

Shareholders meeting 27 and 29 April 2009 Board of directors' report on the item on the agenda

Indesit Company S.p.A.

Registered office: Viale Aristide Merloni n. 47, 60044 Fabriano (AN)
Capital stock: € 102,727,769.40, fully paid
Court of Ancona Companies Register, tax and VAT code: 00693740425

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Notice of Ordinary Shareholders' Meeting

Shareholders are hereby convened for an Ordinary Shareholders' Meeting at the Company's registered offices in Fabriano, Viale Aristide Merloni n. 47, on 27th April, 2009, at 11 am (1st call) and on 29th April, 2009, same time and place (2nd call), to discuss and vote on the following agenda:

Financial statements at 31st December 2008; resolutions.

Appointment of a director pursuant to art. 2386, Italian Civil Code.

Proposal for new authorization to trade in own shares.

Holders of shares with voting rights who lodge share certificates issued by their brokers at the Company's offices at least two business days before the date fixed for each meeting and have not withdrawn them before the meeting takes place are entitled to speak at the meeting.

The reports on the matters on the meeting's agenda will be made available to the public at the Company's headquarters and Borsa Italiana within the legal term. Such documentation will also be published on the Company's website, www.indesitcompany.com. Shareholders may request copies.

Milan, 26th March 2009
For the Board of Directors
The Chairman

Board of directors' report on the 1st item on the agenda
Financial statements at 31st December 2008; resolutions.

Shareholders,

This report will illustrate certain issues that will help you to evaluate our proposals regarding a) approval of the Company's separate financial statements for the year closing 31st December 2008, and b) allocation of profits for 2008 and payment of dividends.

a) Separate financial statements at 31st December 2008

More detailed information on accounting data and events in 2008 can be found in the separate and consolidated financial statements, in the respective board of directors' reports and in the reports to the meeting by the firm of accountants and the statutory auditors, which are filed at Company headquarters along with this report.

b) Proposed allocation of profits and payment of dividends

Your Company's separate financial statements closing 31st December 2008 show profits of €62,552,741.18. Even though the net profits would allow a dividend pay-out, the Board recommends the shareholders' meeting to vote not to pay a dividend. 2009 will be a difficult year, in which the negative factors characterizing the last quarter of 2008 will persist. In this context, it is advisable, in the opinion of the Board, to give absolute priority to maintaining the Group's financial solidity.

The Company's by-laws require that when the balance sheet closes with a profit, a dividend must be paid to holders of savings shares (up to 5% of the nominal value of their shares). The Company is therefore under obligation to pay a dividend of euro 0.045 for each of the 511,282 savings shares nominal value = euro 0.90), meaning a total pay-out of euro 23,007.69.

The Company no longer has to appropriate profits to the legal reserve, as this has already exceeded the value of one fifth of the share capital.

The Board therefore recommends that the profits remaining after payment of the dividend for non-convertible savings shares guaranteed by the by-laws be appropriated to the extraordinary reserve.

The dividends on the non-convertible savings shares will become payable on 21st May 2009 (coupon detachment date: 18th May 2009).

This said, the Board puts to the vote the directors' Report and the separate financial statements as of 31st December 2008, which close with profits of euro €62,552,741.18, and invites you to approve the following motions:

"Having taken note of the board of directors' report and those of the statutory auditors and independent accountants, the Shareholders' Meeting

resolves

1. to approve the separate financial statements as of 31st December 2008 and directors' annual report for 2007 as presented and filed in the Company's books;
2. to allocate the euro €62,552,741.18 (sixty-two million, five hundred and fifty-two thousand, seven hundred and forty-one point one eight) profits as required by the by-laws and therefore appropriate €0.045 (zero point four five) as a unit dividend for each of the 511,282 (five hundred and eleven thousand, two hundred and eighty-two) non-convertible savings shares in circulation;
3. to allocate the euro 62,529,733,49 (sixty-two million, five hundred and twenty-nine thousand, seven hundred and thirty-three point forty-nine) profits remaining after the dividend pay-out in 2) above to the extraordinary reserve."

Milan, 26th March 2009

For the Board of Directors

The Chairman

Board of directors' Report on the 2nd item on the agenda
Appointment of a director pursuant to art. 2386, Italian Civil Code

Shareholders,

On 30th July 2008, the Company's board of directors co-opted Maria Paola Merloni onto the Board to replace the outgoing Ester Merloni. The Board's resolution was approved by the statutory auditors.

Pursuant to art. 2386, Italian Civil Code, the term of this directorship expires upon the shareholders' meeting called to approve the financial statements as of 31/12/2008.

This shareholders' meeting is therefore called upon to appoint a new director, again pursuant to art. 2386, Italian Civil Code.

Since appointment by list voting as provided for in art. 147-ter TUF and art. 14 of our by-laws is not applicable in this case, the Board recommends the shareholders to appoint Maria Paola Merloni as the new director. The main reason for this is the need to ensure continuity in the work of the Board and its committees.

The new director will have the same term of office as the rest of the Board, which coincides with approval of the financial statements at 31/12/2009.

A profile of the candidate is provided below.

Maria Paola Merloni graduated in political sciences and since 1989 has held posts of increasing responsibility in the administration area and then the marketing area of Indesit Company (formerly Merloni Elettrodomestici). She has been head of Institutional Relations since 2005 and became a director in 2008. In 1997 she set up "MCP Eventi", a firm that designs and organizes corporate and cultural events in Italy and other countries.

Since 1997 she has held important posts on boards of directors of prestigious companies and the management committees of important associations: CEO of Fineldo (the Merloni family financial holding, of which she is still a director), director of Cinecittà Studios, Panini Spa and Fondazione "Teatro delle Muse" (Ancona), member of the management committee of Associazione Industriali, province of Ancona, president of Confindustria Marche, member of the governing body of Confindustria Nazionale and member of the management committee of Assonime. In 2006 she became a member of parliament (Ulivo list, DL-Margherita, Marche constituency) and a member of Parliamentary Commission 10 for Productive Activities, Commerce and Tourism and Parliamentary Commission 11 for Public and Private Work.

In 2008 she won a seat in Parliament with the "Partito Democratico", was shadow-minister for European Community policy and is a member of Parliamentary Commission 14 for European Union policy. She also sits on the national direction of the "Partito Democratico".

Milan, 26th March 2009
For the Board of Directors
The Chairman

Board of directors' Report on the 3rd item on the agenda

Proposal for new authorization to trade in own shares

(Directors' report drawn up pursuant to art. 73, Consob resolution 11971, dated 14th May 1999, and subsequent amendments and additions)

Shareholders,

This ordinary Meeting has been called to examine and approve an authorization for the board of directors to acquire and/or dispose of ordinary and/or non-convertible savings shares in Indesit Company S.p.A. (hereafter the "Company") for the intents and purposes of art. 2357 and subs., Italian Civil Code, art. 132, legislative decree 58, 24th February 1998 and art. 144 bis, Consob Regulation under resolution 11971 and subsequent amendments.

As you already know, the Board was authorized by a resolution dated 30th April 2008 to trade in the Company's ordinary and/or non-convertible savings shares for a period of 12 months from the date of said resolution and in accordance with the procedures and criteria set forth therein. Said authorization thus expires on the eve of the shareholders' meeting called to approve the financial statements at 31st December 2008. No trading in own shares was actually done under said authorization.

On calling an Ordinary Meeting to approve the financial statements at 31st December 2008, the Board thus decided to apply for a new authorization to trade in the Company's shares, on certain terms, given that said faculty provides the operating and strategic flexibility that the directors need for the reasons set forth below. As of today, the Company holds 11,039,750 ordinary shares of par value €0.90, which is 9.672% of the pro tempore share capital amounting to €102,727,769.40 and consisting of 114,141,966 shares of par value €0.90 each (of which 113,630,684 ordinary and 511,282 non-convertible savings)¹. New purchases of own shares will only be possible, therefore, if disposals are made first, in order not to the legal limit.

Main reasons for seeking authorization to trade in own shares

In addition to the motives readily deducible from the terms of the authorization request itself and the need for compliance with law on the matter, the main reasons for the Board's invitation to adopt the resolutions explained in this report lie in the Company's need to:

- a) intervene, as allowed by current law, directly or through authorized intermediaries, to contain anomalous movements in the price of Indesit Company's equity and regularize trends in trading and prices in cases of momentary phenomena caused by excess volatility or low-level liquidity in trades;
- b) purchase and/or dispose of own shares whenever the market provides adequate remuneration; use own shares to serve stock option plans for directors and/or employees of the Company or its subsidiaries (current and/or future);
- d) use own shares in payment for equity investments, serving finance operations (including extraordinary ones such as bond issues), securing loans or for simple disposal within the framework of the Company's financial and investment policies.

Maximum number and par value of the shares for which authorization is being sought

The authorization the Board is seeking from the shareholders regards acquisition in one or more tranches of the Company's ordinary and/or non-convertible savings shares and in such numbers that the total value of treasury shares held from time to time by the Company or its subsidiaries or acquired through trustee companies or intermediaries shall not exceed the overall legal limit at the time of any such acquisition. Further, as provided for in art. 2357, clause 1, Italian Civil Code, acquisitions may be made within the limits of distributable profits and available reserves as per the most recent duly approved financial statements, a tied reserve being set up, as required under art. 2357-ter, clause 3, Italian Civil Code, to cover the amount of own shares acquired from time to time.

In the event of disposal of treasury shares acquired from time to time, the aforementioned reserve will be written back to the funds and reserves from which it originated.

Minimum and maximum prices

Acquisition of own shares

The purchase price of each ordinary and/or savings share must be no more than 15% lower or higher than the average official stock market price over the three days prior to each purchase operation.

Disposal of own shares

Own shares already held or any others subsequently bought back, even before all possible purchases have been

¹ All the data indicated refer to the share capital subscribed and paid in at the time of approval of this report. The number of ordinary shares could change due to exercise of 322,000 stock options allocated to Group executives and middle managers.

made as authorized above, may be disposed of at the price or in any case at the conditions and according to the criteria adopted by the Board, taking into account the procedures involved, the trend in the share price in the period preceding the operation and the best interests of the Company.

Said price limit will not apply if treasury shares are transferred to employees and/or directors and/or collaborators of the Company or its subsidiaries within the framework of stock option plans.

Duration of authorization

Authorization for acquisition and disposal is requested for a period of twelve months from the date on which the shareholders' meeting adopts the relative resolution. In order to tie in with the annual general meeting to approve the financial statements, we propose a shorter period of authorization. It is understood that any treasury shares that are seen from time to time to be for any reason in excess of the legal limit must be disposed of in the manner set forth below and within the maximum term fixed by the law.

Procedure for acquisition and disposal of own shares

Acquisition of own shares

Acquisitions may be made in accordance with the combined provisions of art. 132, legislative decree 58 (24/02/1998) and art. 144 bis, Consob Resolution 11971/1999, and taking into account the specific exemption provided for in clause 3 of said art. 132, legislative decree 58/1998 and in any case following any other procedures contemplated by relevant laws and regulations, including the market practice contemplated in art. 180, c. 1C), decree law 58/1998.

Disposal of own shares

Own shares already held and others subsequently bought back may be disposed of at any time, in whole or part, in one or more operations and also before reaching the limit on such authorized purchasing in any way deemed advisable with regard to the purposes contemplated by the authorization granted and in any form of disposal allowed under current law on this matter.

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Clause 4.7 of Annex 3A to the "Regolamento Emittenti" (Rules for Listed Companies) is not applicable in that the acquisition of own shares does not serve a reduction of the Company's share capital by cancelling own shares purchased.

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With regard to the foregoing, and if you are in agreement with the Board's motion, we invite you to adopt the following resolutions:

"The ordinary General Meeting of the Shareholders of Indesit Company S.p.A.:

- has heard and approved the report of the board of directors;
- acknowledges that as of the date of this resolution, Indesit Company S.p.A. holds 11,039,750 ordinary shares, equal to% of the pro tempore capital stock, amounting to €..... divided into shares of par value €0.90 each (of which ordinary and 511,282 non-convertible savings shares²) and hereby

resolves

1 to authorize the board of directors and jointly on its behalf any two amongst the Chairman, vice-chairman and CEO, also acting through persons delegated for the purpose, to acquire the Company's ordinary and/or non-convertible savings shares pursuant to art. 2357, clause 2, Italian Civil Code in one or more operations and at any time within a period of 12 months from the date of this resolution, provided that:

- a) the maximum number of shares acquired or acquirable does not exceed, on the basis of the treasury shares held at the time of any such acquisition, the overall legal limit;
- b) the purchase price of each ordinary and/or savings share is no more than 15% lower or higher than the average official stock market price over the three days prior to each purchase operation;
- c) acquisitions are made in accordance with the combined provisions of art. 132, legislative decree 58 (24/02/1998) and art. 144 bis, Consob Resolution 11971/1999, and taking into account the specific exemption provided for in clause 3 of said art. 132, legislative decree 58/1998 and in any case following any other procedures contemplated by relevant laws and regulations;
- d) acquisitions are made within the limits of distributable profits and available reserves as per the most recent financial statements duly approved (and actually existing at the time of the acquisitions), a tied reserve being set up, as required under art. 2357-ter, clause 3, Italian Civil Code, to cover the amount of the treasury shares acquired from time to time;

2) pursuant to art. 2357, clause 2, Italian Civil Code, to authorize the board of directors and jointly on its behalf any two amongst the Chairman, vice-chairman and CEO, also acting through persons delegated for the purpose, to dispose of Company shares, whether ordinary or non-convertible savings shares, already held or

² Data will be announced during the Meeting. See previous note.

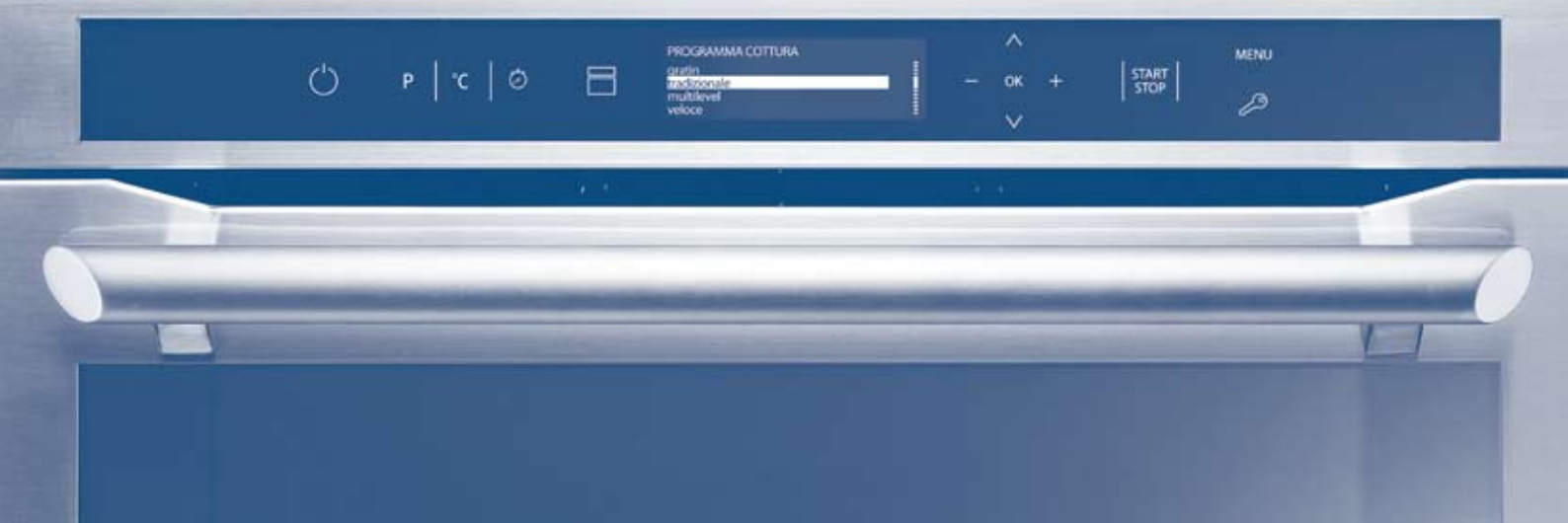
subsequently acquired under the terms of this resolution and even before completing all of the acquisitions authorized as above, in one or more operations and at any time within a period of 12 months from the date of this resolution and in any way deemed appropriate to furthering the ends pursued, provided that:

- a) Own shares already held or any others subsequently bought back, even before all possible purchases have been made as authorized above, may be disposed of at the price or in any case at the conditions and according to the criteria adopted by the Board, taking into account the procedures involved, the trend in the share price in the period preceding the operation and the best interests of the Company.;
 - b) the price limit in 2a) above will not apply if treasury shares are transferred to employees and/or directors and/or collaborators of the Company or its subsidiaries within the framework of stock option plans;
 - c) in the event of disposal of treasury shares, the reserve set up under art. 2357-ter, clause 3, Italian Civil Code, is written back to the funds and reserves from which it originated;
- 3) to invest the board of directors, and jointly on its behalf any two amongst the Chairman, vice-chairman and CEO, with full powers to provide that the relevant accounting records arising from acquisition or disposal operations be made in compliance with the provisions of the law and accounting standards from time to time applicable;
- 4) to confer on the board of directors, and jointly on its behalf any two amongst the Chairman, vice-chairman and CEO, all the powers required to execute the foregoing resolutions, also by means of persons with power of attorney, being under obligation to comply with any requests from the competent authorities, the notary or the relevant companies register and to provide for modification of the text of the adopted resolutions in accordance with any requests from said authorities”.

26th March 2009

For the Board of Directors

The Chairman



www.indesitcompany.com