

Proposal by the Board of Auditors for the appointment of PricewaterhouseCoopers S.p.A. as external auditors, in accordance with article 159, paragraph 1 of Legislative Decree 58/98, as amended.

The Board of Auditors of SARAS S.p.A. (the “Company”)

whereas

- Legislative Decree 303 of 29 December 2006 (the “Corrective Decree”) amended article 159 of Legislative Decree 58/98 (the Consolidated Finance Act or “TUF”), providing for the appointment of an auditing company included in the special register to audit the annual and consolidated financial statements of listed companies (i) to be conferred by the shareholders’ meeting on a motion presented by the internal auditors;
- and, currently, auditing firm PricewaterhouseCoopers S.p.A. conducts the audit of the statutory and consolidated financial statements of the Company pursuant to articles 155 *et seq.* of the TUF, including the check that accounts are prepared in accordance with the regulations and that operating performance is accurately represented, as well as the limited auditing of the half-year financial statements (both relating to individual companies and the consolidated accounts), conferred (with effectiveness subject to the listing) by the shareholders’ meeting of 11 January 2006 for the period 2006-2011 and subsequently extended by the shareholders’ meeting of 27 April 2007 to include the financial years from 2012 to 2014;
- and, in accordance with resolution 11/07 of the Electricity and Gas Authority (AEEG), published in the Official Gazette on 13 February 2007, enacting the provisions regarding the “Obligations for separate management and accounting for companies operating in the electricity and gas sectors”, Your Company must prepare, with reference to financial years following that ending 31 December 2007, and send to the abovementioned authority, separate and consolidated financial statements relating to activities carried out in the electricity sector, ensuring that these statements are audited;
- and, in consideration of the above, and following consultation with the management of the Company, and in the light of the established relationship with PricewaterhouseCoopers S.p.A., the Company has asked the latter to set out the terms and conditions of a proposal to put before the shareholders’ meeting regarding the appointment of external auditors of the separate and consolidated financial statements

having examined

the proposal presented by auditors PricewaterhouseCoopers S.p.A. on 12 January 2010 and, noting that:

- said proposal includes, *inter alia*, the audit of the income statement and notes to the accounts that will be prepared in conformity with the criteria envisaged by the AEEG;
- the audit will be conducted in accordance with the principles and criteria set out by the International Standard on Auditing 800 and will as such include the sample control of accounts in compliance with resolution 11/07 for separate and consolidated annual accounts;

- fees applicable for each of the financial years starting from that ending 31 December 2007 are estimated at EUR 6,500 for 45 hours and does not include direct expenses, secretarial costs or VAT;
- from 1 July 2010 fees will be adjusted in line with changes in inflation (ISTAT index) versus the previous year;
- given that this is the first application of the new resolution, the audit of the separate financial statements for 2007 and 2008 will include a one-off check to ensure the implementation of company procedures regarding the preparation of separate annual financial statements in conformity with the provisions of the new resolution;
- fees relating to such activities will amount to EUR 14,000 (corresponding to approximately 100 hours)

considering that

- PricewaterhouseCoopers S.p.A., included in the Register in accordance with article 161 of the TUF, satisfies the requirements of independence established by the law and there currently exist no situations of incompatibility;
- PricewaterhouseCoopers S.p.A. undertakes to avoiding any conduct that could compromise the requirement of independence or give rise to situations of incompatibility;
- PricewaterhouseCoopers S.p.A. possesses the organisational structure and technical competencies appropriate to the scope and complexity of the duties to be carried out;
- the fees requested, as already noted, appear reasonable;
- the proposal has, moreover, been approved by the Board of Directors of the Company

proposes

to the ordinary shareholders' meeting of SARAS S.p.A.

- pursuant to article 8, paragraph 7 of Legislative Decree 303 of 29 December 2006 and article 159, paragraph 1 of the TUF, to appoint the auditing firm PricewaterhouseCoopers S.p.A. as auditors of the separate and consolidated financial statements for the financial years starting from 31 December 2007;
- that the estimated number of hours needed to carry out these duties is approximately 45 hours for each year of audit;
- that fees applicable are based on the levels of responsibility and professional experience and on the time needed to carry out these duties and are estimated, from 31 December 2007, to amount to EUR 6,500 per annum;
- that given that this is the first application of the new resolution, the audit of separate annual financial statements for the financial years 2007 and 2008 will involve an extra fee estimated at EUR 14,000 (corresponding to approximately 100 hours);
- that all aspects comply with the proposal presented by the auditing firm PricewaterhouseCoopers S.p.A. on 12 January 2010.

Milan, 12 April 2010

For the Board of Auditors

Chairman of the Board of Auditors
