



Extraordinary and ordinary meeting of ordinary shareholders 3rd–4th May 2012

Directors' reports
on the items on the agenda

Indesit Company S.p.A.

Registered office: Viale Aristide Merloni n. 47, 60044 Fabriano (AN)

Capital stock: € 102,759,269.40, fully paid up

Court of Ancona Companies Register, tax and VAT code: 00693740425

www.indesitcompany.com

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Directors' reports on the items on the agenda

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Notice of extraordinary and ordinary Shareholders' Meeting

Subjects entitled to vote at the meeting of holders of ordinary shares in Indesit Company S.p.A. (hereafter the "Company") are hereby convened for a shareholders' meeting, in extraordinary and ordinary sessions, at the Company's registered offices in Fabriano, Viale Aristide Merloni n. 47, on 3rd May 2012, at 3 pm (1st call) and if necessary on 4th May 2012, same time and place (2nd call), to discuss and vote on the following agenda:

Extraordinary Session

1) Modification of articles 3), 6), 7), 9), 10), 12), 14), 15), 20), 21), 21-*bis*), 22) and 25) of the by-laws. Relative resolutions.

Ordinary Session

1) Approval of the separate financial statements at 31st December 2011. Reports by the board of directors, the statutory auditors and independent auditors. Allocation of profits for the year and distribution of a dividend. Relative resolutions.

2) Appointment of independent auditors for the period 2013-2021 and fixing of relative fees.

3) Proposal for a new authorization to trade in own shares. Relative resolutions

4) Remuneration policy pursuant to art. 123-*ter*, law decree 58/1998.

Information on the share capital

The share capital as of 21/3/2012 is euro 102,759,269.40, divided into 114,176,966 shares of par value euro 0.90 each, of which:

- 113,665,684 ordinary, each of which entitling the holder to one vote at the shareholders' meeting;

- 511,282 non-convertible savings shares without voting rights.

The number of ordinary shares could increase before the shareholders' meeting as a result of the exercise of 252,000 options allocated to Group executives and managers conferring the right to subscribe to said number of ordinary shares. The Company holds 11,039,750 ordinary shares (9.71% of the ordinary share capital), the voting rights of which are suspended.

Entitlement to participate

Entitlement to participate in shareholders' meetings and exercise voting rights is certified by a notice to the Company issued by a broker, on the basis of its accounting records, in favour of the subject entitled to vote. Said notices must be delivered to the Company in the manner indicated in the "Notices to the Company" section hereunder by 23/4/2012 (record date). Entitlement to participate and vote is not forfeited if notices reach the Company beyond the terms indicated in this clause provided they arrive before the start of the proceedings of each meeting. It should be remembered that notices to the Company are made by brokers on the initiative of the subjects entitled to vote. Subjects proving to be shareholders only subsequently to said date shall not be entitled to participate in or vote at the shareholders' meeting.

To facilitate verification of their entitlement, entitled subjects or their proxies are invited to present themselves before the time indicated for the meeting with an identification document and a copy of the notice that brokers are required by current law to issue to the Company on their behalf.

Proxy voting

All subjects entitled to participate may be represented by written proxy as allowed under provisions of law by signing 1) the proxy statement at the bottom of the copy of the broker's certificate or 2) a proxy

form available at the web address indicated in the “Documents” section hereunder. Notification of the proxy conferred may be carried out in the manner indicated in the “Notices to the Company” section. It should be noted that the by-laws do not provide for voting by correspondence or electronically. If a representative delivers or transmits a copy of the proxy to the Company, he or she must vouch, under their own responsibility, for the conformity of the proxy to the original and for the identity of the delegator.

Designated Representative

Proxy may be conferred free of charge for the delegator (except for transmission expenses) for the purposes of this shareholders’ meeting on “Società per Amministrazioni Fiduciarie - SPAFID S.p.A.”, designated for the purpose by the Company pursuant to art. 135-*undecies*, TUIF, provided that said proxy reaches the Designated Representative by 30/4/2012 by courier or registered letter with advice of receipt, at Foro Buonaparte n. 10 – 20121 Milano. Proxies are only valid for motions on which voting instructions have been given. Proxies and instructions may be revoked within the term indicated above. Proxy is conferred by signing the proxy form available at the address indicated in the “Documents” section hereunder.

Additions to the agenda

Shareholders representing at least 2.5% of the share capital, whether singly or jointly, may apply to the Company in writing and in the manner indicated in the “Notices to the Company” section within ten days of publication of this notice of meeting to add items to the agenda of business to discuss. A report on the matters to be proposed for discussion must be presented, in the manner and within the terms indicated above, together with such application.

Additions to the agenda are not allowed for matters on which the Shareholders’ Meeting votes, by law, on motions put by the directors or on the basis of a draft or report drawn up by them, or matters other than those indicated in the “Documents” section hereunder.

Notice of any additions admitted by the board of directors is given at least 15 days before the date fixed for the shareholders’ meeting and in the same manner as is required by law for this notice of meeting. At the same time, the board of directors makes the above mentioned report/s filed with the Company available to the public, accompanied by any assessments it has made thereof.

Right to ask questions

Shareholders may ask questions about the items on the agenda also before shareholders’ meetings. Questions must be in writing and made in the manner indicated in the “Notices to the Company” section. Together with such pre-meeting questions, applicants must send the Company proof of their entitlement in the form of certification issued by their brokers or the notice required for taking part in the proceedings of the meeting.

Questions submitted before a shareholders’ meeting must be answered during the meeting at the latest. The Company reserves the right to answer questions in the section of the Company’s website indicated in “Documents” hereunder and in any case to give a single answer to a number of questions of the same tenor.

Documents

All the documentation relating to the Shareholders’ Meeting is available at the Company’s registered office, on its website (<http://www.indesitcompany.com/assemblea>) and at Borsa Italiana SpA.

The following documentation shall be made available to the public:

- the board of directors’ reports on the items on the meeting’s agenda, with the text of the proposed resolutions;
- the consolidated financial statements and draft separate financial statements at 31st December 2011, together with the annual report, the reports by the independent auditors, the certifications pursuant to art. 81-*ter*, Issuers’ Reg., and the report drafted by the statutory auditors pursuant to art. 153, TUIF;

- the annual report on corporate governance and ownership structure;
- the Remuneration Report drawn up pursuant to art. 123-ter, TUIF.

Notices to the Company

All the notices provided for in this notice of meeting must reach the Corporate Affairs Office at the following certified web address, affari.societari@pec.indesit.com, or by fax on (+39) 0732637220.

Said address may also be used to make requests to participate in the shareholders' meeting pursuant to the Shareholders' Meeting Rules. Requests must be received at least two business days before the meeting that subjects wish to participate in.

Milan, 21st March 2012

For the Board of Directors

Andrea Merloni

(Chairman)

Directors' reports on the items on the agenda of the shareholders' meeting to be held on 3rd – 4th May 2012

Extraordinary Session

Directors' report on the 1st item on the agenda

Modification of articles 3), 6), 7), 9), 10), 12), 14), 15), 20), 21), 21-bis), 22) and 25) of the by-laws. Relative resolutions.

Shareholders,

Recent legislation has introduced a series of amendments to rules disciplining the life of listed companies. The board of directors is therefore of the opinion that such reforms make it necessary to modify the by-laws of Indesit Company S.p.A. (hereafter the "Company").

In particular:

Law disciplining public takeover bids

Law decree. 146/2009 clarified the scope of the so-called passivity rule, under which Italian listed companies whose equity is the object of a public takeover bid must abstain from actions or transactions that may counter the achievement of the objectives of such bids unless authorized by shareholder resolutions in ordinary or extraordinary sessions of shareholders' meetings. Similar authorization must usually be sought also for implementing any decision made beforehand that has not been wholly or partially implemented, that does not fall within the scope of normal business and whose implementation could counter the success of the takeover bid. Art. 104, clause 1-ter, TUIF (introduced by the aforementioned law decree 146/2009), however, provides that by-laws may allow the carrying out of actions or transactions in defence of the company even without authorization from shareholders, where deemed advisable for the purpose of preventing the success of public takeover bids for a company's equity. The modification in question is designed to take advantage of that option by introducing into the by-laws, with two new clauses, an express exemption from the passivity rule enabling the Company to take defensive action against hostile takeover bids.

Composition of management bodies

Law 120/2011 introduced into the Italian system, as has happened in various other European countries, a series of gender quotas applying to the composition of management bodies in listed companies (as well as public sector companies). The new clauses 1-ter, art. 147-ter and 1-bis, art. 148 TUIF require listed companies to apply a gender quota in the composition of management bodies whereby the gender less represented is entitled to hold one third of such management posts. Under the new law, the gender quota may be implemented gradually: at the first renewal the quota of the less represented gender is to hold at least one fifth of the management posts. Further, the gender rule instituted by the law is being enforced over a period of three terms of office. Consob resolution 18098 (8th February 2012) has written into its Issuers' Regulations (11971/99) a new heading entitled "Gender balance in the composition of management and control bodies", thereby providing practical enforcement of the primary legislation. The board of directors therefore proposes a number of modifications to articles 14 and 22 of the Company's by-laws to ensure full compliance with such law. Further modifications to the by-laws to achieve full compliance with the law in question may be adopted in the coming months by the board of directors, acting under the powers invested in them by art. 2365 c.c. and art. 20.2 of the by-laws.

The composition of the statutory audit committee indicated in art. 22, with three standing and three (as opposed to the current two) alternate auditors, will be applied as from the first renewal of the committee following the coming into force of the modifications proposed herein.

Given the nature of the post of Honorary Chairman, the Board proposes an amendment to art. 21-bis in order not to link the term of that office with the mandate of the Board itself.

The Board has also decided to propose a number of minor terminological and organizational modifications to the text of the by-laws to make them easier to consult and more closely in line with the

terminology used in certain key legislation (eg. law decree 27/2010, which reformed the law on shareholders' rights).

Lastly, the Board is of the opinion that the proposed modifications to the by-laws do not create the conditions under which shareholders may exercise their right of withdrawal under current law.

This said, we hereby submit for your approval the modifications to the by-laws, as set forth in Annex "A", which contains the current text parallel to the proposed new text and relative explanations.

In view of the foregoing, and if you are in agreement with the Board's motion, we invite you to adopt the following resolution:

"This extraordinary general meeting of the shareholders of Indesit Company S.p.A., having heard and approved the board of directors' report,

resolves to:

1. approve the modifications to the by-laws proposed by the board of directors as illustrated in the report made available to the public;
2. confer on the board of directors, and on the chairman and CEO on its behalf, also acting separately, all the powers required to:
 - a) carry out the legal formalities, including those of official publication, in connection with the implementation of the aforesaid modifications to the by-laws;
 - b) if necessary, renumber the articles and clauses in the by-laws and re-organize same to ensure the necessary coherence;
 - c) introduce into the text of the resolutions adopted any modifications of a formal and non-substantial nature required by the relevant authorities, the notary or the relevant Companies Register or that are deemed advisable in terms of compliance with applicable law.

The composition of the statutory audit committee indicated in art. 22, with three standing and three alternate auditors, will be applied as from the first renewal of the committee following the coming into force of the modifications proposed herein.

All such action being henceforth endorsed by the shareholders".

Milan, 21st March 2011

For the Board of Directors

Andrea Merloni

(Chairman)

Annex A: Proposed modifications to the by-laws

ARTICLES OF ASSOCIATION	MODIFICATION	COMMENTS
SECTION I		
Establishment- Denomination – Registered office – Purpose – Duration		
Article one		
OMISSIS		
Article two		
OMISSIS		
Article three		
<p>3.1 The Company's purpose is the production and commerce of domestic appliances and electronic appliances for household use in general and related components, such as, for example, refrigerators, freezers, gas and electric cookers, ovens and hobs, washing machines, water-heaters, dishwashers, dryers, hoods, kitchen furniture. In addition the company can perform all commercial, industrial, financial (expressly including the underwriting of loans), real estate and securities transactions, considered necessary or useful for the achievement of the corporate purpose. The company can undertake holdings and interests, both directly and indirectly, in any form, in other domestic and foreign companies, with a similar, analogous, instrumental or complementary purpose or however connected with the company's purpose; the company can grant mortgages, guarantees, sureties and collaterals also on behalf of third parties, when this is considered useful or necessary to achieve the corporate purpose and however without such operations ever representing its main activity.</p>	<p>The Company's purpose is the production and commerce, also through subsidiaries or associates in Italy or abroad, of domestic appliances and electronic appliances for household use in general and related components, such as, for example, refrigerators, freezers, gas and electric cookers, ovens and hobs, washing machines, water-heaters, dishwashers, dryers, hoods, kitchen furniture. In addition the company can perform all commercial, industrial, financial (expressly including the underwriting of loans), real estate and securities transactions, considered necessary or useful for the achievement of the corporate purpose. The Company can undertake holdings and interests, both directly and indirectly, in any form, in other domestic and foreign companies, with a similar, analogous, instrumental or complementary purpose or however connected with the company's purpose. The Company may also grant mortgages, guarantees, sureties and collaterals also on behalf of third parties, when this is considered useful or necessary to achieve the corporate purpose and however without such operations ever constituting the carrying on of restricted activities.</p>	<p>Substantially an acknowledgment of what already happens at Group level and constitutes a mere coming into line with lgs. 141/2010. The modification does not give rise to the right of withdrawal.</p>
<p>3.2 The following operations are peremptorily excluded:</p> <ul style="list-style-type: none"> - the performance of operations as of art. 106, paragraphs 1 and 4 of Law Decree No. 385 dated 1/9/1993 regarding the public; - other reserved operations pursuant to Law Decree No.385 dated 1/9/1993; - investment and fund management services contemplated in law decree 58, dated 24th February 1998 and relative enforcement legislation. 	<p>The following operations are, among other things, peremptorily excluded:</p> <ul style="list-style-type: none"> - the performance of operations as of art. 106, paragraphs 1 and 4 of Law Decree No. 385 dated 1/9/1993 law decree 385/1993 regarding the public; - other reserved operations pursuant to Law Decree No.385 dated 1/9/1993 law decree 385/1993; - investment and fund management services contemplated in law decree 58, dated 24th February 1998 law decree 58/1998 and relative enforcement legislation. 	<p>Simplification of the text.</p>

Article four		
OMISSIS		
SECTION II		
Share capital – Shares - Bonds		
Article five		
OMISSIS		
Article five bis		
OMISSIS		
Article six		
6.1 Share capital can also be increased through shares issues to be paid through contributions in kind. The new shares can also be preference savings shares or other classes of shares and have different rights compared with already issued shares.	OMISSIS	
6.2 The Extraordinary Shareholders' meeting resolves the share capital increase: the Extraordinary Shareholders' meeting can delegate the share capital increase to the board of directors within the limits established by art. 2443 of the Italian Civil Code.	OMISSIS	
6.3 Resolutions regarding the issue of new shares other than ordinary shares, both through share capital increase and through the conversion of other classes of shares, do not require the approval of special Shareholders' meetings of the other classes of shares.	OMISSIS	
6.4 In the event of share capital increase, the new shares will be offered in conformity with law rules. Though the other cases of exclusion from or limitation of pre-emption rights provided for in art. 2441, clause 4, Civil Code continue to apply, it will however be possible to exclude pre-emption rights in favour of any type of shares also in the case of new rights issues of less than ten percent of the share capital at the date of the resolution approving the capital increase, provided the issue price is in line with the equity's market value as specifically confirmed by the Board of Directors in its capital increase proposal and further endorsed by a report by the Company's independent auditors.	OMISSIS	
6.5 Shareholders' payments for the benefit of the company, both on capital account and on other accounts, do not bear interest, except as otherwise established by the Shareholders' Meeting.	OMISSIS	
6.6 The Company can underwrite loans from the	The Company can underwrite loans from the Shareholders with	Simplification of the text

Shareholders with obligation of reimbursement. Such source of financing does not represent a savings collection from the public, and will thus have to comply with limits and criteria set forth in art.11, paragraph 3 of Law Decree No.385 dated 01/09/1993.	obligation of reimbursement. Such source of financing does not represent a savings collection from the public, and will thus have to comply with limits and criteria set forth in art.11, paragraph 3 of Law Decree No.385 dated 01/09/1993, law decree 385/1993.	
6.7 In addition, the Ordinary Shareholders' Annual Meeting resolution will establish from time to time any other possible requirement able to resolve such loans.	In addition, the Ordinary Shareholders' Annual Meeting resolution will establish from time to time any other possible requirement able to resolve such loans.	Simplification of the text
Article seven		
7.1 Shares are registered or bearer shares, with regard to existing law rules on the subject and they can be freely transferred. Shares cannot be divided and for each of them the company only recognizes one holder, pursuant to article 2347 of the Italian Civil Code. In the event of succession with several heirs, only the legal representative appointed by the heirs will be recognized, or, in his/her absence, the judicial authorities. The shares are issued on a dematerialized basis.	Shares are registered or bearer shares, with regard to existing law rules on the subject and they can be freely transferred. Shares cannot be divided and for each of them the company only recognizes one holder, pursuant to article 2347 of the Italian Civil Code c.c. In the event of succession with several heirs, only the legal representative appointed by the heirs will be recognized, or, in his/her absence, the judicial authorities. The shares are issued on a dematerialized basis.	Simplification of the text
7.2 Pursuant to the provisions of law, the company may, at any time, require to the brokers the identification data of those shareholders' which have not expressly prohibit the communication of their data together with the number of shares registered on their accounts. Furthermore, the company shall submit the same request at the instance of the shareholders pursuant to article 83-duodecies of Law Decree no. 58/1998 and to the applicable regulation. The data obtained by the issuer are made available for free to the shareholders.	OMISSIS	
Article eight		
OMISSIS		
SECTION III		
Shareholders' Meeting		
Article nine		
9.1 The Shareholders' Meeting may also be called outside the registered office, provided it is held in Italy, by a posting a notice within the legal terms on the Company's website or using the other forms provided for by applicable law.	OMISSIS	
9.2 The notice of call must contain the indication of the day, the time and the place of the meeting together with the agenda and the other information required by provisions of law and regulations in force.	OMISSIS	
9.3 An ordinary Shareholders' Meeting	OMISSIS	

must be called at least once a year within 180 days of the closing of the financial year. Meetings may also be called whenever the board of directors deem fit and in the circumstances in which required by law.		
9.4 The notice of meeting may indicate a single meeting or alternatively a 1 st , a 2 nd and, for extraordinary shareholders' meetings only, a 3 rd call.	OMISSIS	
9.5 Shareholders that, also jointly, represent the percentage of share capital indicated in current law may ask for the integration of the agenda contained into the notice of call according to the forms and modalities provided by law. Such request must be submitted together with a report on the topics the shareholders propose to discuss.	OMISSIS	
9.6	As an exception to the provisions of art. 104, clause 1, law decree 58/1998, in cases where a public tender offer (acquisition or exchange) is made for the Company's shares, authorization from the shareholders' meeting is not necessary for the purpose of actions or transactions to counter the success of a takeover bid during the period between the notice provided for in art. 102, clause 1, of said law and the closure or expiry of the bid.	Clauses introduced following the assimilation in Italy of EC Directive 2004/25 on takeover bids, which modified the provisions on defensive action in TUF. In particular, it is now possible under Italian law to write a rule of neutralization and reciprocity clause into the by-laws; the proposed clauses make such measures possible and are in line with what other listed companies are doing.
9.7	As an exception to the provisions of art. 104, clause 1, law decree 58/1998, authorization from the shareholders' meeting is not necessary even for any decisions taken before the start of the period indicated in the previous clause and that have not been wholly or partially implemented, that are not within the scope of the company's routine business and whose implementation could counter the success of the takeover bid.	
Article ten		
10.1 The participation and the exercise of the voting right in the Shareholders' Meetings are regulated by the relevant provisions of law currently in force.	OMISSIS	
10.2 Any Shareholder who is entitled to attend the meeting may be represented by law, through written proxy. The proxy may be conferred on an electronic format in accordance with applicable law. The electronic notification of the proxy may be made in accordance with procedures specified in the notice of the Shareholders' Meetings, either by using the appropriate section of the Company's website or by certificated e-mail indicated in the notice. Each shareholder is entitled to the same number of votes as shares owned.	Any Shareholder who is entitled to attend the meeting subject entitled to vote may be represented by law, through written proxy. The proxy may be conferred on an electronic format in accordance with applicable law. The electronic notification of the proxy may be made in accordance with procedures specified in the notice of the Shareholders' Meetings, either by using the appropriate section of the Company's website or by certificated e-mail indicated in the notice. Each shareholder Any subject is entitled to vote is entitled to the same number of votes as shares owned.	Mere terminological adjustment to current legislation on shareholders' rights.

Article eleven		
OMISSIS		
Article twelve		
12.1 The Chairman of the Board of Directors chairs the Shareholders' Meeting, and, in his absence or impediment, the Vice Chairman, when appointed, and, in his absence, another individual appointed by the Shareholders' Meeting.	OMISSIS	
12.2 The Chairman is assisted by a Secretary appointed by the meeting; the secretary assistance is not necessary when a notary is appointed to prepare the minutes of the meeting.	OMISSIS	
12.3 The minutes of the Shareholders' meetings should be subscribed by the chairman, by the secretary or by the notary. The Shareholders' meeting resolutions, decided in conformity with law rules and with these articles of association, oblige all the shareholders, also absent and disagreeing, except for the right of recession as of article 2437 of the Italian Civil Code.	The minutes of the Shareholders' meetings should be subscribed by the chairman, by the secretary or by the notary. The Shareholders' meeting resolutions, decided in conformity with law rules and with these articles of association, oblige all the shareholders, also absent and disagreeing, except for the right of recession as of article 2437 of the Italian Civil Code c.c.	Simplification of the text.
Article thirteen		
OMISSIS		
SECTION IV		
Administration - Representatives - Signature		
Article fourteen		
14.1 The Company is administered by a Board of Directors composed of no less than five and no more than thirteen members, also non shareholders. They are appointed by an open vote of the Shareholders' meeting, which first establishes its number, and their term lasts three financial years and they can be re-elected.	The Company is administered by a Board of Directors composed of no less than five and no more than thirteen members, also non shareholders, and in accordance with current law. They are appointed by an open vote of the Shareholders' meeting, which first establishes its number, their term lasts for up to three financial years and they can be re-elected.	Specification required under legislation on gender equality; increase in options available to the shareholders.
14.2 Appointment of the Board is by voting on lists presented by the shareholders in which candidates are numbered progressively. Only shareholders together representing at least the percentage of capital required by current law are entitled to present lists. Lists must be filed with the Company's registered office within the legal term. The company will publish the lists on its web site and with the other modalities provided by Consob within the legal term.	OMISSIS	
14.3 The notice of the meeting to appoint directors must contain an indication of the percentage of capital with voting rights in ordinary meetings needed to present lists and the deadline for filing same.	OMISSIS	
14.4 The following documents must be filed with the	The following documents must be filed with the registered office	

<p>registered office along with each list:</p> <p>a) copy of certificate issued by authorized brokers with whom the shares are deposited;</p> <p>b) CV of each candidate adequately illustrating professional and personal characteristics;</p> <p>c) list of directorships and positions of control held by each candidate in other companies;</p> <p>d) indication of eventual eligibility as an independent director pursuant to article 148, clause 3, law decree 58/98;</p> <p>e) statements by the candidates that they accept candidacy and declare under their own responsibility that there are no causes of ineligibility or incompatibility and that they possess the requisites for holding the post prescribed by law and the Company's by-laws;</p> <p>f) declaration by shareholder or shareholders presenting the list stating under their own responsibility that there is no connection with other lists presented.</p>	<p>along with each list:</p> <p>a) copy of certificate issued by authorized brokers with whom the shares are deposited;</p> <p>b) CV of each candidate adequately illustrating professional and personal characteristics;</p> <p>c) list of directorships and positions of control held by each candidate in other companies;</p> <p>d) indication of eventual eligibility as an independent director pursuant to art. 148, clause 3, law decree 58/98;</p> <p>e) statements by the candidates that they accept candidacy and declare under their own responsibility that there are no causes of ineligibility or incompatibility and that they possess the requisites for holding the post prescribed by law and the Company's by-laws;</p> <p>f) declaration by shareholder or shareholders presenting the list stating under their own responsibility that there is no connection with other lists presented.</p>	
<p>14.5 For the purposes of the previous clause, a connection is understood to exist when the shareholders are either i) in a control relationship with each other or under the same control as defined in art. 93, law decree 58/98, ii) in a relationship of connection with each other as defined in art. 2359, clause 3, Civil Code, iii) or are parties to agreements involving the exercise of voting rights as per art. 122, clause 1, law decree 58/98.</p>	<p>OMISSIS</p>	
<p>14.6 A shareholder may not present or agree with others to present, not even through intermediaries or trust companies, more than one list. On pain of ineligibility, a candidate may only register in one list and must not be in any of the circumstances constituting ineligibility as defined in art. 14-bis of these by-laws. Each list must contain enough independent directors to satisfy the requirement in art. 14 bis of these by-laws, with progressive numbering so that if the list obtains the most votes, said candidates will be elected.</p>	<p>A shareholder may not present or agree with others to present, not even through intermediaries or trust companies, more than one list. On pain of ineligibility, a candidate may only register in one list and must not be in any of the circumstances constituting ineligibility as defined in art. 14-bis of these by-laws. Each list must contain enough independent directors to satisfy the requirement in art. 14 bis of these by-laws, with progressive numbering so that if the list obtains the most votes, said candidates will be elected.</p>	<p>See below.</p>
<p>14.7 A list which does not comply with the provisions illustrated above is considered as not having been presented.</p>	<p>A list which does not comply with the provisions illustrated above is considered as not having been presented. As specified in detail in the notice of meeting, each list must contain a sufficient number of candidates who:</p> <ul style="list-style-type: none"> - can qualify as independent in accordance with art. 14, by-laws; - make it possible to comply with other applicable provisions of law. 	<p>Modified to come into line with gender equality legislation.</p>

<p>14.8 Directors are elected as follows:</p> <p>a) one director is taken from the list that obtained most votes after the list in b) hereunder;</p> <p>b) the other directors are taken from the list that obtained most votes, in the progressive order in which they are listed.</p>	<p>OMISSIS</p>	
<p>14.9 The Board is chaired by the first candidate in the list in b) above. For the purposes of the election described above, lists that fail to obtain a minimum percentage of votes at least equal to the half of that required for the presentation of lists of candidates are not counted. A shareholder may only vote one list.</p>	<p>The Board is chaired by the first candidate in the list in b) above. For the purposes of the election described above, lists that fail to obtain a minimum percentage of votes at least equal to the half of that required for the presentation of lists of candidates are not counted. A shareholder subject entitled to vote may only vote one list.</p>	<p>Modified to come into line with legislation on shareholders' rights.</p>
<p>14.10 If only one list is presented or if no list is presented or if the list in a) above fails to obtain half the minimum percentage of votes required to present the list, the shareholders' meeting votes by the legal majority without observing the aforementioned procedure.</p>	<p>If only one list is presented or if no list is presented or if the list in a) above 14.8 fails to obtain half the minimum percentage of votes required to present the list, the shareholders' meeting votes by the legal majority without observing the aforementioned procedure but in any case ensuring compliance with applicable provisions of law on the composition of the board of directors.</p>	<p>Modified to come into line with legislation on gender equity.</p>
<p>14.11 If one or more directors fail to complete their term of office, the others will provide for replacements as required by law and appoint the first, in progressive order, of the non-elected candidates in the list from which the director to be replaced was taken, provided the new candidate is still eligible. If the director to be replaced is independent as defined in art. 148, clause 3, law decree 58/98, election shall be as described above so that the Board continues to have the minimum number of directors with the same requisites of independence; failing this, the first of the non-elected candidates with said requisites shall be elected. Election of directors nominated pursuant to art. 2386, Civil Code, is by the legal majority, replacements being appointed on the basis of the criteria set forth in the previous sentence. Directors thus appointed end their term of office at the same time as the directors already in office when they were appointed.</p>	<p>If one or more directors fail to complete their term of office, the others will provide for replacements as required by law and appoint the first, in progressive order, of the non-elected candidates in the list from which the director to be replaced was taken, provided the new candidate is still eligible and the applicable provisions of law on the composition of the board of directors are complied with. If the director to be replaced is independent as defined in art. 148, clause 3, law decree 58/98, election shall be as described above so that the Board continues to have the minimum number of directors with the same requisites of independence; failing this, the first of the non-elected candidates with said requisites shall be elected. Election of directors nominated pursuant to art. 2386, Civil Code, c.c. is by the legal majority, replacements being appointed on the basis of the criteria set forth in the previous sentence and in any case in accordance with the applicable provisions of law on the composition of the board of directors. Directors thus appointed end their term of office at the same time as the directors already in office when they were appointed.</p>	
<p>14.12 If the number of directors elected is less than the maximum provided for in the first clause of this article, the shareholders' meeting may during the Board's term of office</p>	<p>If the number of directors elected is less than the maximum provided for in the first clause of this article, the shareholders' meeting may during the Board's term of office increase such</p>	

increase such number within the upper limit indicated in the first clause, voting by legal majority.	number within the upper limit indicated in the first clause, voting by legal majority and in any case in accordance with the applicable provisions of law on the composition of the board of directors.	
Article fourteen bis		
OMISSIS		
Article fifteen		
15.1 A remuneration will be assigned to directors, in addition to the reimbursement of expenses, to be established in accordance with article 2389 of the Italian Civil Code.	A remuneration will be assigned to directors, in addition to the reimbursement of documented expenses, to be established in accordance with art.icle 2389 of the Italian Civil Code c.c.	Specification required by tax law.
Article sixteen		
OMISSIS		
Article seventeen		
OMISSIS		
Article eighteen		
OMISSIS.		
Article nineteen		
OMISSIS		
Article twenty		
20.1 The Board of Directors is assigned with the widest powers for the ordinary and extraordinary administration, except for those powers reserved by the law to the Shareholders' Meeting. In this connection, the Board will be able to carry out all acts considered necessary and appropriate for the performance and achievement of the corporate purpose. Therefore, among other faculties, the Board can establish or suppress in Italy and abroad agencies and representatives, undertake holdings, interests, excepting where such undertakings must, by law, be voted by the Shareholders' Meeting, purchase, sell and exchange real estate; decide and provide for all receivable and payable transactions with Banks, Credit Institutions, Public Debts institutions, Deposits and Loans cash, at any other public or private office, enable the raising, subrogation, deferral, cancellation and renounce of mortgages, transcriptions and notes of all kinds; decide on compromises and transactions, for the purposes as of article 3 of these articles of association.	OMISSIS	
20.2 The Board of Directors also has the authority to pass resolutions on the matters provided for in article 2365, clause 2, Civil Code, and may also adapt the rules for Shareholders'	The Board of Directors also has the authority to pass resolutions on the matters provided for in art.icle 2365, clause 2, Civil Code c.c. , and may also adapt the rules for Shareholders' Meetings to	Simplification of the text.

Meetings to make them comply with current law. Attribution of such authority to the Board of Directors does not exclude the principal authority of the Shareholders' Meeting, which maintains its power to decide on such matters.	make them comply with current law. Attribution of such authority to the Board of Directors does not exclude the principal authority of the Shareholders' Meeting, which maintains its power to decide on such matters.	
20.3 The Board of Directors, in conformity with article 2381 of the Italian Civil Code, can delegate its powers to the Chairman, to the Vice Chairman and to one or more Managing Directors, both jointly and severally, and determine the content, limits and eventual procedures for exercising such powers of attorney. The persons thus appointed report (also orally) to the Board and the Statutory Auditors on a quarterly basis on the general conduct of business and likely trends as well as on the more important operations, in terms of size or characteristics, carried out by the Company or its subsidiaries.	The Board of Directors, in conformity with article 2381 of the Italian Civil Code c.c., can delegate its powers to the Chairman, to the Vice Chairman and to one or more Managing Directors, both jointly and severally, and determine the content, limits and eventual procedures for exercising such powers of attorney. The persons thus appointed report (also orally) to the Board and the Statutory Auditors on a quarterly basis on the general conduct of business and likely trends as well as on the more important operations, in terms of size or characteristics, carried out by the Company or its subsidiaries.	Simplification of the text.
20.4 Having heard the opinion of the statutory auditors, the Board appoints an officer responsible for the drafting of the Company's accounting documents. The Board provides said officer with adequate powers and means for the tasks assigned to him under the relevant laws and rules and fixes his remuneration. The officer responsible for the drafting of the Company's accounting documents must have suitably long experience in the same position and/or other management functions in the administration, finance or control of listed and/or big corporations. Said officer must have the requisites of moral standing required of directors.	OMISSIS	
20.5 In case of urgency and within the conditions and limits provided by current law, the company may carry out operations with correlated parties according to the provisions set forth by the adopted procedures.	OMISSIS	
Article twenty one		
21.1 The Chairman of the Board of Directors and the nominee are entitled to the corporate signature and to the legal representation of the Company, also in Court. In addition, the Company's Managing Directors and proxy-holders represent the company, within the limits of powers entrusted to them.	OMISSIS	
21.2 Factory Managers and the officials responsible for the management of company's areas with appropriate resolution of the Board of Directors represent the company in transactions and however for the requirements as of Law Decree No.81 dated 9 April 2008 as maybe amended and	Factory Managers and the officials responsible for the management of company's areas with appropriate resolution of the Board of Directors represent the company in transactions and however for the requirements as of Law Decree No.81 dated 9 April 2008 law decree 81/2008 as maybe amended and integrated	Simplification of the text.

integrated and, in general, as of the applicable employees' health and safety provisions of law.	and, in general, as of the applicable employees' health and safety provisions of law.	
Article twenty one bis		
21bis.1 If the Shareholders' Meeting did not provided to this, the Board of Directors, may appoint also outside its members, an Honorary Chairman, who will be in office for the same period of the Board and will cease, for resignation or with the Board expiration.	If the Shareholders' Meeting has not already done so, the Board of Directors may appoint an Honorary Chairman, who will be in office for the same period of the Board and will cease, for resignation or with the Board expiration need not be a director and who shall hold office for the term fixed upon his or her appointment by the Board making such appointment.	With the amendment the Honorary office will not be connected to the duration of the Board of Directors
21bis.2 Also if the Honorary Chairman is not a Director, he may participate in the Board and Shareholders' meetings and may express non binding opinions on the topics discussed by the above mentioned meetings.	OMISSIS	
21bis.3 The Board of Directors may entrust the Honorary Chairman only with tasks related to the company's representation during events different from those of company's activity, and aimed at cultural, scientific and charitable interests.	OMISSIS	
21bis.4 The Board of Directors establishes the possible compensation and any other remuneration and/or reimbursement to the Honorary Chairman.	OMISSIS	
21bis.5 The Honorary Chairman may be re-elected.	OMISSIS	
SECTION V		
Board of Statutory Auditors		
Article twenty two		
22.1 The Shareholders' Meeting appoints the Board of Statutory Auditors, composed of three Standing Members and of two Alternate Members, establishing their remuneration. Minority shareholders are entitled to the appointment of a Standing Member and of an Alternate Member.	The Shareholders' Meeting appoints the Board of Statutory Auditors, to be composed in accordance with current law on gender equality , of three Standing Members and two three Alternate Members, and establishes their remuneration. Minority shareholders are entitled to the appointment of a Standing Member and of an Alternate Member.	Modified for the purposes of legislation on the composition of management and control bodies.
22.2 The Board of Statutory Auditors is appointed on the basis of lists presented by shareholders where candidates are listed with a sequential number. The list comprises two sections, one for Standing Member candidates and the other for Alternate Members candidates. Lists presented must indicate at least one standing auditor candidate and one alternate auditor candidate.	OMISSIS	
22.3	As specified in detail in the notice of meeting, each list and each section of same must contain a sufficient number of candidates to make it possible to comply with other applicable provisions of	Introduced to come into line with legislation on gender equity.

	law.	
22.4 Only Shareholders who together hold shares amounting to at least 2% of the share capital with voting rights at ordinary meetings or, if less, at least the percentage eventually ruled by Consob are entitled to present lists.	OMISSIS	
22.5 Each Shareholder, either through third parties or trust companies, can only present one list and cannot vote different lists. Each candidate can only enrol in one list, subject to ineligibility.	OMISSIS	
22.6 Candidates already holding positions in administration and control in excess of the limits laid down by current law, or who are ineligible or incompatible or who don't have the statutory or legal requisites to hold office may not be entered in candidate lists. Auditors not having the requisites of moral standing and professionalism must stand down.	OMISSIS	
22.7 For the purposes of article 1, paragraph 3 of the Ministry of Justice Decree No.162 dated 30 March 2000, the following should be considered as strictly connected with Company's operations: the research and/or development and/or production and/or commercialization of goods and services in the energy, light mechanics, electronics segments, and associated materials. Outgoing Statutory Auditors can be re-elected.	For the purposes of art.1, paragraph 3 of the Ministry of Justice Decree No.162 dated 30 March 2000, the following should be considered as strictly connected with Company's operations: the research and/or development and/or production and/or commercialization of goods and services in the energy, light mechanics, electronics segments, and associated materials. Outgoing Statutory Auditors can be re-elected.	Re-organization of the text.
22.8	Outgoing Statutory Auditors can be re-elected.	Re-organization of the text.
22.9 The lists presented for the appointment of the Statutory Auditors' Committee will be deposited at the Company's registered office at least twenty five days before the date established for the meeting, and will be published with the modalities set forth by law provisions and regulations in force at least twenty one days before the meeting. The notice of the meeting to appoint statutory auditors must contain an indication of the percentage of capital with voting rights in ordinary meetings needed to present lists and the deadline for filing same. Each shareholder that presents a list, on his own account or with others, must file with the registered office a certificate issued by authorized brokers pursuant to current law proving entitlement to exercise rights and a declaration stating under his own responsibility that there is no connection with other lists presented, in accordance with the provisions of the applicable law.	OMISSIS	

22.10	The statements whereby the individual candidates accept candidature are deposited with each list within the term indicated above and state, under their individual responsibility, the non existence of reasons for ineligibility or inconsistency, as well as the existence of the regulatory and statutory requirements regarding the relevant appointments. They must also adequately illustrate their professional and personal characteristics and list any other posts held in the administration and control of other companies.	OMISSIS	
22.11	A list which does not comply with the provisions illustrated above is considered as having not been presented.	A list which does not comply with the provisions illustrated above is considered as having not been presented.	Simplification of the text.
22.12	If only one list is presented in the fifteen days before the date of the 1 st call or single meeting, the provisions of the current law apply.	22.12-11 If only one list is presented in the fifteen days before the date of the 1 st call or single meeting, the provisions of the current law apply.	The following clauses will be renumbered as a result of the elimination of the previous clause.
22.13	The following procedure applies for the appointment of statutory auditors: <ul style="list-style-type: none"> two standing members and an alternate member are drawn from the list which at the meeting has won the majority of votes, based on the sequential order where they are indicated in the sections of the list; the remaining standing member and the other alternate member are drawn from the list which won the second most votes at the meeting, and is not connected, even indirectly, with the list in 1) above, based on the sequential order where they are indicated in the sections of the list. 	22.13 12 The following procedure applies for the appointment of statutory auditors: <ol style="list-style-type: none"> two standing members and an two alternate members are drawn from the list which at the meeting has won the majority of votes, based on the sequential order where they are indicated in the sections of the list; the remaining standing member and the other alternate member are drawn from the list which won the second most votes at the meeting, and which, in accordance with current law, was presented and voted by shareholders not connected, even indirectly, with the list in 1) above, based on the sequential order where they are indicated in the sections of the list. 	Modified to come into line with legislation on gender equity.
22.14	The standing auditor elected from the list which obtained the second most votes in the shareholders' meeting is entitled to become the Chairman of the Board of Statutory Auditors.	22.14 13 The standing auditor elected from the list which obtained the second most votes in the shareholders' meeting is entitled to become the Chairman of the Board of Statutory Auditors.	
22.15	When the regulation and statutory requirements no longer apply, the statutory auditor falls from office. In the event of replacement of a statutory auditor, the alternate member part of the same list as the replaced statutory auditor succeeds.	22.14 14 When the regulation and statutory requirements no longer apply, the statutory auditor falls from office. In the event of replacement of a statutory auditor, the alternate member part of from the same list as the statutory auditor to be replaced takes over the post, subject in any case, where possible, to the provisions of current law on the composition of the board of Statutory Auditors.	
22.16		22.16 -15 Without prejudice to the provisions of the previous clauses in this article, the shareholders' meeting called upon to	

	vote the appointment of new statutory auditors pursuant to art. 2401 c.c. in any case provides for such replacement in accordance with current law.	
22.17 The provisions illustrated above do not apply at meetings which provide in accordance with legislation for the appointments as a result of termination or fall from office. Should this be the case, the Shareholders' meeting resolves by relative majority, except for the reservation expressed in paragraph one of this article.	22.17 16 The provisions illustrated above do not apply at meetings which provide in accordance with legislation for the appointments as a result of termination or fall from office. Should this be the case, the Shareholders' meeting resolves by relative majority, except for the reservation expressed in paragraph one of this article and in any case in such a way as to ensure compliance with current law.	
Article twenty two bis		
OMISSIS		
Article twenty three		
OMISSIS		
SECTION VI		
Financial year – Financial statements - Profits		
Article twenty four		
OMISSIS		
Article twenty five		
25.1 Net profit resulting from the financial statements is allocated as follows: -5% (five per cent) to the ordinary reserve, until it has reached one fifth of the share capital; - to savings shares, up to achieving 5% (five per cent) of their nominal value; - when in a financial year, the dividend assigned to savings shares is lower than 5% (five per cent) of the share nominal value or when no dividend has been assigned, the difference is allocated as an increase of the privileged dividend for the two subsequent financial years; - the remainder at the disposal of the Shareholders' meeting for the resolution it will adopt. Should the Shareholders' Meeting resolve its distribution, also partial, net profit will be allocated to all shares, so that savings shares will be entitled to a total higher dividend than ordinary shares, at the extent of 2% (two per cent) of the share nominal value. The directors can resolve the distribution of advances on dividends in compliance with the requirements of article 2433 bis of the Italian Civil Code. Dividends will be paid on the basis of the formalities established by the Board of Directors. Dividends not collected within a five-	Net profit resulting from the financial statements is allocated as follows: -5% (five per cent) to the ordinary reserve, until it has reached one fifth of the share capital; - to savings shares, up to achieving 5% (five per cent) of their nominal value; - when in a financial year, the dividend assigned to savings shares is lower than 5% (five per cent) of the share nominal value or when no dividend has been assigned, the difference is allocated as an increase of the privileged dividend for the two subsequent financial years; - the remainder at the disposal of the Shareholders' meeting for the resolution it will adopt. Should the Shareholders' Meeting resolve its distribution, also partial, net profit will be allocated to all shares, so that savings shares will be entitled to a total higher dividend than ordinary shares, at the extent of 2% (two per cent) of the share nominal value. The directors can resolve the distribution of advances on dividends in compliance with the requirements of article 2433 bis of the Italian Civil Code. Dividends will be paid on the basis of the formalities established by the Board of Directors. Dividends not collected within a five-year	Re-organization of the text.

year period from the established date, will be prescribed for the benefit of the company.	period from the established date, will be prescribed for the benefit of the company.	
25.2	The directors can resolve the distribution of advances on dividends in compliance with the requirements of article 2433 bis c.c.. Dividends will be paid on the basis of the formalities established by the Board of Directors. Dividends not collected within a five-year period from the established date will be prescribed for the benefit of the company.	Re-organization of the text.
25.3 In the event of distribution of reserves, saving shares have the same rights as the other shares.	OMISSIS	
25.4 The decrease in share capital due to losses does not involve a decrease in the shares nominal value, but for the portion of loss in excess of the total nominal value of the other shares.	OMISSIS	
SECTION VII		
Change to articles of association – Dissolution – Winding up		
Article twenty six		
OMISSIS		
Article twenty seven		
OMISSIS		
SECTION VIII		
General		
Article twenty eight		
OMISSIS		
Article twenty nine		
OMISSIS		

Ordinary Session

Directors' report on the 1st item on the agenda

Approval of the separate financial statements at 31st December 2011. The reports of the board of directors, statutory audit committee and independent auditors. Allocation of profits for the year and distribution of a dividend. Relative resolutions.

Shareholders,

This report will illustrate certain issues that will help you to evaluate our proposals to a) approve the separate financial statements for the year closing 31st December 2011 of Indesit Company S.p.a. (also the "Company"), and b) allocate profits for 2011 and payment of dividends.

a) Separate financial statements at 31st December 2011

More detailed information on accounting data and events in 2011 can be found in the draft separate financial statements and consolidated financial statements, in the annual report of Indesit Company at 31st December 2011 and in the reports to the meeting by the firm of accountants and the statutory auditors, which are filed at Company headquarters within the legal terms.

b) Proposed allocation of profits and payment of dividend

Your Company's separate financial statements closing 31st December 2011 show profits of €10,436,186. 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.

As of the date of this report, the share capital amounts to euro 102,759,269.40, divided into 114,176,966 shares of par value euro 0.90 each, of which:

- 113,665,684 ordinary shares, each entitling the holder to one vote at the shareholders' meeting;
- 511,282 non-convertible savings shares without voting rights.

The number of ordinary shares could change ahead of the Meeting due to the exercise of 252,000 stock options allotted to Group executives and managers giving entitlement to subscribe said number of ordinary shares.

Regarding a dividend pay-out and given that the Group's consolidated financial statements show net profits of €58,798,537.00, we propose paying each ordinary share in circulation a dividend of €0.2079, and each savings share in circulation a dividend of €0.2259, using for such purpose our profits for the year and the Extraordinary Reserve up to a maximum amount of €13,352,536.76.¹

To date, the Company holds 11,039,750 ordinary shares (9.71% of the ordinary share capital). Seeing that, under art. 2357-ter, clause 2, c.c., as long as the Company holds such treasury shares, the right to profits on them must be assigned proportionally to the other shares, we propose to allocate the dividend relative to said treasury shares to the ordinary shares, the non-convertible savings shares in circulation and the maximum number of exercisable stock options, thus raising the dividend per ordinary and non-convertible savings shares in circulation share by €0.0221².

The Board thus proposes payment of a total dividend of €0.23 for each ordinary share in circulation (other than treasury shares) and of €0.248 for each non-convertible savings share in circulation.

The exact amount of the extraordinary reserve to be used will be announced during the shareholders' meeting on the basis of the number of stock options exercised as of that date.

Dividends will be payable from 24/5/2012, ex-date 21/5/2012.

Dividends payable in 2012 will enjoy the tax benefit provided for in art. 1, clause 3, Decree of the

¹ The amount to appropriate from the Extraordinary Reserve to the dividend pay-out will vary with the number of ordinary shares in circulation as of the date of the meeting as result of any exercising of stock options allocated to Group company executives and managers. Such amount will be announced by the chairman during the meeting.

² The additional amount was obtained by rounding the amount produced by this allocation.

“Ministro dell’economia e delle finanze” dated 2/4/2008 because the Company has distributable reserves formed in their entirety prior to 31st December 2007.

In light of the foregoing, the Board proposes to put to the vote the directors’ Report and the financial statements as of 31st December 2011, which close with profits of €10,436,186, and invites you to approve the following proposed resolution:

“This ordinary meeting of the shareholders of Indesit Company S.p.A.,

- having taken note of the consolidated and draft separate financial statements as of 31st December 2011, the directors’ annual report as presented and filed with the Company, the directors’ reports on the items on the agenda at this meeting and the statutory audit committee’s report pursuant to art. 153 D.Lgs. 58/1998 and those of the independent auditors as presented and filed with the Company;
- and, having considered the proposal contained in the directors’ reports on the items on the agenda at this meeting, to distribute the dividend due to the Company’s treasury shares and thereby increase the dividend due to the ordinary shares in circulation (other than treasury shares) and to the savings shares

resolves to:

- 1) approve the separate financial statements as of 31st December 2011 and the directors’ annual report as presented and filed in the Company’s books;
- 2) allocate the €10,436,186 profit for the year in part to the Extraordinary Reserve and in the amount of €.....³ as follows:
 - a) €0.23 (euro zero point two three) as a unit dividend for each of the⁴ ordinary shares in circulation;
 - b) €0.248 (euro zero point two four eight) 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.”

Milan, 21st March 2012

For the Board of Directors

Andrea Merloni

(Chairman)

See note 1).

As already noted, the number of ordinary shares in circulation on the day of the Meeting will be announced at the Meeting and will depend on the number of stock options exercised by such date.

Appointment of independent auditors for the period 2013-2021 and fixing of relative fees.

Shareholders,

The engagement of the accounting firm KPMG SpA for nine years (maximum legal term) will terminate with the shareholders' meeting to approve the financial statements at 31st December 2012.

The law requires the shareholders' meeting to engage a new accounting firm, as recommended in the statutory auditors' reasoned proposal, to provide statutory auditing for a period of nine years and fix the relative fees, in accordance with the provisions of legislative decree 39, 27th January 2010.

To allow a more efficient transition to the new accounting firm, the statutory audit committee started the selection process for a new firm for the period 2013-2021 a year in advance.

For statutory auditing services in the period of 2013-2021, the statutory audit committee is proposing Reconta Ernst & Young S.p.A. The Committee's reasoned proposal is attached to this report under Annex A.

This said, the Shareholders' Meeting is invited to adopt the following resolution.

"The Shareholders' Meeting,

- takes note of the statutory auditors' reasoned proposal pursuant to art. 13, clause 1, legislative decree 39, 27th January 2010;
- takes note of the terms and conditions indicated in the "Proposal for professional services" from Reconta Ernst & Young S.p.A. relative to the provision of statutory auditing and other activities within the statutory auditor's sphere of competence and which also includes indications on engagements to provide statutory auditing and other control services for subsidiaries, and
resolves
 1. to approve the engagement of Reconta Ernst & Young S.p.A. for the period 2013 to 2021 to provide the services detailed below with relative hours and fees:

ACTIVITIES	2013-2014		2015-2017		2018-2021	
	hours	fees	hours	fees	hours	fees
Audit of separate financial statements	11.312	1.020.748	16.120	1.454.565	20.362	1.837.347
Audit of consolidated financial statements	14.552	1.167.930	20.737	1.664.300	26.193	2.102.274
Limited accounting audit of the 1 st half financial report	10.150	843.432	14.464	1.201.890	18.270	1.518.177
Monitoring of regular bookkeeping over the year	1.224	96.964	1.744	138.174	2.203	174.535
Other audit-related activities	1.260	108.166	1.796	154.137	2.267	194.699
TOTAL	38.498	3.237.240	54.861	4.613.066	69.295	5.827.032

2. to approve the addition to the above detailed fees of reimbursement of expenses incurred for performance of work up to a maximum of 5% of fees relating exclusively to foreign companies, the supervision contribution due to CONSOB, where applicable, and VAT;
3. to approve that the fees detailed in the table above:
 - a. will be annually adjusted in the measure of 50% of the portion in excess of the 6% cost of living index, as from January 2015, with base 100 being the index as of January 2014 (ie. with no adjustment of fees for the auditing of 2013, the 1st half report to 30th June 2014 or for 60% of the fees for the annual audit of 2014);
 - b. may be adjusted, subject to authorization by the Company, in relation to the occurrence of relevant circumstances not foreseeable at the time of making the proposal that increase the number of hours estimated in the proposal, and on the basis of a written addendum, it

being understood that such adjustment of fees shall be quantified at the rates in said proposal and taking into account the hours and composition of the resources required.”

Milan, 21st March 2012
For the Board of Directors
Andrea Merloni
(Chairman)

"REASONED PROPOSAL BY THE STATUTORY AUDIT COMMITTEE OF INDESIT COMPANY SPA ON THE ENGAGEMENT OF AN AUDIT FIRM FOR THE NINE-YEAR PERIOD 2013 - 2021.

Shareholders,

The expiry of KPMG S.p.A.'s engagement to provide statutory auditing for Indesit Company SpA (hereafter "Indesit") over the period 2004 – 2012 being imminent, we think it advisable to bring forward to 2012 the decision to engage, in accordance with TUIF and law decree 39/2010, a new statutory audit firm for the period 2013 –2021 in order to give such auditors time to gain the fullest possible knowledge of Indesit and its Group and ensure an efficacious and efficient auditing process from the very beginning of their term.

Indesit therefore invited Reconta Ernst & Young S.p.A., Deloitte & Touche S.p.A. and PricewaterhouseCoopers S.p.A. to submit offers for the nine-year period 1st January 2013 – 31st December 2021 covering Indesit and its main subsidiaries. It provided these candidate firms with the necessary information. The companies involved put in their bids.

Meeting on 26th October 2011, 2nd December 2011 and 18th and 26th January 2012, the Statutory Audit Committee carried out the activities deemed necessary, also with the assistance of the relevant Indesit structures, to be able to formulate a proposal, considering, among other things, that all the bids received provide for:

- audit teams with professional profiles deemed objectively adequate;
- estimated total hours for the work (including auditing of the statutory financial statements of the subsidiaries) between a minimum of euro 197,822 and a maximum of euro 241,914 over the nine years;
- total fees for the provision of such work over the entire period between a minimum of euro 16,112,430 and a maximum of euro 16,830,000.

On the basis of the principles, criteria, methods and content of the auditing and control activities that the companies intend to adopt in performing their tasks, the Committee believes that the audit plans submitted are adequate and comprehensive.

In particular, we found nothing that might render the independence, technical suitability, organization or experience of the candidates inadequate in relation to the breadth and complexity of the tasks to be assigned. This view is indirectly endorsed by the fact that many Italian and non-Italian listed companies retain the above mentioned audit companies for such services.

Given the substantial equivalence of the profiles examined, the Committee considered the following to be the key selection criteria:

- the quality of the audit plan for Indesit Company SpA Group, which must be suitably detailed, coherent and in line with current legislation;
- an audit team having all the professional requisites for correct and orderly performance of the assignment;
- how the services are actually provided, in relation to the Group's organizational requirements;
- an estimated number of hours adequate in relation to the extent of the engagement;
- a total amount of fees (important but not the top priority) that guarantees the quality and reliability of the work, as well as the independence of the audit company.

Having completed its analyses and assessments, the Committee therefore proposes to retain Reconta Ernst & Young S.p.A. for statutory auditing over the nine-year period 2013-2021, which engagement is to include:

- audit of the financial statements of Indesit Company Spa, pursuant to art. 14, clause 1, letter a), Decree 39/2010;
- audit of the consolidated financial statements of Indesit Company Spa, pursuant art. 14, clause 1, letter a), Decree 39/2010;

- monitoring, over the year, of regular book keeping and correct representation of operating events in Indesit Company Spa's accounting records, in accordance with the provisions of art. 14, clause 1, letter b), Decree 39/2010;
- limited accounting audit of the 1st half financial report of Indesit Company Spa, in accordance with the provisions of Consob Resolutions no. 97001574/1997 and no. 10867/1997;
- other strictly audit-related activities, to be allocated in relation to obligations under applicable laws, regulations, established practices and agreed verification procedures.

For the aforementioned work over the entire nine-year period 2013-2021, Reconta Ernst & Young S.p.A. estimated total fees of €13,677,338 for a total number of hours of 162,654 (and fees of €16,393,216 for 197,818 total hours including statutory auditing of the subsidiaries' financial statements). Such total provides for a gradual reduction in the number of hours per year to reflect the estimated learning curve. The table below details their economic offer:

ACTIVITIES'	2013-2014		2015-2017		2018-2021	
	hours	fees	hours	fees	hours	fees
Audit of separate financial statements (1)	11.312	1.020.748	16.120	1.454.565	20.362	1.837.347
Audit of consolidated financial statements (2)	14.552	1.167.930	20.737	1.664.300	26.193	2.102.274
Limited accounting audit of the 1 st half financial report (3)	10.150	843.432	14.464	1.201.890	18.270	1.518.177
Monitoring of regular bookkeeping over the year	1.224	96.964	1.744	138.174	2.203	174.535
Other audit-related activities (4)	1.260	108.166	1.796	154.137	2.267	194.699
TOTAL	38.498	3.237.240	54.861	4.613.066	69.295	5.827.032
<i>Local statutory auditing</i>	8.324	642.812	11.860	916.005	14.980	1.157.061
TOTAL proposed for 2013-2021	46.822	3.880.052	66.721	5.529.071	84.275	6.984.093

Regarding the numbers in brackets in the table:

- 1) this includes:
 - a) an expression of judgement on the coherence of the management report and the information specified in clause 1, c), d), f), l), m), and clause 2, b), art. 123-bis, TUIF, presented in the corporate governance report;
 - b) checking and subscribing of tax returns (770 Simplified/Ordinary, Single, IRAP, Consolidated National and World) filed in accordance with current tax law;
- 2) this includes accounting audits of the reporting packages sent to Indesit Company SpA by Group subsidiaries for the purposes of consolidation, on the basis of their relevance to the consolidated financial statements;
- 3) this includes accounting audits of the 1st half reporting packages of Indesit Group companies on the basis of their relevance in terms of inclusion in Indesit's abbreviated consolidated 1st half statements;
- 4) these include:
 - a. annual checks (agreed-upon procedures) on the correctness and consistency of the re-charging processes relative to Cost Sharing and Royalties;
 - b. annual checks (assurance engagement) on the accuracy of the calculations required for the Compliance Certificate, Explanatory Notes and Purchase and Guarantee Agreement and Defined Terms provided for in the financial covenants applying to the US Private Placement;
 - c. certification of the actual values of personnel costs for Indesit's research & development and their correspondence with accounting documents relevant to their deductibility for the purposes of IRAP;
 - d. 6-monthly checks (agreed-upon procedures) on the accuracy of the Report drawn up by the transferor to provide periodical information to financial authorities, as in the case of Indesit's securitization contracts;

- e. 6-monthly checks (agreed-upon procedures) on the accuracy of the Report drawn up by the transferor to provide periodical information to financial authorities, as in the case of Indesit Company France SA's securitization contracts.

The fees indicated in the table above will be integrated by reimbursement of expenses incurred for performance of work up to a maximum of 5% of fees relating exclusively to foreign companies, the supervision contribution due to CONSOB, where applicable, and VAT.

The fees indicated in the table above:

- i) will be annually adjusted in the measure of 50% of the portion in excess of the 6% cost of living index, as from January 2015, with base 100 being the index as of January 2014 (ie. with no adjustment of fees for the auditing of 2013, the 1st half report to 30th June 2014 or for 60% of the fees for the annual audit of 2014);
- ii) may be adjusted, subject to authorization by the Company, in relation to the occurrence of relevant circumstances not foreseeable at the time of making the proposal that increase the number of hours estimated in the proposal, and on the basis of a written addition to the proposal, it being understood that such adjustment of fees shall be quantified at the rates in said proposal and taking into account the hours and composition of the resources required.

Milan, 21st March 2012

Statutory Audit Committee

(Marco Reboa)

- Chairman

(Andrea Amaduzzi)

- Standing Auditor

(Luigi Biscozzi)

- Standing Auditor

Proposal for new authorization to trade in own shares

(Directors' report drawn up pursuant to art. 73, Issuers' Reg.)

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., c.c., art. 132, TUIF, and art. 144 *bis*, Issuers' Reg.

As you already know, the Board was authorized by a shareholders' resolution dated 3/5/2011 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 expires on 3/5/2012. No trading in own shares was actually done under said authorization.

On calling an ordinary meeting to approve the financial statements at 31st December 2011, the Board thus decided to apply to the shareholders for a new authorization to trade in the Company's shares, given that said faculty provides the operating and strategic flexibility that the directors need for the reasons set forth below.

The share capital as of 21/3/2012 is €102,759,269.40, divided into 114,176,966 shares of par value euro 0.90 each, of which:

- 113,665,684 ordinary, each of which entitling the holder to one vote at the shareholders' meeting;
- 511,282 non-convertible savings shares without voting rights.

The number of ordinary shares could increase before the shareholders' meeting as a result of the exercise of 252,000 options allocated to Group executives and managers conferring the right to subscribe to said number of ordinary shares. The Company holds 11,039,750 ordinary shares (9.71% of the ordinary share capital), the voting rights of which are suspended.

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:

- 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;
- 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);
- 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, c.c., 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, c.c., 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 non-convertible 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 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. The shorter period of authorization is designed to tie in with the annual general meeting to approve the financial statements. Such authorization will therefore be automatically revoked in the event of a new authorization voted by the shareholders' meeting prior to the annual term. 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 shall 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, TUIF, and art. 144 *bis*, Issuers' Reg., and taking into account the specific exemption provided for in clause 3 of said art. 132, TUIF, and in any case following any other procedures contemplated by relevant laws and regulations.

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 in this report and in any form of disposal allowed under current law on this matter.

Shareholders should note that shares bought back by virtue of the resolution we are proposing here will not be excluded from the calculation of the relevant percentage interest for the purposes of art. 106, clauses 1 and 3b), TUIF, and art. 44-*bis*, Issuers' Regs. (as amended by Consob resolution 17731, 5th April 2011) when a shareholders' resolution is voted by a majority of shareholders present at the meeting other than the shareholder or shareholders jointly holding the majority interest, provided this is over 10% of the share capital.

* * * * *

Schedule 4.7 of Annex 3A to Issuers' Regs. 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.

* * * * *

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 ordinary shares, equal to% of the *pro tempore* capital stock, amounting to €....., divided into shares of par value €0.90 (zero point nine zero) each (of which ordinary and 511,282 (five hundred and eleven thousand two hundred and eighty-two) non-convertible savings shares⁵);
- has taken note that approval of the resolution pursuant to art. 44-*bis*, Issuers’ Regs. affords exemption from the obligation to bid;

resolves to

- 1) authorize the board of directors and jointly on its behalf the 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, c.c., 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 non-convertible 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, law decree 58/1998) and art. 144 bis, Consob Resolution 11971/1999, and taking into account the specific exemption provided for in clause 3 of said art. 132, law 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, c.c., to cover the amount of the treasury shares acquired from time to time;
- 2) pursuant to art. 2357, clause 2, c.c., to authorize the board of directors and jointly on its behalf the 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 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, c.c., is written back to the funds and reserves from which it originated;
- 3) to invest the board of directors, and jointly on its behalf the 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 the Chairman and CEO, all the powers required to execute the foregoing resolutions, also by means of persons with power of attorney,

⁵The actual figures will be announced in the Meeting.

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”.

Milan, 21st March 2012
For the Board of Directors
Andrea Merloni
(Chairman)

Directors' report on the 4th item on the agenda

Remuneration policy pursuant to art. 123-ter, law decree 58/1998.

Shareholders,

The board of directors approved the "Report on the remuneration of Indesit Company S.p.A. executives with strategic responsibilities" drawn up pursuant to art. 123-ter, TUIF, and art. 84-quater Issuers' Regs. (hereafter the "Remuneration Report"). The Remuneration Report must be in two sections, as required by the law.

The first section illustrates:

- a. the Company's policy on the remuneration of members of its management and control bodies and executives with strategic responsibilities in force in the Group (as approved by the Remuneration Committee);
- b. procedures used to adopt and implement such policy.

The second section provides the following information specifically for named members in management and control bodies and as an aggregate value for executives with strategic responsibilities:

- a. each of the items concurring to form remuneration, including treatment in the case of discontinuation of office or termination of an employment relationship, as well as an illustration of the consistency of same with the Company's remuneration policy as approved the previous year;
- b. on an analytical basis, the fees paid in 2011 by the Company and its subsidiaries and associates for whatever reason and in whatever form, with indications of any items in such fees referring to activities carried out in prior years and fees to be paid in future periods, if possible with estimated values for any items not objectively quantifiable in the reference period.

The Company publishes the Remuneration Report, which is attached to the annual corporate governance and ownership structure report, within the dates and in the manner required by law.

The shareholders are called upon to vote for or against the first section of the Report. The resolution is not binding, as provided for in art. 123-ter, clause 6, TUIF. The outcome of the vote is made public as required in art. 125-quater, clause 2, TUIF.

The Remuneration Report is also submitted to the shareholders' meeting in accordance with art. 13, clause 3.3, of the Consob Regulation on Related Party Transactions adopted under resolution 17221 (12th March 2010), as amended by Consob resolution 17389 (23rd June 2010) and subsequent amendments and/or additions and/or interpretations, and art. 6.1 letter f), of the Related Party Transactions Procedure drawn up pursuant to said regulation and adopted by the board of directors on 29/10/2010.

In light of the foregoing, the board of directors hereby invites the shareholders to vote in favour of the following motion:

"Having read the Report on the remuneration of Indesit Company S.p.A. executives with strategic responsibilities drawn up pursuant to art. 123-ter, TUIF, and art. 84-quater Issuers' Regs, the shareholders' meeting of Indesit Company S.p.A. (ordinary session) expresses a favourable opinion of the first section of said Report in relation to the policy adopted on the remuneration of the members of the management and control bodies and executives with key management responsibilities and the procedures used to adopt and implement such policy in the Group headed by Indesit Company S.p.A."

Milan, 21st March 2012

For the Board of Directors

Andrea Merloni

(Chairman)

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