



**JOINT PRESS RELEASE**

**pursuant to Article 114 of Legislative Decree No. 58/1998 (“Uniform Financial Code”)**

**MERGER BY ABSORPTION OF INTEK S.P.A. INTO KME GROUP S.P.A.,  
SUBJECT TO THE PRIOR MERGER BY ABSORPTION OF QUATTROTRETRE S.P.A. INTO INTEK S.P.A.**

**Execution of the deed of merger by absorption of Quattrotretre S.p.A. into Intek S.p.A.  
and the deed of merger by absorption of Intek S.p.A. into KME Group S.p.A.  
(which will change its name to “Intek Group S.p.A.”)**

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**MILAN, FLORENCE, NOVEMBER 15, 2012** – Further to press release published on November 13, 2012, Intek S.p.A. (“**Intek**”) and KME Group S.p.A. (“**KME**”) announced that the deed of merger by absorption of Quattrotretre S.p.A. (“**433**”) into Intek S.p.A. (the “**Intek Merger**”) and the deed of merger by absorption of Intek into KME (the “**KME Merger**”) and collectively with the Intek Merger the “**Mergers**”) were executed today, the respective merger proposals having been approved by the Extraordinary Shareholders’ Meetings of Intek and KME on May 9, 2012, in accordance with the terms and conditions specified below.

**1. Intek Merger**

The Intek merger will become legally effective at 11:58 PM on November 30, 2012, subject to the filing of the deed of merger with the Milan and Turin Company Registers in accordance with Article 2504-*bis*, Section 2, of the Italian Civil Code (the “**Effective Date of the Intek Merger**”). The Intek Merger will be effective for accounting and tax purposes as of the same date.

Consistent with the resolutions approved by Intek’s Extraordinary Shareholders’ Meeting of May 9, 2012, Intek will increase its share capital through the issuance of 75,817,987 new Intek common shares, increasing its share capital by 0.26 euros for each issued share for a total of 19,712,676.62 euros, which will be distributed to the 433 shareholders based on the exchange ratio of 27.49 Intek common shares for each 433 common share tendered for exchange.

The new Intek shares issued to carry out the exchange for the Intek Merger will be made available to the 433 shareholders, in the form used for shares held centrally by Monte Titoli S.p.A. in dematerialized form, starting on the first business day following the Effective Date of the Intek Merger (i.e., December 3, 2012). At the same time, all of the shares representing 433’s entire share capital will be cancelled.

The Intek shares that will be distributed in exchange for the 433 shares will have regular ranking for dividends. The newly issued Intek shares will convey to their holders the same rights as the Intek shares outstanding at the time they are issued. There will be no charge to shareholders for the exchange transactions.

## **2. KME Merger**

The KME merger will become legally effective at 11:59 PM on November 30, 2012, subject to the filing of the deed of merger with the Florence and Turin Company Registers in accordance with Article 2504-*bis*, Section 2, of the Italian Civil Code (the “**Effective Date of the KME Merger**”). The KME Merger will be effective for accounting and tax purposes as of the same date.

Consistent with the resolutions approved by KME’s Extraordinary Shareholders’ Meeting of May 9, 2012, KME will increase its share capital through the issuance of 21,624,983 new KME common shares and 6,546,233 new KME savings shares, increasing its share capital by 0.61 euros for each issued share for a total of 17,184,441.76, which will be distributed to the Intek shareholders based on the exchange ratio of 1.15 KME common/savings shares for each Intek common/savings share tendered for exchange.

The new KME shares issued to carry out the exchange for the KME Merger will be made available to the Intek shareholders, in the form used for shares held centrally by Monte Titoli S.p.A. in dematerialized form, starting on the first business day following the Effective Date of the KME Merger (i.e., December 3, 2012). At the same time, all of the shares representing Intek’s entire share capital will be cancelled. If necessary, a service will be made available to the Intek shareholders by which they can round out to a full integer the number of KME shares they are entitled to receive based on the exchange ratio, at market prices and without any charges, fees or commissions.

The KME shares that will be distributed in exchange for the Intek shares will have regular ranking for dividends. The newly issued KME shares will convey to their holders the same rights as the KME shares outstanding at the time they are issued. There will be no charge to shareholders for the exchange transactions.

In order to take into account the prior-period preference dividend for 2010 that was not distributed to the Intek savings shareholders, the new KME savings shares distributed in exchange to the Intek savings shareholders will carry, pursuant to the Bylaws, the additional preference dividend for the undistributed 2010 earnings. Consequently, the new KME savings shares distributed in exchange to the Intek savings shareholders will trade separately until this difference in the shareholder rights conveyed by the abovementioned shares and the KME savings shares already outstanding is eliminated.

The 6,546,233 savings shares that will be listed separately can be either bearer shares (ISIN Code: IT0004867930) or registered shares (ISIN Code: IT0004867948), at the holder’s request.

### Name and Share Capital of the Company Resulting From the Mergers

Please note that, as a result of the KME Merger and as of the Effective Date of the KME Merger, KME will change its name from “KME Group S.p.A.” to “Intek Group S.p.A.”

Following the merger transactions described above, the share capital of Intek Group S.p.A. will amount to 314,225,009.80 euros, represented by a total of 395,616,488 shares, including 345,506,670 common shares without par value for 274,424,449.08 euros and 50,109,818 savings shares without par value for 39,800,560.72 euros, which include 43,563,585 savings shares already outstanding and 6,546,233 savings shares that will trade separately (issued as a result of the exchange transaction for a total of 3.993.202.13 euros).

### Exercise of the Right to Redemption in Connection with the KME Merger

Please note that, further to a resolution adopted by the Intek Shareholders’ Meeting approving the KME Merger, some shareholders exercised the right have their shares redeemed, pursuant to Article 2437, Section 1, Letter a), of the Italian Civil Code, for a total of 6,322,435 Intek shares, including 5,450,505 common shares and 871,930 savings shares, and that the rights offering carried out pursuant to Article

2437-*quarter* of the Italian Civil Code concerning the abovementioned shares ended on July 31, 2012, as per notice published in the newspaper *Italia Oggi* on August 6, 2012. Also keep in mind that those who bought the shares during the rights offering are entitled to receive, in exchange for the purchased shares, shares of the same class of KME, the absorbing company (which as a result of the KME Merger will change its name to “Intek Group S.p.A.”), in accordance with the exchange ratio provided for the KME Merger Proposal (i.15 common/savings share of Intek Group S.p.A. for each Intek common/savings share).

Payment of the liquidation value of the shares to each shareholder who exercised the right to redemption, and the transfer of and payment for the shares allocated within the framework of the rights offering will be made, through the respective intermediaries, on the first business day following the Effective Date of the KME Merger (i.e., December 3, 2012).

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Documents concerning the merger are available on the KME website ([www.kme.com](http://www.kme.com)), “*Investor Relations, Public Exchange Offer/KME-Intek Merger*” page, and on the Intek website ([www.itk.it](http://www.itk.it)), “*OPS/Fusione*” page.