

KME Group S.p.A.
Share capital: €319,738,841.95 fully paid-in
Registered Office in Florence
Registration No. in the Company Register of the Court of Florence
and Tax I.D. No: 00931330583

NOTICE OF SHAREHOLDERS' MEETING

The shareholders of KME Group S.p.A. are called to an Ordinary Meeting that will be held in Florence, at 2 Via dei Barucci, at 11:00 AM

- on August 3, 2007 on the first calling, or
- on August 6, 2007 on the second calling;

to vote on the following

AGENDA

1. Motion to distribute available reserves through the allocation to shareholders of an equity investment held by the Company in KME Green Energy S.r.l., subsequent to KME Green Energy's being transformed into a corporation; related and required resolutions;
2. Election of Directors after determining the size of the Board of Directors; related and required resolutions, including resolutions concerning the determination of the fixed annual Director's fee referred to in Article 21 (Compensation) of the Bylaws;

Attendance at the Shareholders' Meeting

Pursuant to law and in accordance with the provisions of Article 11 (Attendance and Representation at Shareholders' Meetings) of the Bylaws, in order to attend the Meeting, shareholders must file at the Company's registered office, at 2 Via dei Barucci, Florence, at least two days prior to the date of each Meeting a certification issued by an authorized intermediary that attests to their ownership of their shares. If the abovementioned deadline falls on a holiday or on a Saturday, it will be extended to the next business day.

Applicable provisions of the proxy collection laws notwithstanding, shareholders may appoint a proxy (who need not be a shareholder) to represent them at the Meeting by means of a simple power of attorney affixed at the bottom of the abovementioned certification.

Documents

The Reports of the Board of Directors on the items on the Agenda, the corresponding motions and all other reports and documents pertaining to all of the items on the Agenda that are required pursuant to law will be on file at the Company's registered office, at 2 Via dei Barucci, Florence, and at the offices of Borsa Italiana S.p.A. within the statutory deadline. Shareholders may request copies of these documents. The documents will also be available on the Company website: www.kmegroup.it.

Filing of the Slates of Candidates for Election to the Board of Directors

Consistent with the applicable provisions of the law and the procedures set forth in Article 17 (Election and Composition of the Board of Directors and Term of Office of Directors) of the Bylaws and pursuant to Article 144 *quater*, Section I, Letter e), of the Regulations enacted to implement Legislative Decree No. 58 of February 24, 1998, adopted by the CONSOB with Resolution No. 11971 of May 14, 1999, as amended, slates may be filed only by shareholders who, alone or jointly with other shareholders, represent at least 2.5% of the Company's common share capital. The text of Article 4 (Share Capital), which shows an updated breakdown of the Company share capital, and Article 17 (Election and Composition of the Board of Directors and Term of Office of Directors) of the Bylaws is available at the Corporate Affairs Department (Ufficio Affari Societari), at the Company's registered office, 2 Via dei Barucci, Florence, and may be consulted online at www.kmegroup.it and at the offices of Borsa Italiana S.p.A.

The slates listing the names of the candidates for election to the Board of Directors, complete with the documents required pursuant to the abovementioned Article 17 of the Bylaws, must be filed with the Corporate Affairs Department (Ufficio Affari Societari) at the Company's registered office, at 2 Via dei Barucci, Florence, at least 15 days before the date of the Meeting's first calling. If the abovementioned deadline falls on a holiday or on a Saturday, it will be extended to the next business day.

Only slates filed by shareholders who have filed the required documents within the abovementioned deadline will be valid. If the Shareholders' Meeting is adjourned to a second calling, timely document filings will be treated as valid.

The slates filed together with the documents required pursuant to Article 144 *octies* of the abovementioned CONSOB Regulations will be available at the Company's registered office, at 2 Via dei Barucci, Florence, at the offices of Borsa Italiana S.p.A. and on the Company website: www.kmegroup.it at least 10 before the date of the Meeting's first calling.

Voting by Mail

Votes may also be cast by mail. Ballots and voting instructions will be available at the Company's registered office, 2 Via dei Barucci, Florence, at least 15 days before the date of the Meeting's first calling. Ballots must be mailed to the following address: KME Group S.p.A., Ufficio Affari Societari, Via dei Barucci 2, (50127) Florence. Ballots must be received at least 48 hours prior to the Meeting's first calling, together with a copy of the certification required under current regulations governing attendance at Shareholders' Meetings. If the abovementioned deadline falls on a holiday or on a Saturday, it will be extended to the next business day.

Florence, July 3, 2007

KME Group S.p.A.

NOTICE

“2006/2009 KME Group S.p.A. Common Share Warrants” Suspension of the Right to Exercise Warrants

At its July 3, 2007 meeting, the Board of Directors of KME Group S.p.A. agreed to convene an Ordinary Shareholders' Meeting on August 3/6, 2007. Consequently, consistent with the provisions of Article 2, Section IV, of the relevant Regulations, the right to exercise the “2006/2009 KME Group S.p.A. Common Share Warrants” will be suspended up to (and including) the day when the Shareholders' Meeting is held, it being understood that applications to exercise filed before July 3, 2007 will become effective in sufficient time to convey the right to attend the abovementioned Shareholders' Meeting.

KME Group S.p.A.

Florence, July 3, 2007