



PRESS RELEASE

**MOTIONS OF THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS'
MEETING**

- The Extraordinary Shareholders' Meetings of iNTEK S.p.A. and KME Group S.p.A. approved a proposal for the reverse proportional partial demerger of iNTEK S.p.A. into KME Group S.p.A.
- The Shareholders' Meeting of KME Group S.p.A. also approved the following motions:

In ordinary session:

- A new stock option plan reserved for executive Directors and managers of the Company and the Group;

In extraordinary session:

- Amendments to Articles 4 and 7 of the Bylaws, required by the cancellation of the previous stock option plan;
- Extension to December 30, 2011 of the final deadline to exercise the 2006-2009 KME Group S.p.A. Common Share Warrants;
- Splitting of the common and savings shares and additional required amendments;
- A share capital increase of up to 80 million euros;
- Delegation to the Board of Directors of the power to carry out a capital increase of up to 15 million euros reserved for the new stock option plan approved as described above.

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Florence, December 2, 2009 -- The Shareholders' Meeting held today, December 2, 2009, approved the motions submitted by the Board of Directors concerning the following transactions:

1. A **stock option plan** of up to 15 million euros, based on KME Group S.p.A. common shares, reserved for executive Directors and managers of the Company and its subsidiaries.
2. **Amendments to Articles 4 and 7 of the Bylaws, required by the cancellation of the share capital increases originally approved by the Board of Directors to implement the previous stock option plan** benefiting executive Directors and managers of the Company and its subsidiaries;
3. **Reverse proportional partial demerger of iNTEK S.p.A. into its KME Group S.p.A. subsidiary**, calling for the demerger of iNTEK S.p.A. to be carried out by conveying to KME Group S.p.A. the assets and liabilities of iNTEK S.p.A., consisting mainly of equity investments and financial instruments, including the investment in KME Group S.p.A.

The exchange ratio is as follows:

- Cancellation of the iNTEK S.p.A. financial instruments (common shares, savings shares and 2005-2011 iNTEK S.p.A. warrants) on the basis of 5 instruments for every 8 instruments held;
- Allocation to the holders of iNTEK S.p.A. financial instruments of:
 - 1 KME Group S.p.A. common share for each cancelled iNTEK S.p.A. common share;
 - 1 KME Group S.p.A. savings share for each cancelled iNTEK S.p.A. savings share;
 - 1 new 2009-2011 KME Group S.p.A. common share warrant, which will be listed for trading on the MTA, for each cancelled iNTEK S.p.A. common share warrant.

As a result, the shareholders of iNTEK S.p.A. will be allocated a total of 217,367,595 KME Group S.p.A. common shares and 9,487,295 KME Group S.p.A. savings shares, including 189,251,352 KME Group S.p.A. common shares and 1,345,359 KME Group S.p.A. savings shares already outstanding, which are held by iNTEK S.p.A. and are part of the Demerged Complex, and 28,116,243 newly issued KME Group S.p.A. common shares and 8,141,936 newly issued KME Group S.p.A. savings shares.

Consequently, as required by the exchange ratio, KME Group S.p.A. will increase its share capital from 250,014,922.60 euros to 273,754,855.72 euros by issuing a total of 36,258,179 new shares.

Moreover, in view of the requirement to replace the 2005-2011 iNTEK S.p.A. common share warrants with the new 2009-2011 KME Group S.p.A. common share warrants, the Shareholders' Meeting of KME Group S.p.A. approved a

share capital increase of up to 19,065,971.60 euros to be carried out through the issuance of up to 73,330,660 new common shares reserved for the conversion of the 73,330,660 newly issued KME Group S.p.A. warrants that will be allocated to the holders of the 2005-2011 iNTEK S.p.A. common share warrants in accordance with the abovementioned exchange ratio. Each new KME Group S.p.A. warrant allocated as above will be valid until December 30, 2011 to acquire through subscription 1 common KME share at a price of 0.90 euros per share (including 0.64 euros in additional paid-in capital).

Plans call for this transaction to be completed in the first quarter of 2010.

4. **Extension from December 11, 2009 to December 30, 2011 of the final deadline to exercise the 2006-2009 KME Group S.p.A. Common Share Warrants.**
5. **Splitting of the common and savings shares** carried out through the allocation of 3 common shares for every 2 common shares held and 3 savings shares for every 2 savings shares held, and resulting change to the preferential rights of the savings shareholders and to the exercise rules of the abovementioned warrants, according to which warrant holders will have the right to acquire through subscription 1 KME Group S.p.A. common share at a price of 0.70 euros for every 2 warrants held.
6. **Contributory, divisible share capital increase** for a total consideration, including any additional paid-in capital, of up to 80 million euros carried out by issuing common and savings shares, regular ranking for dividends, placed with shareholders through a rights offering, in accordance with Article 2441, Section 1, of the Italian Civil Code. The subscription price of the new shares will be determined by the Board of Directors, immediately before the rights offering, within a range of 0.30 euros and 0.37 euros for the common shares and of 0.50 euros and 0.57 euros for the savings shares.

Plans call for this transaction to be completed in the first half of 2010.

7. **Delegation to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, of the power to carry out in one or more installment a contributory, divisible share capital increase** for a total amount, including any additional paid-in capital, of up to 15 million euros, with exclusion of the preemptive right, as allowed by Article 2441, Section 4, Second Paragraph, of the Italian Civil Code, reserved for subscription by the beneficiaries of the stock option plan approved by the Shareholders' Meeting convened in ordinary session.

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EFFECTIVENESS OF THE RESOLUTIONS

The effectiveness of the individual resolutions approved by the Extraordinary Shareholders' Meeting is subject to their being recorded in the relevant Company Register in Florence, in accordance with the applicable provisions of the regulations currently in force. The Company reserves the right to promptly announce the satisfaction of this requirement in a press release.

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DOCUMENTS

The documents pertaining to the demerger transaction, including the Prospectus prepared in accordance with Article 70, Section IV, and Article 71 *bis* of CONSOB Regulation No. 11971/99, and the documents pertaining to all of the other items on the Agenda of the Ordinary and Extraordinary Shareholders' Meeting of December 2, 2009, which include the Prospectus for the stock option plan prepared in accordance with Article 84 *bis* of the abovementioned Regulation, are on file at the Company's registered office, at 2 Via dei Barucci, Florence, and at the offices of Borsa Italiana S.p.A. These documents are also available on the Company website: www.kme.com.

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EXERCISE OF WARRANTS

In accordance with the provisions of Article 2, Section IV, of the "Regulations of the 2006-2009 KME Group S.p.A. common share warrants," the exercise of the warrants will resume on December 3, 2009.

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This press release is available on the Company website, www.kme.com. Additional information may also be obtained directly from the Company (telephone number +39 055.4411454; e-mail investor.relations@kme.com).

Florence, December 2, 2009

KME Group S.p.A.