

# **CEMENTIR HOLDING S.p.A.**

**Rome, Corso di Francia 200  
Tax ID no. 00725950638 – VAT no. 02158501003**

\* \* \*

## **REPORT OF THE BOARD OF AUDITORS TO THE SHAREHOLDERS' MEETING PURSUANT TO ART. 153 OF LEGISLATIVE DECREE 58/98 AND ART. 2429(3) OF THE CIVIL CODE**

Dear Shareholders,

During 2009 we continued to perform the supervisory functions required by the law, particularly Legislative Decree 58 of 24 February 1998, taking due account of the standards recommended by the National Councils of the Italian accounting profession. The independent auditing function continued to be performed by PriceWaterhouseCoopers S.p.A., with whom we maintained constant contacts, as discussed more specifically below.

As regards our activities during the year, we report the following:

- we monitored compliance with the law and the bylaws;
- we received from the directors information on operations and on the most financially significant transactions carried out by Cementir and its subsidiaries during the year. Based on the information provided to us, we can reasonably conclude that these operations comply with the law and the bylaws and that they were not manifestly imprudent, risky, in potential conflict of interest or in contrast with the resolutions of the Shareholders' Meeting or otherwise prejudicial to the integrity of the Company's assets. Based on information reported to the Board of Directors, no director engaged in a transaction that posed a potential conflict of interest;
- we note in particular that the management guidelines issued by the parent company to the subsidiaries enabled the Group to weather the persistent

recession, with effective attention being paid to reorganisation initiatives and market presence;

- we acquired information and monitored, within the scope of our duties, the adequacy of the Company's organizational structure, compliance with the principles of sound administration and the appropriateness of the instructions issued by Cementir Holding to its subsidiaries pursuant to Article 114(2) of Legislative Decree 58/98, gathering information from the relevant department heads;
- we examined and monitored the appropriateness of the internal control system, as well as the administrative and accounting system and its reliability in representing operational events accurately. For this purpose, we regularly met with the manager responsible for preparing the company's financial reports, provided for by Art. 16 of the bylaws, and with the head of the Internal Auditing unit. No significant concerns arose during the course of these meetings;
- we examined and obtained information on organizational and procedural activities relating to Legislative Decree 231/2001. The Chairman of the Board of Auditors attended the six meetings of the Supervisory Body held in 2009, reporting on their proceedings to the other members of the Board of Auditors;
- we monitored implementation of the Corporate Governance Code for listed companies, taking account of the various updates and adjustments involved, and can conclude that the corporate governance model adopted by the Company complies with the Code. We report that the Internal Control Committee, which met four times, examined organisational and control issues in detail, reporting periodically to the Board of Directors and making recommendations to enhance the effectiveness of corporate controls. The Committee invited the Chairman of the Board of Auditors to attend all of the meetings and took account of the suggestions offered by the latter in a fruitful exchange of views.

The Chairman of the Board of Auditors also participated in the meeting held by the independent directors and that of the Remuneration Committee, reporting on their proceedings to the other members of the Board of Auditors;

- pursuant to Art. 150 (2) of Legislative Decree 58/98, we met regularly with the independent auditors, PriceWaterhouseCoopers S.p.A., to exchange information and opinions. No significant information or circumstances were found that would require mention in this report;
- we did not discover any atypical or unusual transactions with Group companies, third parties or related parties, taking due account of the definition of the latter set out in CONSOB Recommendation no. 17221 of 12 March 2010. In the notes to the financial statements, the directors provide information on those transactions, reporting that all transactions with subsidiaries, associates, the controlling shareholder (Caltagirone S.p.A.), whether of a financial or commercial nature, took place in the ordinary course of business under normal market terms and conditions;
- we verified that no complaints pursuant to Article 2408 of the Civil Code or reports of any kind were filed, nor did we encounter any omissions, irregularities or other censurable facts needing to be reported either to control bodies or in this report during the course of our supervisory activity;
- as regards the results reported in the financial statements for the year ended 31 December 2009, we held specific meetings with representatives of PricewaterhouseCoopers S.p.A. to review, within the scope of our respective duties, the accounting policies and the most important items contained in the document. There is nothing significant to report;
- we also verified, through meetings with the head of Administration, Finance and Control, Mr. Arrivabene, the completeness of the information contained in the Report on Operations. We reached the conclusion that the Report on Operations complies with the law and the relevant accounting standards. PricewaterhouseCoopers was also obviously involved in the discussion, particularly concerning the consistency of the Report on Operations with the related financial statements;
- in 2009 the accounting firm was engaged to perform the following:
  - auditing of the separate financial statements (EUR 18,681.11);
  - auditing of the consolidated financial statements (EUR 28,021.67).

As part of our supervisory activities, the Board of Auditors met five times, including via tele-conferencing. We attended four meetings of the Board of Directors and attended the Ordinary Shareholders' Meeting to approve the financial statements for the year ended 31 December 2008.

Based on the activity carried out during the year, we find no grounds to oppose approval of the financial statements of Cementir Holding SpA for the period ended 31 December 2009 and the accompanying Report on Operations. We also concur with the directors' proposal to cover the EUR 1,606,438 loss using retained earnings and to distribute a dividend of EUR 0.06 per share, for a total of EUR 9,547,200, again drawing on retained earnings.

We attach the list of positions held by each member of the Board of Auditors in accordance with CONSOB Resolution no. 15915 of 3 May 2007.

The Board of Auditors also examined the consolidated financial statements and acknowledges the unqualified opinion issued by PriceWaterhouseCoopers S.p.A.

Rome, 2 April 2010

THE BOARD OF AUDITORS

/S/ CLAUDIO BIANCHI  
*CHAIRMAN*

/S/ CARLO SCHIAVONE  
*STANDING AUDITOR*

/S/ GIAMPIERO TASCO  
*STANDING AUDITOR*

Attachment to the Report of the Board of Auditors pursuant to Art. 144 quinquiesdecies of the implementing regulation for Legislative Decree 58/1998.

List of positions held by each member of the Board of Auditors as of the date of issue of its report in accordance with CONSOB Resolution no. 15915 of 3 May 2007.

<b>Claudio Bianchi (Chairman of the Board of Auditors)</b>			
	<b>Company</b>	<b>Position</b>	<b>End of term</b>
1	API "anonima petroli italiana" SpA	Chairman Board of Auditors	Financial statements at 31/12/2010
2	BANCA ANTONVENETA S.p.A.	Standing auditor	Financial statements at 31/12/2010
3	B2win S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2009
4	CALTAGIRONE S.p.A. (listed)	Standing auditor	Financial statements at 31/12/2010
5	Cementir Holding S.p.A. (listed)	Chairman Board of Auditors	Financial statements at 31/12/2010
6	Cementir Italia S.r.l.	Chairman Board of Auditors	Financial statements at 31/12/2010
7	E-Care S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2009
8	Fabrica Immobiliare SGR S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2009
9	Grandi Stazioni S.p.A.	Standing auditor	Financial statements at 31/12/2009
10	GS-Carrefour S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2010
11	Il Gazzettino S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2009
12	Maccarese S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2010
13	Sammontana Finanziaria S.r.l.	Director	Financial statements at 31/12/2010

Total number of positions: 13

Number of positions with issuers: 2

<b>Carlo Schiavone (Standing auditor)</b>			
	<b>Company</b>	<b>Position</b>	<b>End of term</b>
1	Alfacem S.r.l.	Chairman Board of Auditors	Financial statements at 31/12/2010
2	Apifin S.r.l.	Standing auditor	Financial statements at 31/12/2011
3	Api Real Estate S.r.l.	Standing auditor	Financial statements at 31/12/2011
4	Betontir S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2010
5	Caltagirone S.p.A. (listed)	Standing auditor	Financial statements at 31/12/2010
6	Caltagirone Editore S.p.A. (listed)	Standing auditor	Financial statements at 31/12/2011
7	Capitolium S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2010
8	Cementir Holding S.p.A. (listed)	Standing auditor	Financial statements at 31/12/2010
9	Cementir Delta S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2011
10	Cementir Italia S.r.l.	Standing auditor	Financial statements at 31/12/2009
11	Co.e.m. S.p.A.	Standing auditor	Financial statements at 31/12/2009
12	Echetlo S.r.l.	Standing auditor	Financial statements at 31/12/2010
13	Energia S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2011
14	Energy Production Industry Company S.r.l.	Standing auditor	Financial statements at 31/12/2011
15	Festival S.p.A.	Standing auditor	Financial statements at 31/12/2011
16	Finanziaria Italia 2005 S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2009
17	Finbra Real Estate S.r.l.	Chairman Board of Auditors	Financial statements at 31/12/2011
18	Fincal S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2011
19	INTERCEM S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2011
20	I.R.E.P. S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2010
21	Mantegna 87 S.r.l.	Chairman Board of Auditors	Financial statements at

			31/12/2009
22	MPS Immobiliare S.p.A.	Standing auditor	Until Shareholders' Meeting of 16/04/2010
23	Pantheon 2000 S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2009
24	Parco di Roma S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2010
25	Se.pro. S.r.l.	Standing auditor	Financial statements at 31/12/2010
26	S.I.M.E. S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2009
27	Società per Azioni Iniziative Imm. Provera e Carrassi "IPC" S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2011
28	Società per Azioni Ingg. Provera e Carrassi Impresa di Costruzioni S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2011
29	Società per Azioni Immobiliare Guido D'Arezzo	Chairman Board of Auditors	Financial statements at 31/12/2011
30	So.co.ge.im. S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2011
31	Unione Generale Imm.re S.p.A.	Chairman Board of Auditors	Financial statements at 31/12/2010
32	S.A.R.I. S.p.A.	Managing Director	Financial statements at 30/11/2011
33	Victoria Felix S.r.l.	Managing Director	Until revocation

Total number of positions: 33

Number of positions with issuers: 3

<b>Giampiero Tasco (Standing auditor)</b>			
	<b>Company</b>	<b>Position</b>	<b>End of term</b>
1	CALTAGIRONE SPA (listed)	Chairman Board of Auditors	Financial statements at 31/12/2010
2	Cementir Holding S.p.A. (listed)	Standing auditor	Financial statements at 31/12/2010
3	CEMENTIR ITALIA SRL	Standing auditor	Financial statements at 31/12/2009
4	SILVANO TOTI SPA	Chairman Board of Auditors	Financial statements at 31/12/2011
5	IL MESSAGGERO SPA	Standing auditor	Financial statements at 31/12/2009
6	SANSEDONI Spa	Chairman Board of Auditors	Financial statements at 31/12/2011
7	EDILIZIA COMMERCIALE SPA	Chairman Board of Auditors	Financial statements at 31/12/2009

8	2C COSTRUZIONI CIVILI SRL	Chairman Board of Auditors	Financial statements at 31/12/2009
9	EDILPRIME SPA	Chairman Board of Auditors	Financial statements at 31/12/2009
10	ROSA DI MAGGIO SPA	Chairman Board of Auditors	Financial statements at 31/12/2011
11	DIONE SPA	Chairman Board of Auditors	Financial statements at 31/12/2009
12	CONSORZIO VULCANO	Chairman Board of Auditors	Financial statements at 31/12/2008
13	CALTAHOTEL SPA	Chairman Board of Auditors	Financial statements at 31/12/2009
14	DRAGONCELLO VII SRL	Chairman Board of Auditors	Financial statements at 31/12/2011
15	DRAGONCELLO VIII SRL	Chairman Board of Auditors	Financial statements at 31/12/2011
16	DRAGONCELLO IX SRL	Chairman Board of Auditors	Financial statements at 31/12/2011
17	SIDIS VISION SPA	Chairman Board of Auditors	Financial statements at 31/12/2009
18	TIFONE SPA	Chairman Board of Auditors	Financial statements at 31/12/2009
19	CONSORZIO CALTACITY DUE	Chairman Board of Auditors	Financial statements at 31/12/2009
20	ROMA TELEVISION COMMUNICATION SRL	Director	Until revocation
21	Dae Costruzioni Spa	Chairman Board of Auditors	Financial statements at 31/12/2006
22	FORNACE AURELIA I SPA	Chairman Board of Auditors	Financial statements at 31/12/2009
23	Sunfin Srl	Chairman Board of Auditors	Financial statements at 31/12/2009
24	Eurofin Srl	Chairman Board of Auditors	Financial statements at 31/12/2009
25	Toti Invest unip. Srl	Chairman Board of Auditors	Financial statements at 31/12/2009
26	Pallacanestro Virtus Srl	Chairman Board of Auditors	Financial statements at 30/06/2010
27	Partecipazioni Editoriali Srl	Chairman Board of Auditors	Financial statements at 31/12/2011
28	BE.IM. SPA	Chairman Board of Auditors	Financial statements at 31/12/2011
29	COSTIERO GAS LIVORNO SPA	Standing auditor	Financial statements at 31/12/2011
30	ENI ADFIN SPA	Standing auditor	Financial statements at 31/12/2011
31	CAT HOLDING SPA	Chairman Board of Auditors	Financial statements at 31/12/2011

Total number of positions: 31

Number of positions with issuers: 2