



SARAS S.p.A.

***PROSPECTUS DRAWN UP IN ACCORDANCE WITH ARTICLE 84-BIS OF CONSOB  
REGULATION 11971 OF 14 MAY 1999 AS AMENDED IN RESPECT OF THE PLAN TO  
GRANT BONUS SHARES IN THE COMPANY TO EMPLOYEES OF THE SARAS GROUP,  
TO BE SUBMITTED FOR APPROVAL TO THE ORDINARY SHAREHOLDERS'  
MEETING OF SARAS S.P.A. ON 27 APRIL 2007, PURSUANT TO ARTICLE 114-BIS OF  
LEGISLATIVE DECREE 58 OF 24 FEBRUARY 1998.***

Milan, 12 April 2010

## **Introduction**

Following the expiry of the employee share plan for the previous three-year period 2007-2009, the Board of Directors of Saras S.p.A. (“Saras” or the “Company”) decided on 25 March 2010, following a proposal from the Remuneration Committee, to submit for approval to the Company's ordinary shareholders’ meeting, pursuant to article 114-bis of Legislative Decree 58 of 24 February 1998 (the “TUF”), a plan to grant ordinary Saras shares (the “Plan”) to the employees of the company and its Italian subsidiaries, and the related regulation.

The ordinary shareholders’ meeting to approve the Plan is scheduled for 27 April 2010, at 3:30 p.m. (first call) with second call, if necessary, on 28 April 2010, at 10:30 a.m..

The Plan covers the medium term, and relates to the allotment of bonus ordinary shares (“Shares” or, individually, “Share”) in the Company, in the years 2010, 2011 and 2012, to employees of the Company and its Italian subsidiaries, in accordance with the terms and conditions specified below.

The aim and purpose of the Plan, which was devised and proposed by the Remuneration Committee, are to create a means of fostering employee loyalty and commitment, by simultaneously providing an incentive to continue working for the relevant group company and a reward for employees who invest in the Company's shares.

This Prospectus is drawn up, and its paragraphs numbered, in line with the instructions contained in Schedule 7 of Appendix 3A of Regulation 11971 approved by CONSOB resolution of 14 May 1999, as subsequently supplemented and amended (the “Issuers' Regulation” or “IR”).

Information relating to decisions adopted by the Board of Directors in implementation of the Plan, subject to its approval by the Company's shareholders and in compliance with the general criteria laid down thereby, will be provided in accordance with legal and regulatory procedures and terms, with particular reference to article 84-bis, paragraph 5 of the IR.

The Plan is to be regarded as “of particular significance” as set out by article 114-bis, paragraph 3 of the TUF and article 84-bis, paragraph 2 of the IR.

This Prospectus is available for public inspection at the Company's head office and administrative office, and at Borsa Italiana S.p.A., and is also available on the Company's website ([www.saras.it](http://www.saras.it)).

## **Definitions**

For the purposes of this Prospectus, the terms and expressions listed below have the following meanings:

### **“Shares”**

The ordinary shares of the Company;

### **“Beneficiaries”**

The employees of the Company and of its Italian subsidiaries, excluding Group company employees on probation on the Allotment Date;

### **“Prospectus”**

This document, drawn up in accordance with article 84-bis, paragraph 1 of the IR;

### **“Group”**

SARAS S.p.A. and its subsidiaries;

### **“Allotment Date”**

For 2010, it is 30 September 2010, while for the years 2011 and 2012 it is 30 June of each year;

### **“Plan”**

The plan to grant bonus ordinary shares in the Company to the Group's employees, subject to approval by the ordinary shareholders' meeting to be held on 27 April 2010;

### **“Regulations”**

The regulations governing the Plan, subject to approval by the ordinary shareholders' meeting to be held on 27 April 2010;

### **“Company”**

SARAS S.p.A.;

### **“Subsidiaries”**

The Company's Italian subsidiaries.

Terms in upper case for which no definition is given here are understood to be defined in the Plan and/or in the Regulations.

## 1. Intended recipients

- 1.1. The sole recipient of the Plan who also serves as a member of the Board of Directors of the Company or of the Subsidiaries is Dario Scaffardi. It should be noted, moreover, that Mr. Scaffardi is a beneficiary of the Plan exclusively in his capacity as General Manager of the Company, as Company directors are not included among its recipients.
- 1.2. All employees of the Company and of the Subsidiaries who are employed under a permanent contract, including part-time contracts, and who, on the Allotment Date, have an existing employment relationship with the Group are recipients of the Plan. Group company employees who are on probation on the Allotment date are excluded.
- 1.3. Beneficiaries of the Plan:
  - a) in their capacity as persons holding management positions within the Company, as stated in article 152-sexies letter c)-c.2) of the IR, are:
    - Dario Scaffardi (General Manager) (see point 1.1 above);
  - b) not applicable; it should be noted that the Company has no holdings in subsidiaries that represent more than 50% of its own assets.
  - c) not applicable.
- 1.4. Description and numbering, divided by category:
  - a) Beneficiaries defined as managers with regular access to privileged information and powers to adopt management decisions which could affect the Company's development and future prospects, pursuant to article 152-sexies paragraph 1, letter c)-c.2) of the IR, are: 14;
  - b) not applicable;
  - c) not applicable;
  - d) not applicable.

## **2. 2. Reasons for adopting the Plan**

2.1 and 2.1.1. The aim and purpose of the Plan is to create a means of fostering loyalty from the Beneficiaries, providing them with an incentive to continue working within the Group and rewarding them for their direct investment in Shares.

2.2 and 2.2.1. It should be noted that the allotment of Shares is not linked to the attainment of performance targets.

2.3. and 2.3.1. In order to determine the maximum number of Shares to distribute to each Beneficiary, reference is made to the best market practice of leading listed companies comparable to the Company in relation to incentive plans similar to the Plan. As stated in the previous point, it should be noted that the allotment of Shares is not linked to the attainment of performance targets. In addition, please refer to point 4.5 below.

2.4. not applicable.

2.5. Assessments of significant tax and accounting implications had no bearing on the preparation of the Plan. However, it should be noted that the Plan envisages a non-transferability restriction of three years on the Shares allotted thereunder, to allow Beneficiaries to take advantage of the tax exemption provided by article 51, paragraph 2, letter g) of Presidential Decree 917 of 22 December 1986, as amended.

2.6. not applicable.

### **3.3. Approval process and timeframe for granting the instruments**

- 3.1. Under the Plan, the Company shareholders' meeting will grant the Board of Directors, with sub-delegation authority, all powers necessary and proper to execute the Plan.
- 3.2. On the basis of the information provided in the previous point, the body responsible for the administration and implementation of the Plan is the Board of Directors of the Company. It has full operating powers and powers of delegation to manage the Plan, including, for example, powers to introduce any possible change to the Plan's Regulations in order to adapt it following resolutions passed by the shareholders' meeting.
- 3.3. The Plan sets no specific basic objectives hence there are no pre-established procedures to automatically review the Plan in the light of any changes to the aforesaid objectives. However, the number of Shares and any other essential terms of the Regulations may be subject to adjustments or corrections to reflect any mergers, spin-offs, recapitalisations or other extraordinary transactions performed by the Company, including any new Share issues made thereby (for purposes other than to service the Plan), or, should the occasion arise, following future legislative or regulatory amendments; any such adjustments or corrections, in the absence of manifest errors, will be final and binding for the Beneficiaries.
- 3.4. The Plan envisages the allotment to Beneficiaries of bonus Shares already held by the Company or to be purchased on the basis of a resolution passed by the shareholders' meeting in accordance with the applicable legislative and regulatory provisions.
- 3.5. The terms and conditions of the Plan and of the Regulations pertaining thereto were drawn up by the Remuneration Committee (comprising Messrs: Gilberto Callera, independent director, Mario Greco, independent director and Gabriele Previati, non-executive director) assisted by external consultants. Meetings of the Remuneration Committee may be attended by anyone whose presence is deemed appropriate by the Committee, provided that no directors take part in meetings of the Committee when proposals on their remuneration are put forward.
- 3.6. On 25 March 2010, the Plan was approved by the Company's Board of Directors, following the recommendations made by the Remuneration Committee meeting held on 25 March 2010, and will be submitted for approval to the shareholders' meeting on 27 April 2010.
- 3.7. Not applicable.
- 3.8. The market price of the Shares, on 25 March 2010, was EUR 1.979.
- 3.9. It was deemed unnecessary to put in place safeguards of the kind stated in Schedule 7, Annex 3A, of the IR because the overlap between the allotment of the Shares (as stated in point 4.5 below) and the public disclosure of privileged information will have no impact on the recipients of the Plan, since the Shares will be non-transferable for a period of three years following their allotment. Please refer to point 4.6 below.

#### **4. The features of the financial instruments**

- 4.1. The Plan envisages the allotment of bonus Shares to the Beneficiaries.
- 4.2. The Plan envisages the allotment of bonus Shares in the years 2010, 2011 and 2012.
- 4.3. The Plan is scheduled to end on 30 June 2012, the allotment date of the Shares for 2012.
- 4.4. The maximum number of Shares assignable to each Beneficiary has been determined thus:
  1. for the year 2010, each Beneficiary will receive one bonus Share for every six held at 31 December 2009;
  2. for the years 2011 and 2012, provision is made for each Beneficiary to be allotted one bonus Share for every six additional Shares purchased by him/her in 2010 and 2011 respectively, on condition that the number of Shares held by the Beneficiary on a daily basis during each of these years is never lower than the number of Shares held at 31 December of the previous year.

The value of the Shares assignable overall to each Beneficiary may never exceed, in relation to each reference year, the sum of EUR 2,065. In addition, the maximum value of the Shares assignable overall under the Plan may never exceed the sum of 2,000,000 (two million).

- 4.5. As stated in point 4.4 above, the Plan envisages the allotment to each Beneficiary (i) for the year 2010, an additional bonus Share for every six held by the Beneficiary at 31 December 2009, and (ii) for the years 2011 and 2012, of an additional bonus Share for every six Shares purchased by the Beneficiary in 2010 and in 2011 respectively, on condition that the number of Shares held by him/her on a daily basis during each of these years is never lower than the number of Shares held at 31 December of the previous year.

In order to calculate the number of additional Shares to be allotted for the year 2010, the Beneficiary shall inform the Company of the number of Shares held at 31 December 2009, even if such number is zero. Such notification shall be made, on pain of forfeiting the right to allotment of the Shares, by completing a form appended to the Regulations, which is to reach the Company by 30 June 2010 at the latest.

In order to calculate the number of additional Shares to be allotted for the year 2011 and for the year 2012, each Beneficiary shall notify the Company (a) as regards the year 2011, of the difference between the number of Shares held at 31 December 2010 and the number of Shares held at 31 December 2009 and (b) as regards the year 2012, the difference between the number of Shares held at 31 December 2011 and the number of Shares held at 31 December 2010; and shall also declare, in respect of each year, that the number of Shares held on a daily basis during 2010 and 2011 was never lower than the number of Shares held at 31 December of the previous year. Such notification shall be made, on pain of forfeiting the right to allotment of the Shares, by completing a form appended to the Regulations

(Annex 2 and 3), which is to reach the Company for the year 2011 by 28 February 2011 at the latest and, for the year 2012, by 28 February 2012 at the latest.

For each of the three reference years, the Company will inform each Beneficiary of the overall number of Shares allotted by registered letter/letter delivered by hand. Each Beneficiary shall notify the Company, on pain of forfeiture, of his/her acceptance of the allotment of the Shares within forty-five days of receipt of the letter of allotment, by duly signing and returning the form provided by the Company for this purpose.

- 4.6. The Plan envisages a non-transferability restriction of three years on the Shares allotted under the Plan, by placing them in a time-deposit account, to allow the Beneficiaries of the Plan to take advantage of the tax exemption provided by article 51, paragraph 2, letter g), of Presidential Decree no. 917 of 22 December 1986, as amended.

The Company reserves the right to subject possession of the Shares to other procedures needed to optimise costs in terms of contributions and taxes or the financial consequences of the Plan for the Company in the light of tax laws prevailing at the time.

- 4.7. Not applicable.

- 4.8. Delivery of the Shares allotted to each Beneficiary under the Plan for one or more of the three years will be made even if the employment relationship with the Beneficiary has ceased for whatever reason (apart from the dismissal for just cause or for a subjective justifiable reason).

If a disciplinary procedure or work-related legal proceedings are pending which may result in the termination of the Beneficiary's employment, delivery of the Shares will be suspended and conditional upon the outcome of such proceedings.

- 4.9. It should be noted that the allotment of the bonus Shares will only take place if on the Allotment Date the Shares are listed on the Mercato Telematico Azionario (Electronic Stock Market) organised and managed by Borsa Italiana.

- 4.10. Not applicable.

- 4.11. Not applicable.

- 4.12. The anticipated cost to the Company of the Plan is largely equivalent to the cost of the purchase on the market, already made or to be made, of the bonus Shares to be allotted under the Plan, according to the provisions of points 4.4 and 4.5 above, which is not quantifiable at present, whilst maintaining, as stated in point 4.4 above, that the maximum value of the Shares assignable overall under the Plan may never exceed the sum of 2,000,000 (two million).

The administrative costs of managing the Plan are deemed insignificant.

- 4.13. Not applicable.



4.14. No limits are set on the exercise of the voting rights or on the granting of property rights following the allotment of the Shares.

4.15. – 4.23. Not applicable.

4.24. Table 1 contained in Schedule 7 under Annex 3 A of the Issuers' Regulations is annexed hereto.

**Table in Schedule 7 under Annex 3A of the Issuers' Regulation**

Name or category	Title (to be stated for named persons only)	PART 1						
		Financial instruments other than options						
		<u>Section 2</u>						
		Instruments newly allotted on the basis of a Board decision to be put to the shareholders' meeting						
		Date of relevant shareholders' resolution	Description of instrument	Number of financial instruments allotted for each person or category by the Board or competent body	Date of allotment by the Board or competent body	Purchase price of instruments, where applicable	Market price on the allotment date	End of restriction on sale of instruments
<u>MEMBERS OF THE BOARD OF DIRECTORS</u>								
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<u>PERSONS HOLDING SENIOR MANAGEMENT POSITIONS PURSUANT TO ARTICLE 152- SEXIES, PARAGRAPH 1, LETTERS C)-C.2) OF THE IR</u>								
Dario SCAFFARDI	Director and General Manager	--	Ordinary shares of SARAS S.p.A.	Unavailable	30/09/2010 30/06/2011 30/06/2012.	Unavailable	Unavailable	The Plan envisages a non-transferability restriction of three years on the Shares
<u>SIGNIFICANT PARTIES PURSUANT TO ARTICLE 152- SEXIES, PARAGRAPH 1, LETTERS C)-C.2) OF THE IR</u>								
No. of managers 14		--	Ordinary shares of SARAS S.p.A.	Unavailable	30/09/2010 30/06/2011 30/06/2012.	Unavailable	Unavailable	The Plan envisages a non-transferability restriction of

								three years on the Shares
<u>EMPLOYEES OF SARAS S.P.A.</u>								
Senior managers, middle managers, office workers, semi-skilled/manual workers.	--	--	Ordinary shares of SARAS S.p.A.	Unavailable	30/09/2010 30/06/2011 30/06/2012.	Unavailable	Unavailable	The Plan envisages a non-transferability restriction of three years on the Shares
<u>EMPLOYEES OF ITALIAN SUBSIDIARIES OF SARAS S.P.A.</u>								
Senior managers, middle managers, office workers, semi-skilled/manual workers.	--	--	Ordinary shares of SARAS S.p.A.	Unavailable	30/09/2010 30/06/2011 30/06/2012.	Unavailable	Unavailable	The Plan envisages a non-transferability restriction of three years on the Shares