

KME Group S.p.A.
Share capital: €324,164,741.31 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 Extraordinary Meeting that will be held in Florence, at 2 Via dei Barucci, at 2:30 PM

- on March 13, 2008 on the first calling, or
- on March 14, 2008 on the second calling;

to vote on the following

AGENDA

1. Motion to reduce the share capital of KME Group S.p.A. for the purpose of creating an available reserve and amend accordingly Article 4 (Share Capital) of the Company Bylaws; related and required resolutions and granting of the necessary powers.

Pursuant to Article 2445, Section Two, of the Italian Civil Code, the motion to reduce the Company's share capital by 74,164,741.31 euros is consistent with the need to improve the structure of the Company's shareholders' equity, a goal that will be accomplished by creating an available reserve equal in value to the amount of the abovementioned reduction in share capital.

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 communication 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. Each share conveys the right to cast one vote.

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 communication.

Documents

The Report 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 free copies of these documents. The documents will also be available on the Company website: www.kmegroup.it.

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, Ufficio Affari Societari, 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., 2 Via dei Barucci, (50127) Florence, Ufficio Affari Societari. Ballots must be received at least 48 hours prior to the Meeting's first calling, together with a copy of the communication 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, January 31, 2008

KME Group S.p.A.