Ordinary and Straordinary Shareholders Meeting

Single session on April 18th, 2013 at 11:00 a.m.

Directors' Report on the agenda

Directors' Report on item 4 of the agenda: *"Authorization to the board of directors for the purchase and sale of treasury shares"*

Dear Shareholders,

We note that the board of directors' authorization to purchase treasury shares will expire upon the approval of the financial statements as of December 31, 2012.

We submit for your close examination a proposal to renew the authorization for the purchase and sale of treasury shares, with the related terms, justification and means set out hereunder, in conformity with the provisions of Article 132 of Legislative Decree no. 58 of February 24, 1998, and Articles 73, 144-bis and Exhibit 3A, Schedule no. 4 of the CONSOB Resolution no. 11971 of May 14, 1999 (Issuer Regulations) and subsequent amendments.

As of today, the share capital subscribed and paid is equal to Euro 2,826,237.70, subdivided into 28,262,377 ordinary shares, with a face value of Euro 0.10 each.

As of the date of the approval of this report, the Company holds 62,526 treasury shares, equal to 0.22% of the share capital, inclusive of 6,000 treasury shares lent to Mediobanca Banca di Credito Finanziario S.p.A. for exercising the activity of specialist pursuant to Article 2.2.3, Paragraph 4 of the Regulations applicable to the markets organized and operated by Borsa Italiana and the instructions in relation to the Regulations. The subsidiary companies do not hold shares of the Company. Specific instructions will be given to the subsidiary companies so that they promptly report any purchase of shares done in accordance with Article 2359-*bis* of the Italian Civil Code.

The board believes it is useful to submit the renewal of the authorization to the shareholders' meeting since the board intends to pursue the objectives set out below, including by operating, should the opportunities arise, in accordance with the market practices no. 1 and no. 2 referenced in the CONSOB Resolution 16839/2009:

i) To favor stabilization of the share performance and support to liquidity;
ii) To set up a so-called "securities warehouse" so that the Company may hold and make available the shares for:
   a) possible use as payment for extraordinary transactions, including the exchanging of equity investments, with other persons within the sphere of transactions of interest to the Company;
   b) complying with the obligations arising (where approved) from plans for the distribution, against or without payment, of options on shares or shares to directors, employees and associates of the Company, or to directors, employees and associates of the Company's subsidiaries, as well as from plans for the bonus assignment of shares to shareholders.

The board of directors accordingly proposes that the shareholders' meeting authorize the purchase of ordinary shares, in one or more tranches, up to the maximum number allowed by law, to be held as treasury shares directly and as treasury shares owned by subsidiary companies.

The aforementioned purchases may be effected, under Article 2357, Paragraph 1 of the Italian Civil Code, within the limits of the earnings available for distribution and the available reserves as shown by the most recent regularly approved financial statements, with the consequent constitution, in accordance with Article 2357-ter, Paragraph 3 of the Italian Civil Code, of a restricted reserve equal to the amount of the treasury shares as acquired from time to time, which shall be maintained until the shares are transferred.

Upon the purchase of shares or their sale, swap, grant or writedown, the appropriate accounting entries shall be made in accordance with the provisions of the law and applicable accounting principles. In the event of sale, swap, grant or writedown, the amount in relation thereto may be re-used for other purchases, until the expiration of the term of the shareholder authorization, without prejudice to the quantitative and spending limits and the conditions established by the shareholders' meeting.

The authorization for the purchase is to be requested for a period less than the maximum period allowed by prevailing laws and regulations (which is currently 18 months starting from the date of the resolution of the shareholders' meeting), and thus we request that the authorization be valid until the meeting of the shareholders that will approve the financial statements as of December 31, 2013.

The board proposes that the price of purchase of the shares be identified from time to time, with reference to the means pre-established for effecting the transaction and in respect of legal and regulatory prescriptions or admitted market practices, within a minimum-maximum range determined in accordance with the following criteria:

- the minimum purchase price shall be no more than 20% below the reference price of the shares as registered during the market trading session on the day preceding any individual transaction;
- the maximum purchase price shall be no more than 20% above the reference price of the shares as registered during the market trading session on the day preceding any individual transaction.

In the event in which the transactions for the purchase of treasury shares are realized within the sphere of the admitted practices no. 1 referenced above, the price for the bids to purchase shall be no greater than the higher of (i) the price of the last independent transaction and (ii) the highest current price of the independent bid to purchase on the market in which the purchase bids are input.

The board proposes that the authorization allow for effecting the aforementioned transactions, in one or more tranches, by acquiring shares, in accordance with Article 144-*bis* Paragraph 1, letter b of the Issuer Regulations, on markets regulated according to the operational means established in the regulations covering the organization and operation of the markets, which do not allow for the direct matching of purchase bids with pre-determined offers for sale. The purchases may occur with means other than those indicated above in accordance with Article 132, Paragraph 3 of Legislative Decree no. 58/1998 or other provisions applicable as of the date of the transaction.

Furthermore, the board of directors, pursuant to and for the effects of Article 2357-ter of the Italian Civil Code, asks the shareholders' meeting to authorize the sale, in one or more tranches, of the shares purchased pursuant to this resolution or the shares already in the Company's portfolio, including prior to having purchased the maximum quantity of shares that can be purchased, and to repurchase the shares to the extent that the treasury shares held by the Company do not exceed the limit established by the authorization, without prejudice to point b) above and the consequent obligations provided by the plans.

The authorization for sale is requested in a similar manner, with validity as from the date of the resolution of the shareholders' meeting up to the date of the shareholders' meeting that will approve the financial statements as of December 31, 2013.

With the exception of the plans covering the distribution, against or without payment, of options on shares or shares, which will occur at prices determined by the plans, the price for any other sale of treasury shares, which is to be set by the board of directors with the authority to delegate the power therefor to one or more directors, may be no more than 10% below the reference price of the shares as registered during the market trading session on the day preceding any individual transaction.

In the event in which the transactions for the sale of treasury shares are realized within the sphere of the admitted practices no. 1 referenced above, the price for the offers for sale shall be no lower than the lower of (i) the price of the last independent transaction and (ii) the lowest current price of the independent offer to sell on the market in which the offers for sale are input, and the foregoing shall apply without prejudice to the other limits provided by CONSOB Resolution no. 16839/2009.

Should the treasury shares be the subject of an exchange, swap, grant or any other act of assignment without cash payment, the economic terms of the transaction shall be determined on the basis of the nature and characteristics of the transaction, including by taking into account the market performance of the EI Towers S.p.A. shares.

The exchange, swap, grant or any other act of assignment without cash payment of the shares may occur in the manner deemed most appropriate in the interest of the Company, and in any event, in respect of applicable laws and regulations and admitted market practices. The options on shares or the shares to be assigned as part of distribution plans will be assigned with the means and in the terms indicated by the plan regulations.

The purchase of treasury shares that is the subject of this authorization request is not instrumental to the reduction of the share capital.

Lissone, February 27, 2013

FOR BOARD OF DIRECTORS
Chairman
Alberto Giussani