



PROSPECTUS FOR THE STOCK GRANT PLAN 2013-2015 FOR THE SARAS GROUP MANAGEMENT

(prepared in accordance with art. 84-bis of the Consob Issuer Regulations approved by Resolution 1971 on 14 May 1999, as subsequently amended and supplemented)

Milan, 25 March 2013

Definitions

The terms used in this information prospectus (“Prospectus”) have the following meanings:

“Allocation”	means the allocation of Rights approved by the Board of Directors to each Beneficiary.
“Allotment”	means the calculation, subject to verification that the Performance Objectives have been achieved, of the number of Shares that each Beneficiary will receive, as approved by the Board of Directors at the end of the Performance Period.
“Shares”	means the Company’s ordinary shares listed on the Italian MTA (electronic stock market) organised and managed by Borsa Italiana S.p.A.
“Beneficiaries”	means the recipients of the Plan, pursuant to paragraph 1 of the Prospectus, as identified by the Board of Directors and the General Manager.
“Change in Control”	means a change in control of the Company pursuant to current legislation.
“Delivery”	means Shares delivered to each Beneficiary of the Plan following Allotment by the Board of Directors at the end of the Performance Period.
“Board of Directors”	means the Board of Directors of the Company.
“Rights”	means the rights allocated to the Beneficiaries entitling them to receive free Shares at the end of the Performance Period based on achievement of the Performance Objectives.
“Company”	means Saras S.p.A., with registered office at Sarroch 09018 (CA), SS. 195 Sulcitana, KM 19.
“Performance Objectives”	means the objectives of the Plan, whereby the number of Shares that will be allocated to each Beneficiary at the end of the Performance Period is determined by the level of

	achievement.
“Performance Period”	means the three-year period from 2013 to 2015 over which achievement of the Performance Objectives will be assessed.
“Plan”	means the Stock Grant Plan 2013/2015 based on financial instruments and reserved for Beneficiaries.
“Relationship”	means the employment relationship and/or directors’ relationship existing between the Beneficiary and the Company or one of its Subsidiaries.
“Plan Regulations”	means the regulations specifying the dates and terms of implementation of the Plan, together with any changes thereto, as approved by the Board of Directors.
“Subsidiaries”	means the Italian and/or foreign companies controlled by the Company pursuant to Article 2359 Italian Civil Code.

Preliminary remarks

The Prospectus has been prepared pursuant to Article 84-*bis* of the Issuer Regulations, and its paragraphs numbered, in line with the instructions contained in Schedule 7 of Appendix 3A of the Issuer Regulations, for the purpose of providing the General Meeting of Shareholders with the information required to vote on the approval of the Plan for the Beneficiaries.

The AGM has been convened to vote on the Plan on 24 April for the first call and, if necessary, on second calling on 25 April 2013, by way of a notice from the Board of Directors dated 18 March 2013.

The Plan is to be regarded as “of particular significance” as set out by art. 114-*bis*, paragraph 3 of the TUF and art. 84-*bis*, paragraph 2 a) and b) of the Issuer Regulations.

This Prospectus is available to the public at the registered office of Saras S.p.A. and on the Company’s website www.saras.com.

As required by law, the Prospectus will also be sent to Consob and Borsa Italiana.

1. Intended recipients

1.1 *Names of the recipients who are members of the Board of Directors or the management board of the issuer of the financial instruments, of the companies controlling the issuer and of the companies directly or indirectly controlled by the issuer.*

The names of the Beneficiaries and the other information specified by paragraph 1 of Schedule 7 of Appendix 3A of the Issuer Regulations shall be provided pursuant to art. 84-*bis*, para. 5 a) of the Issuer Regulations.

1.2 *Categories of employees who are recipients of the Plan or people working for the issuer of the financial instruments and thecontrolling shareholders or subsidiaries of said issuer.*

Potential Beneficiaries of the Plan include persons in the following categories:

- Senior personnel with strategic responsibility
- Executive directors of Subsidiaries, individually identified by the Board of Directors
- Other applicable persons in the Group, including those with a self-employment contract.

Based on the Plan Regulations, the Beneficiaries shall be individually nominated, at the sole discretion of the Board of Directors and, for the various other applicable roles – Executive Directors and Senior personnel with responsibility – by the General

Manager, including managers who have a substantial impact on value creation for the Company and its shareholders.

1.3 *Names of the recipients of the Plan belonging to the groups specified in 1.3, a), b), c) of Appendix 3A, Schedule 7, of the Issuer Regulations.*

The names of the Beneficiaries and the other information specified in paragraph 1 of Schedule 7 3A of the Issuer Regulations shall be provided pursuant to art. 84-bis, para. 5 a) of the Issuer Regulations.

1.4 *Description and numbering of the recipients of the Plan, divided into the categories specified in 1.4, a), b), c) of Appendix 3A, Schedule 7, of the Issuer Regulations.*

Based on the Plan Regulations, the Beneficiaries shall be identified by the Board of Directors and, for the various other roles – Executive Directors and Managers with strategic responsibility – by the General Manager, after the Plan has been approved by the Shareholders' Meeting.

The other information stipulated by paragraph 1 of Schedule 7 Appendix 3A of the Issuer Regulations shall be provided as set out in art. 84-bis, para. 5 a) of the Issuer Regulations.

2. Reasons for adopting the Plan

2.1 Plan Objectives

The Plan incorporates the following aims:

- a) To ensure that the interests of management are aligned with those of shareholders;
- b) To implement a medium to long-term incentive scheme that can create a strong link between remuneration, company performance and the creation of value for shareholders;
- c) To support retention of key resources in the medium to long term;
- d) To ensure that the relationship between remuneration based on financial instruments and other pay components are in line with common practice among listed companies in Italy.

2.2. Performance indicators and key variables.

The Allotment of Shares is subject to achievement of the three-year Performance Objectives assigned and communicated at the time the Plan was implemented.

The indicator used to measure the Company's performance in the reference period is Total Shareholder Return ("TSR"), calculated with respect to a peer group belonging to the FTSE Italia Mid Cap.

2.3 Criteria for determining the number of shares to be allotted.

The maximum number of Rights to be allocated to each Beneficiary is determined by the Board of Directors and, for the various other roles – Executive Directors and Senior personnel with strategic responsibility – by the General Manager, at the time of Allocation, whereby the Beneficiary's role in the Company and the Subsidiaries and his/her role within the Saras Group shall be of paramount consideration.

2.4 Reasons for allocating compensation plans based on financial instruments not issued by the Company.

Not applicable. The Plan shall be solely based on Shares of Saras S.p.A.

2.5 Assessment of significant tax and accounting implications.

The preparation of the Plan has not been influenced by significant tax or accounting implications. In particular, the prevailing tax regime applicable in the tax domicile of each Beneficiary will be taken into consideration.

2.6 Support for the Plan from the special fund to encourage employee participation in companies ("Fondo speciale per l'incentivazione della partecipazione dei lavoratori nelle imprese), as per art. 4, para. 112 of Law 350 of 24 December 2003.

The Plan does not receive support from the special fund to encourage employee participation in companies, as per art. 4, para. 112 of Law 350 of 24 December 2003.

3. Approval process and timeframe for granting the instruments

3.1 Powers and roles delegated by the Shareholders' Meeting to the Board of Directors for activating the Plan

On 18 March 2013, the Board of Directors, on the recommendation of the Remuneration and Nomination Committee (hereinafter "Committee"), voted to submit the Plan for approval to the AGM to be held on 24 April 2013 or, if necessary, on the second call date of 25 April 2013.

The Shareholders' Meeting will be asked to vest in the Board of Directors the power, including the power of sub-delegation, having consulted the Committee, to: (i) activate the Plan; (ii) name the Beneficiaries; (iii) determine the number of Rights to be allocated to each Beneficiary; (iv) detail the performance objectives on which base the Shares may be allocated to the Beneficiaries; (v) carry out all necessary and

appropriate requirements, formalities and communications for the purpose of managing and/or activating the Plan, within the deadlines and terms and conditions described in this document.

3.2 Parties involved in the administration of the Plan

The Board of Directors of Saras S.p.A., which is vested with the power of sub-delegation, is responsible for managing the Plan.

The Board of Directors is vested with all necessary powers for activating the Plan, including, by way of example:

- (i) the power to identify the Beneficiaries;
- (ii) the power to verify that the Performance Objectives for the Allotment of the Shares have been achieved;
- (iii) the power to change the Plan as specified in paragraph 3.3 below.

3.3 Existing procedures for revising the Plan

The Board of Directors shall control new rights and/or modify and/or supplement the terms and conditions of Allotment for transactions including the following, where this is deemed necessary or appropriate in order to ensure that the keys aspects of the Plan remain as far as possible unchanged, within the limits permitted by prevailing legislation in force at the relevant time:

- splits and reverse splits of the Shares;
- a capital increase in the Company without a call for payment or a capital increase in the Company with a call for payment;
- distribution of extraordinary dividends on the Shares;
- loss-induced capital reductions by way of cancelling the Shares.

In the event of a Change of Control, at the sole discretion of the Board of Directors, Shares may be allotted to the Beneficiaries in advance of the deadlines specified by the Plan Regulations.

The Board of Directors may define the terms and conditions and deadlines for allotting and delivering the Shares in the case of a delisting, which may be carried out in advance.

In such cases, the Board of Directors is also authorised to change the terms of the Lock-in Period.

3.4 Procedures for determining availability and Allotment of the Shares

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.

On 18 March 2013, the Board of Directors voted to make a proposal to the Shareholders' Meeting to renew the authorisation to acquire own shares and, amongst other things, to vest in the Board of Directors the power to use said shares for the Company's share-based compensation plan.

3.5 Role of each Director in determining the characteristics of the Plan; possible existence of conflicts of interest.

The Remuneration and Nomination Committee of the Company is involved in various phases of drafting the Plan.

There are no apparent conflicts of interest in that no Non-Executive Director is a Beneficiary of the Plan.

3.6 Date of vote by the competent body to submit the Plan for approval of the Shareholders' Meeting and of any proposal by the Remuneration and Nomination Committee.

In its meeting on 18 March 2013, the Remuneration and Nomination Committee voted to propose approval of the Plan to the Board of Directors of the Company.

In its meeting on 18 March 2013, the Board of Directors approved the Plan, with the favourable opinion of the Committee, and proposed to submit it for approval to the Shareholders' Meeting convened for the first call on 24 April 2013 and, if necessary, on the second calling on 25 April 2013.

3.7 Date of vote by the body responsible for allocating the instruments and of any proposal made to said body by the Remuneration and Nomination Committee.

The Rights set out in the Plan shall be allocated to the Beneficiaries by the Board of Directors and, for the various other roles – Executive Directors and Managers with strategic responsibility – by the General Manager, after consultation with the Remuneration and Nomination Committee, after the Plan has been approved by the Shareholders' Meeting convened on 24 April 2013 and, if necessary, on the second calling on 25 April 2013.

As of the date of this Prospectus, the information relating to the date of approval of any proposals by the Committee and the Board of Directors is not available and will be communicated at a later date pursuant to art. 84bis, para. 5 of the Issuer Regulations.

3.8 Market price of registered shares on the dates specified in 3.6 and 3.7

On 18 March 2013, the date on which the Remuneration and Nomination Committee and the Board of Directors met to define the proposal to be submitted to the Shareholders' Meeting regarding the Plan, the official stock market price was EUR 0.9665.

The price of the shares at the time of Allocation# of the Rights by the Board of Directors shall be communicated pursuant to art. 84-bis, para 5, of the Issuer Regulations.

3.9 Procedures adopted by the Company if the date of Allotment of the Shares or of any decisions by the Remuneration and Nomination Committee is the same as the date on which the relevant information pursuant to art. 114, para 1 TUF is communicated.

Disclosure of any privileged information at the time the Rights are allocated would have no impact with regard to the Beneficiaries as they cannot carry out any transactions in the Shares at that time since physical delivery of the Shares takes place after Allocation of the Rights thereto.

4. Features of the instruments allocated.

4.1 Plan structure

The objective of the Plan is to allocate Rights for the Allotment of a maximum of 9,500,000 Shares at the end of the Performance Period, subject to achievement of the Performance Objectives.

The Rights will be allocated to the Beneficiaries for their personal use only and may not be transferred by deed between living persons or subjected to restrictions or other disposals of any type.

4.2 Effective period of activation of the Plan, also with regard to different cycles that may be expected

The Plan provides for a single cycle of Allocation of Rights with a Performance Period covering the years 2013, 2014 and 2015.

Delivery of the Shares shall take place at the end of the Performance Period, by 30 June 2016, after achievement of the Performance Objectives has been verified.

4.3 Termination of the Plan

The Plan shall terminate on 30 June 2016 or, if earlier, on the date the Shares are delivered to the Beneficiaries.

4.4 Maximum number of Shares allotted

The maximum number of Shares allotted to the Beneficiaries in executing the Plan is 9,500,000.

4.5 Procedure and clause for activating the Plan

Allotment of the Shares is contingent upon:

- the existence of an employment relationship with Saras S.p.A. or one of the Group companies as at the end of the Performance Period;
- the Beneficiary must not be subject to a notice period of resignation or dismissal as at the end of the Performance Period; if the Beneficiary is an executive director, he/she must not have resigned or have had his/her appointment revoked as at the end of the Performance Period.
- achievement of specific Performance Objectives consisting of the Total Shareholder Return (“TSR”), calculated with reference to a peer group belonging to the FTSE Italia Mid Cap.

4.6 Lock-in periods affecting the Shares

The Rights allocated are personal and may not be transferred or made available to living persons and may not be pledged or used as collateral. The Rights shall become ineffective if any attempt is made to transfer or sell them, including, for example, any attempt to transfer them by deed between living persons, or, in application of legislation, by way of pledge or other real right, or sequestration or seizure.

After Allotment has taken place, the following shall apply:

- a share of 80% of the Shares allotted shall be freely negotiable.

- the remaining 20% share of the Shares allotted shall be subject to a lock-in period of 24 months starting on the date of Allotment of said Shares.

The Company reserves the right to subject possession of the Shares to other procedures for the purpose of optimising 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 Conditions for terminating the Plan if the recipients conduct hedging transactions.

If the Beneficiaries conduct hedging transactions on the Rights before the Rights are allocated, the Beneficiaries shall lose the Rights.

4.8 Cessation of the employment relationship and its impact.

If the Relationship ceases before the Shares are allotted due to: (i) dismissal by the Company for just cause or (ii) voluntary resignation by the Beneficiary, the Beneficiary shall lose the Rights allocated.

If, in all cases where the Relationship ceases, as outlined above, the date the Relationship ceases is before the Shares are allotted, the Beneficiary (or his/her heirs) may only retain all or some of the Rights allocated subject to approval by the Board of Directors, which shall rule in its sole discretion.

It shall be understood that if the Relationship is transferred by the Company or the Subsidiary to another company in the Group and/or if the employment contract ceases and a new employment contract is established at the same time within the Group, the Beneficiary shall retain, *mutatis mutandis*, the Rights allocated.

4.9 Reasons for cancelling the Plan

There are no provisions for cancelling the Plan.

4.10 Reasons for “redemption” by the Company of the financial instruments underlying the Plan.

The Plan does not contain a right of redemption on the part of the Company.

4.11 Loans and other facilities for acquiring the Shares

The Shares are allotted free of charge.

4.12 Assessment of costs expected by the Company on the date of Allocation, as determined on the basis of the terms and conditions previously defined, with regard to total amount and to each instrument in the Plan

The anticipated cost to the Company is the fair value of the Shares used in the Plan, which shall be promptly determined on the date the Rights are allocated. Information regarding the total cost of the Plan shall be provided pursuant to art. 84-bis art. 84-bis, para. 5 a) of the Issuer Regulations.

4.13 Dilution effects of the Plan.

If, subject to achievement of the objectives specified in 4.5 above, the maximum number of ordinary Shares subject to the Plan, namely 9,500,000, are allotted, such Shares will represent 0.998% of the Company's total equity capital.

4.14 Limits on exercising voting rights and granting property rights

There are no limits on exercising property rights and voting rights relating to the Shares to be allotted under the Plan.

4.15 Allotment of Shares not traded on regulated markets

Not applicable.

4.16 - 4.23

Not applicable.

TABLE

4.24 Table 1, as specified in paragraph 4.25 of Schedule 7 3A of the Issuer Regulations, shall be provided as set out in the procedures in art. 84-bis, para. 5 a) of the Issuer Regulations.