trade, and sale - on commission, too - of optical goods of any type, eyeglass frames and accessories, sun glasses and glasses, lenses, masks, clocks and watches and related accessories, helmets, clothing products and sports articles in general as well as related spare parts and accessories;

. The precision mechanical industry in any form;

. The study, design, licence acquisition and granting, registration, filing, management, including the purchase, and transfer of any type of right concerning intangible assets in general, patents for industrial inventions and ornamental designs or utility models, trademarks, know-how;

. The purchase, sale, exchange, loan and lease of immovable, movable and intangible property;

. The following prevailing activities, which are not addressed to the public but rather only to controlling, controlled or affiliated companies pursuant to art. 2359 of the Civil Code, and controlled by the same parent company and in any case within the same group: equity participation; financial and technical administrative coordination of the companies of the group they belong to; granting of financing (excluding leasing) and of guarantees of any type limited to the companies of the group.

The Company can also carry out any other security, property, financial, commercial transactions or transactions of any other type considered as necessary or useful in order to achieve the Company's purpose, including the assumption of agencies and representations of businesses and Companies operating in similar or related sectors, entering into loan contracts, and the use of other forms of financing, the granting of collateral and personal securities, charges secured on movable and immovable property, provided that the relevant activities are not reserved to qualified parties according to law.

Last but not least, it can acquire funds with redeemability requirement in compliance with the limits and the criteria provided for by legislation on attracting savings from the public.

Art. 5

The duration of the Company is set until 31st December 2050 and can be extended by resolution of the Meeting.

SHARE CAPITAL and SHARES

Art. 6

Share capital is equal to 10,000,000.00 Euros (ten million) and is divided into shares according to law.

Share capital may be increased by resolution of the Meeting also with issues otherwise than for cash, in compliance with the limits laid down by law.

Art. 7

The Company's shares are freely transferrable.

DECISIONS OF MEMBERS

Art. 8

The decisions of members adopted in compliance with the law and these By-laws are binding for all members, including absent or dissenting ones. The minutes containing the decisions of members, howsoever made, must be transcribed into the Book of members' decisions.

Art. 9

The Meeting is called by the Sole Director or by the Board of Directors at the registered office or elsewhere in the Italian State.

The Meeting for the approval of the financial statements must be called either within one hundred and twenty days from the closure of the financial year or within one hundred and eighty days under the conditions laid down by law. The Sole Director or the Board of Directors must promptly call the Meeting upon request of a number of members representing at least one fifth of share capital, provided that the request indicates the topics to be discussed.

Art. 10

The Meeting is called with a notice either sent eight days, or if shipped later, received at least five days before the date set for the meeting, by registered letter, or by any other means suitable for ensuring evidence of receipt, sent to the entitled parties to the domicile reported on company books. The call notice must indicate the date, place and time of the meeting and the list of the matters to be discussed.

The proposals of one or several members, representing at least one fifth of share capital, must be included in the list of the matters to be discussed, provided that they are received by the Board of Management at least one month before the Meeting call.

The call notice can contemplate a further date of second call, if the first call Meeting is not legally established. In any case, for the second call, too, the same majorities required for the first call shall apply.

The second call Meeting cannot take place on the same date set for the first call.

Art. 11

The Meeting can be attended by the members and entitled parties who are registered in the Register of Members. Members can be represented at the Meeting. Representation must be granted in writing, and the relevant documents must be kept by the Company. Representation can only be granted for individual Meetings, with effect on subsequent calls, too. The proxy cannot be released with the representative's name left blank. The representative can only be replaced by the person expressly indicated in the proxy.

Representation cannot be granted to the Directors, Auditors and employees of the Company, nor to the Companies controlled by it and to the Directors, Auditors and employees of these Companies, nor to businesses or credit institutions. The meeting can be held with attendance in several places, near or far, audio/video connected, provided that the formality principle and the principles of good faith and equal treatment of members are complied with, and in particular provided that: (a) the chairman of the meeting is enabled - through its bureau, too - to ascertain the identity and attendance right of those present, to govern the meeting development, to ascertain and to announce the results of voting; (b) the minute-taker is enabled to adequately perceive the meeting events to be put in the minutes; (c) those present are enabled to participate at the discussion and at the simultaneous vote on the issues on the agenda. The meeting will be deemed held in the place attended by the chairman and the minute-taker.

Art. 12

A member's vote is valid proportionally to his/her shareholding.

Art. 13

The Meeting is chaired either by the Sole Director or by the Chairman of the Board of Directors. If they are absent or indisposed, the Meeting is chaired by the person designated by those present.

The Chairman of the Meeting will check for the Meeting validity, will ascertain the identity and right of attendance of those present, will govern the Meeting development, and will ascertain and announce voting results.

The outcomes of these verifications must be reported in the minutes.

Art. 14

The Meeting is regularly established with the attendance of a number of members representing at least half the share capital, and passes resolutions with absolute majority. In case of modifications of the memorandum of association and of decisions to carry out transactions involving a substantial modification of the Company's purposes or a relevant modification of the rights of members, the Meeting passes resolutions with the favourable vote of a number of members representing at least half the share capital.

In any case, a resolution is deemed passed when the entire share capital takes part in it, and all Directors and Auditors are present or informed about the meeting and nobody opposes the treatment of topics.

Art. 15

Resolutions are passed by open vote.

Art. 16

The Chairman is assisted by the secretary who draws up the minutes of the Meeting and is appointed by the Meeting itself, among members, too.

The assistance of the secretary is not necessary when the minutes of the Meeting must be drawn up by a Notary.

The minutes set forth as a summary the development of the Meeting works, of the discussion, the statements of members who asked for it, and the resolutions passed.

The minutes are signed by the Chairman of the Meeting and either by the Secretary or by the Notary, and are transcribed into the relevant book.

Art. 17

The decisions of members or of the entitled parties, relating to matters other than those indicated in art. 14 above, paragraph two, can be made with the written consent of a number of members or entitled parties representing at least half the share capital, and who declare that they had been sufficiently informed about the decision topic. The decision-making process must be over either within thirty days from its start or within any different term indicated in the decision text.

It is up to the administrative body to collect the written consent received and to announce results to all members, entitled parties, Directors and Auditors, indicating: (i) those in favour, those against or no voters, with the capital represented by each one; (ii) the date on which the decision was made; (iii) any remarks or statements concerning the discussion topic, if required by members themselves.

The statement of consent of individual members must be attached to the minutes of the decisions made with the written consent method.

MANAGEMENT

Art. 18

The Company is managed either by a Sole Director or by a Board made up of three to nine members - who can also be persons non belonging to the Company - appointed by the Meeting after ascertaining the number thereof.

Each Director remains in office for a maximum period of three business years until the Meeting for the approval of the financial statements concerning the last business year of his/her office, and can be re-elected.

If during the business year one or several Directors fall(s) from office for any reason, the others will replace them by resolution passed by the Board of Auditors. The directors thus appointed will remain in office until the subsequent meeting.

If the majority of Directors is not reached, the full Board falls from office. Non-resigning Directors must promptly call the Meeting so that it appoints the full Board.

Art. 19

The Board of Directors appoints the Chairman among its members, if this was not done by the Meeting, and can appoint one or several Vice-Chairmen.

The Board of Directors can delegate a part of its powers either to an Executive Committee made up of some of its members, or to one or several Managing Directors, even severally. In this case the provisions contained in paragraphs three, five and six of article 2381 of the Civil Code shall apply.

The powers indicated in article 2475, paragraph five, of the Civil Code cannot be delegated.

Art. 20

The legal representation of the Company is entrusted to the Sole Director or to the Chairman del Board of Directors and, in case of their absence or impediment, to Vice-Chairmen.

Representation by Vice-Chairmen is, towards third parties, a sort of certification of the Chairman's absence or impediment.

The representation of the Company is also entrusted to Managing Directors within the limits of their respective proxies.

Art. 21

The Sole Director or the Board of Directors is entrusted with the widest powers for the management of the Company, and is entitled to carry out all the acts that they deem necessary for the implementation and the achievement of the company's purpose.

The Sole Director or the Board of Directors also have the power to decide the merger and the demerger of the Company, in the cases referred to in articles 2505 and 2505-*bis* of the civil code.

Art. 22

The Board of Directors is called either at the Registered Office or elsewhere either by the Chairman or by one of the Managing Directors, who sets the agenda, coordinates works, and ensures that all Directors are adequately informed about the matters to be discussed.

The Board is called by notice sent, by any means suitable for ensuring evidence of receipt, at least three days before the date set for the meeting - in case of urgency said term can be reduced to one day.

Regardless of the compliance with the call formalities indicated above, the Board is deemed validly established if all the members of the Board and the Statutory Auditors in office are present.

The meetings of the Board of Directors can be held by video conference or teleconference, provided that all participants can be identified, and that they are enabled to follow the discussion and to participate in real time at the treatment of the topics dealt with. If these conditions are met, the Board is considered held in the place where the Chairman is, and where the meeting Secretary must be as well in order to allow the minutes drawing up and underwriting on the relevant book.

The Board is chaired either by its Chairman or, if he/she is absent, by one of the Managing Directors, or by a Director designated by those present.

For the resolutions of the Board to be valid, the majority of members in office must be present, either personally or by video conference or teleconference. Resolutions are passed with the absolute majority of votes. Votes cannot be cast by proxy. Each meeting is recorded in the minutes, which are signed by the Chairman and by the Secretary.

Except for the decisions concerning (i) the matters indicated in art. 2475, last paragraph; (ii) the proposals to be submitted to the Meeting of members; (iii) the transactions for which the controlling Company has already set forth its opinion; (iv) the transactions on which the Company has set forth an opinion that the controlled Companies must comply with - the decisions of the Board of Directors can be made with the written consent of the majority of directors in office. It is a task of the Chairman of the Board - or in his/her absence of one of the Managing Directors - to collect written consents and communicate their results to all Directors, indicating: (i) the directors in favour, against or no-voters; (ii) the date on which the decision was made; (iii) any possible remarks or statements on the topic being discussed, if required by directors themselves. The decision-making

process must be over either within thirty days from its start or within any different term indicated in the decision text. The decisions made with the written consent method must be promptly transcribed into the book of Directors' decisions, and the relevant documentation must be kept by the Company.

Art. 23

The Sole Director or the Board of Directors also has the right to appoint *ad negotia* attorneys for certain acts or categories of acts, who - within the limits of the powers granted to them - are entrusted with the Company's representation.

Art. 24

The resolutions of the Executive Committee are passed with the absolute majority of votes. Each meeting is recorded in the minutes signed by the Chairman and the Secretary.

Art. 25

The Meeting determines the remuneration of Directors and the members of the Executive Committee. Moreover, either the Sole Director, or jointly the members of the Board of Directors and of the Executive Committee, can be allotted a participation in profits, on an annual basis, up to a maximum of 10% of the operating profit as reported on the financial statements approved by the Meeting, after deducting the legal reserve amounts. The Board of Directors will decide on the distribution of said jointly granted remuneration.

The remuneration of Directors holding particular offices in compliance with these by-laws, is determined by the Board of Directors, after hearing the opinion of the Board of Auditors.

STATUTORY AUDITORS AND EXTERNAL AUDITOR

Art. 26

If the conditions requiring the compulsory appointment of the board of auditors according to law are met, or in any case if so decided by members, the company's management is controlled by a board of auditors, made up of three regular auditors and two alternate auditors, appointed and in office

according to law, whose meetings can also be held by audioconference or teleconference, according to what is laid down for board meetings.

Art. 27

In the cases according to law or in any case if so decided by members, the statutory audit of the company's accounts is carried out either by a statutory auditor or by a statutory auditing company inscribed in the relevant register.

The statutory audit of accounts can be entrusted to the board of auditors, at the discretion of members and if this is not forbidden by law, and in no case this can cause the revocation of the statutory audit task under way.

FINANCIAL STATEMENTS

Art. 28

Business years close at 31st December of each year.

At the end of each business year the Board of Directors draws up the financial statements according to the criteria and principles laid down by art. 2423 *et seq.* of the Civil Code.

Art. 29

Net profits, after deducting 5% (five per cent) for the legal reserve, until this latter reaches the minimum amount according to law, are distributed to members, proportionally to the share of capital owned by each of them, unless otherwise decided by the Meeting, and deducting any possible interest in favour of Directors.

Dividends that are not collected within five years from the day they become payable shall be barred in favour of the Company.

WINDING-UP OF THE COMPANY

Art. 30

In case of winding up of the Company, the Meeting will determine - with the majorities required for the modification of the memorandum of association - the liquidation conditions, and will appoint liquidators setting their powers according to Law. The remuneration of liquidators will be set either upon their appointment or by the Meeting.

With registration in the Business Register of the liquidators' appointment and of their powers, the Sole Director, the Board of Directors, the Executive Committee and Managing Directors will fall from office.

The functions of the Meeting will remain effective, and the Meeting will be called by liquidators.

FINAL PROVISIONS

Art. 31

As regards anything that is not expressly provided for in these By-laws, reference is made to legal provisions.