

DAMIANI S.P.A.

DAMIANI S.P.A. – REGISTERED OFFICE AT PIAZZA DAMIANI GRASSI DAMIANI 1, VALENZA (AL), SHARE CAPITAL: € 36,344,000 FULLY PAID UP, TAX CODE AND VAT NO. 01457570065, BUSINESSES REGISTRY OF ALESSANDRIA NO. 01457570065, REA NO. 162836/AL

REMUNERATION REPORT

PURSUANT TO ART. 123-TER LEGISLATIVE DECREE 58

DATED 24 FEBRUARY 1998

Dear Shareholders,

In compliance with Art. 123-ter Legislative Decree 58 dated 24 February 1998 (the so-called 'T.U.F.' (Testo Unico della Finanza - Unified Finance Law), as subsequently integrated and amended, and also Art. 84-quater of CONSOB Resolution 11971/99 (the so-called 'Listing Rules'), as subsequently amended and integrated, the Board of Directors of Damiani S.p.A. (hereinafter also the 'Company' or the 'Issuer') presents this Remuneration Report to you. It consists of two sections (i) one illustrating the remuneration policy of the members of the administrative body and senior managers with strategic responsibilities referring to the financial year 2012/2013, and also the procedures used for the adoption and implementation of this policy, and (ii) the other giving an adequate representation of each of the items making up the remuneration, and describing the payments made to members of the administration and control bodies and senior managers with strategic responsibilities in the financial year 2011/2012.

Pursuant to Art. 123-ter, sub-para. 6, of the T.U.F., the Shareholders' Meeting, convened in ordinary session at the registered office at Piazza Damiano Grassi Damiani 1, Valenza (AL) on First Call for 26 July 2012 at 18:00 and, if required, on Second Call for 30 July 2012, at the same place and time, will be called on to deliberate for or against the first section of the Remuneration Report set out by Art. 123-ter, sub-para. 3, of the T.U.F.; this deliberation is not binding.

Please note that this Remuneration Report was examined and approved by the Board of Directors on 14 June 2012, and is available, inter alia, at the registered office of the company and on the website www.damiani.com.

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SECTION I

This section illustrates the 'Remuneration Policies and Procedures to be implemented by Damiani S.p.A.' adopted by the Board of Directors, at the proposal of the Remuneration Committee, in the Board meeting of 14 June 2012 (hereinafter also 'Remuneration Policies and Procedures'), to define the guidelines that all corporate bodies involved must observe to determine the remuneration of directors and, in particular, executive directors - and those executives of the Company with strategic responsibilities.

The Remuneration Policies and Procedures adopted by the Company, and more generally every amendment to them, are under the authority of the Board of Directors, assisted by the Remuneration Committee.

Please note that the salary policies of other companies have not been used as a reference for the definition of the Remuneration Policies and Procedures.

(A) Bodies involved in the preparation and approval of the remuneration policies

In accordance with the procedure approved by Damiani S.p.A., the bodies involved in the adoption and implementation of the remuneration policies are: a) the Shareholders' Meeting, b) the Board of Directors, c) the Remuneration Committee, d) Empowered Bodies, and e) the Board of Auditors (according to the respective competences established in compliance with the current legal or regulatory provisions, and the recommendations established in the Corporate Governance Code of listed companies, 2006 edition, as amended in March 2010):

*On the subject of remuneration, the **Shareholders' Meeting**:*

- a) *determines the salary of the members of the Board of Directors and executive committee, where constituted, and also the Auditors, pursuant to Art. 2364, sub-para. 1, 3), of the Civil Code; these salaries are established in a measure sufficient to attract, retain and motivate people with the professional qualities necessary to manage the company successfully;*
- b) *deliberates in favour or against the remuneration policy (defined by the Board of Directors on the proposal of the Remuneration Committee) for members of the administrative bodies, the general managers and other senior managers with strategic responsibilities, pursuant to Art. 123-ter, sub-para. 6, T.U.F.; the resolution is not binding, and the outcome of the voting must be made known to the market pursuant to Art. 125-quater, sub-para. 2, T.U.F.;*
- c) *receives adequate information on the implementation of the salary policies;*
- d) *deliberates on the remuneration plans based on financial instruments for directors, employees and co-workers, including the senior managers with strategic responsibilities, pursuant to Art. 114-bis T.U.F.*

*The **Board of Directors:***

- a) *determines the remuneration of directors invested with particular offices at the proposal of the Remuneration Committee, subject to the opinion of the Board of Auditors;*
- b) *defines the policy for the remuneration of directors and, in particular, the executive directors and those invested with particular offices, and senior managers with strategic responsibilities, at the proposal of the Remuneration Committee;*
- c) *approves the Remuneration Report, pursuant to Art. 123-ter T.U.F., which must be published at least twenty-one days before the Shareholders' Meeting called to deliberate pursuant to Art. 2364, sub-para. 2, Civil Code;*
- d) *prepares the remuneration plans based on shares or other financial instruments with the aid of the Remuneration Committee and submits them for the approval of the Shareholders' Meeting pursuant to Art. 114-bis T.U.F.;*

- e) *implements the remuneration plans based on financial instruments with, or with the assistance of, the Remuneration Committee, delegated by the Shareholders' Meeting;*
- f) *sets up a Remuneration Committee inside it; a member of the Committee must have an adequate knowledge and experience in financial matters or salary policies; the Board assesses the competences of the person at the time of the appointment.*

*The **Remuneration Committee**:*

- a) *presents the proposals for the remuneration of executive directors and those covering particular offices, to the Board and also, with the opinion of the Empowered Bodies, the proposals for the correct identification and setting of adequate performance objectives which enable the variable component of their salaries to be calculated;*
- b) *formulates proposals to the Board of Directors on the adoption of the policy for the remuneration of directors, especially the executive directors and those invested with particular offices, and the senior managers with strategic responsibilities;*
- c) *assists the Board of Directors in the preparation and implementation of the salary plans based on financial instruments;*
- d) *periodically assesses the adequacy and real application of the remuneration policy, and makes use of the information supplied by the Empowered Bodies if the assessment concerns the remuneration of senior managers with strategic responsibilities;*
- e) *formulates any proposal on remuneration to the Board of Directors;*
- f) *monitors the application of the decisions adopted by the Board of Directors on remuneration, assessing inter alia the effective achievement of the performance targets;*
- g) *refers to the Shareholders on the exercise of their functions; for this, attendance of the annual Shareholders' Meeting by the Chairman of the Remuneration Committee or another member of the Committee is advised;*

b) *if it considers it necessary or opportune for the fulfilment of the tasks attributed, the Remuneration Committee makes use of external consultants expert in salary policies; the experts must be independent and, as a result, for example, must not exercise relevant business in favour of the Human Resources department of the company, any controlling shareholders of Damiani S.p.A. or directors or executives of the company with strategic responsibilities. The independence of external consultants is checked by the Remuneration Committee before conferring the relative assignment.*

Empowered Bodies, meaning the members of the Board of Directors of the Company who have been conferred with individual powers:

a) *assist the Remuneration Committee in the development of the proposals to set the performance objectives to which the payment of the variable component of their salary will be linked;*

b) *submit the projects of salary plans based on financial instruments to the Remuneration Committee or, if appropriate, assist the Committee in their development;*

c) *supply the Remuneration Committee with all useful information so that the adequacy and real application of the remuneration policy, with particular reference to the remuneration of senior managers with strategic responsibilities can be assessed;*

d) *implement the remuneration policies adopted by the company.*

On remuneration, the **Board of Auditors** has a consultative role in the context of which:

a) *it formulates the opinions required by the law and, in particular, expresses its own opinion on the remuneration proposals of the directors invested with particular offices, pursuant to Art. 2389, sub-para. 3, Civil Code; when expressing its opinion, the Board of Auditors checks the consistency with the remuneration policy of the proposals formulated by the Remuneration Committee to the Board of Directors;*

b) *the Chairman of the Board of Auditors, or another auditor designated by him, should take part in the meetings of the Remuneration Committee.*

(B) Remuneration Committee

The Board of Directors of Damiani S.p.A. set up an internal Remuneration Committee with a consultative and propositional functions. The Remuneration Committee must consist of at least three independent members; alternatively, it can consist of non-executive directors, the majority of whom are independent, as long as the Chairman of the Committee is independent; the Remuneration Committee is set up by the Board of Directors taking into consideration that at least one member of the Committee must have adequate knowledge and experience in financial matters or salary policies.

In the Board meeting of 3 April 2009, the Board of Directors deliberated the establishment of the Remuneration Committee, consisting of the following non-executive directors, two of whom independent - Giancarlo Malerba (Chairman), Roberta Benaglia and Fabrizio Redaelli (independent members), for the three years 1.4.2009-31.3.2012, subject to checking the requisites of being non-executive and independent in compliance with the application criteria of the Corporate Governance Code. In consideration of the approaching expiry of the Remuneration Committee (which will occur with the approval of the balance sheet for the financial year by the Shareholders' Meeting on 26-30 July 2012), the Board of Directors, meeting on 14 June 2012, considered it opportune to maintain the current composition of the Committee.

The meetings of the Remuneration Committee are duly minuted.

During the financial year to 31 March 2012, the Remuneration Committee fulfilled its functions, inter alia, submitting the proposal to the Board for the adoption of the Remuneration Policy. See the relative coverage in the Report on Corporate Governance and the Ownership Structure for the financial year 2011/2012 for greater details on the work of the Committee.

The Remuneration Committee has the right to access all the information and company functions necessary for the fulfilment of its tasks and also make use of external consultants, subject to the prior authorisation of the Board of Directors, in the performance of its functions.

The competences of the Remuneration Committee are illustrated in the preceding paragraph.

(C) Independent experts

The intervention of third party independent experts was not requested in the preparation of the Remuneration Policies and Procedures.

(D) Purposes and general principles of the Remuneration Policies and Procedures.

Possible changes with respect to the previous financial year

The Remuneration Policies and Procedures were adopted by the company on 14 June 2012 and have the purpose of:

(i) establishing how the payments of the directors, and executive directors in particular, and senior managers with strategic responsibilities of Damiani S.p.A. are determined, respecting the applicable legislation and in compliance with national and international best practice reflected in the principles of the Corporate Governance Code of Listed Companies;

(ii) identifying, in particular, the people and/or bodies involved in the adoption and implementation of the policies and procedures on remuneration which, in accordance with the respective competences, propose, resolve on and/or determine the payments of directors and senior managers with strategic responsibilities, express opinions on the subject or are called on to check the correct implementation of the decisions taken and resolutions of the competent bodies;

(iii) ensuring greater transparency on remuneration for both current and potential investors through adequate formalisation of (a) the relative decision-making processes, and (b) the criteria inspiring the remuneration policies and procedures;

(iv) empowering the different competent bodies involved in the definition of payments to directors and senior managers with strategic responsibilities;

(v) ensuring remuneration sufficient to attract, retain and motivate people with specific professional qualities in the company, favouring the successful management and competitiveness of the company.

The company intends to guarantee the correct development and implementation of the remuneration systems with the formalisation of the Remuneration Policies and Procedures, ensuring that, in particular, the pay systems for executive directors and senior managers with strategic responsibilities are not in contrast with

company objectives and values, the medium-long term strategies and the policies of prudent risk management.

The Remuneration Policies and Procedures pursue the alignment of the interests of the directors and senior managers with strategic responsibilities and achievement of the priority aim of the creation of value for the shareholders in the medium-long term, also through the adoption of forms of payment as incentives, in cash or based on financial instruments, connected to company performance objectives taking account of the risks assumed and the capital necessary to face up to business.

(E) Remuneration Policies and Procedures - fixed and variable components

The remuneration policies adopted by your company set out the following, with reference to the fixed and variable components of the remuneration. The remuneration of the executive directors and senior managers with strategic responsibilities usually consists of two different components: (i) a fixed component and (ii) a variable one, the latter being linked to the achievement of predetermined performance objectives, also of a non-economic nature, which may consist of a money payment (bonus or other cash incentives) or a participation in the profits of the financial year.

In accordance with the Remuneration Policies, the Board of Directors must take into consideration the following, inter alia, in the consistent implementation and balancing of the principle of giving incentives to executive directors with the prudent management of risk: (i) the specific contents of the proxies attributing powers to individual executive directors and/or (ii) the functions and roles they actually perform within the company, ensuring that the estimate of any variable component is consistent with the nature of the tasks assigned to them.

According to the Damiani S.p.A. policy, the variable component with an incentive nature is, in relation to the above, normally intended for the Empowered Bodies, as having been delegated with individual powers. Nevertheless, a variable component could also be meant for executive directors, even if they are not holders of individual powers, taking account of the functions and role actually played, also in relation to participation in any executive committee.

Alternatively, the remuneration of non-executive directors (including independent directors) - and any non-delegated bodies - is usually established as a fixed measure, and commensurate with the commitment effectively required, also taking account of any participation they have in one or more committees. The 'fixed' remuneration of non-executive directors (including independent directors) - and any non-delegated bodies - can be identified in an 'absolute' amount and/or the distribution of predetermined attendance 'tokens' in relation to the meetings, including those of committees attended.

If appropriate, in the interest of the company, an insignificant part of the payment of non-executive directors can be identified as a variable measure and connected to the economic results achieved by the company and/or the Damiani group, but this is only with a motivated decision of the Board of Directors to be adopted on the proposal of the Remuneration Committee.

The remuneration of the Chairman and, where present, the Deputy Chairman/men, is established on a fixed measure, unless the Chairman or Deputy Chairman/men are still holders of powers.

The Board of Directors and Remuneration Committee can take account of the fact that an Empowered Body is also a relevant shareholder of the company in implementing the remuneration policies and procedures; as a result, in abstract, its remuneration could also be independent of the estimate of variable components, given the nature intrinsically of incentive of the position of significant shareholder of Damiani S.p.A.

Any form of variable remuneration is precluded for the members of the Board of Auditors.

The remuneration policies establish that the variable component will normally be determined with regard to the fixed component effectively received, within the following ranges:

- for Empowered Bodies and/or, if appropriate, the executive directors, the variable component must not be less than 30% and not higher than 200% with respect to the fixed component, taking account (i) of the specific content of the delegated powers attributed and/or (ii) the functions and role actually performed within the company so that the variable component is consistent with the nature of the powers and tasks

assigned; nevertheless, the variable component could also be higher than these values every time the Board of Directors opts for the adoption of a reasonably low fixed component with respect to the market benchmark;

- for senior managers with strategic responsibilities, the variable component must not be less than 5% with respect to the fixed component; the maximum amount must be determined so that the variable remuneration does not exceed 50% of the senior manager's overall remuneration.

For the above purposes, fixed component means the monetary remuneration received overall by the executive director for the position (the so-called 'corporate relationship' with the Issuer - director's emolument, emolument for the position of Chairman or Deputy Chairman, any attendance tokens, etc.), and also the payments received for the offices covered within the Damiani group ('corporate relationship' at group level) and, if appropriate, the overall gross fixed remuneration received in relation to the employment relationship in being with the group (the so-called 'employment relationship' both in the Issuer and, possibly, at group level).

In relation to this, when determining the remuneration of the executive directors and senior managers with strategic responsibilities, the competent bodies of Damiani S.p.A. also take account of the remuneration perceived in the subsidiary companies of Damiani S.p.A. The so-called 'attendance tokens' for participation in the meetings of the Board of Directors, where set out (to be calculated according to a criterion of reasonable forecasting of the number of meetings expected in the reference period) and any reimbursement of lump-sum expenses also contribute to the determination of the fixed component. As clarified by the company's remuneration policy, in any case, the fixed component must be sufficient to remunerate the service in the event that the variable component is not distributed because the performance objectives indicated by the Board of Directors have not been achieved. The same criteria are seen in the determination of the remuneration of senior managers with strategic responsibilities by the Empowered Bodies or the competent people from time to time.

At present, the remuneration policy does not distinguish between short and medium-long term variable components; consistent with a policy of prudent management of risk, it is considered that the time horizon

for anchorage of objectives consistent with the trend in the market in which the Damiani group operates should not be less than twelve months.

(F) Non-monetary Benefits

The Remuneration Policies and Procedures state that directors and senior managers with strategic responsibilities can be assigned non-monetary benefits, including, for example, the attribution of company cars and housing, respecting the principles of temperance, containment of costs and proportionality with respect to the aims pursued.

(G) Performance objectives and other parameters

On the basis of the remuneration policy, the variable component of the remuneration assigned to the Empowered Bodies and senior managers with strategic responsibilities is linked to predetermined, measurable objectives - of a general nature - connected to the creation of value for the Shareholders in the medium-long term, usually not less than twelve months.

Taking account, inter alia, of the nature of the work done, the company considered that time horizons of at least twelve months allow targets sufficiently consistent with the trend of the market in which the Damiani group operates and a policy of prudent risk management to be determined.

The performance objectives can be of a different nature, consistent with the tasks and functions assigned. In particular, the variable components assigned to the executive directors mainly working in propulsive roles and tasks with respect to the development and expansion of company business will normally be linked to the economic, capital and financial performance of the Damiani group overall, such as, for example, the EBITDA, turnover, net financial position, any additional indicators of profitability of the invested capital, parameters linked to the trend in the Issuer's security and the level of inventories. The Board of Directors will take account of the principle of prudent risk management in identifying the targets, also combined. At the suggestion of the Remuneration Committee, the Board of Directors can establish a link of proportionality between the variation in the results and the variation in remuneration during the attribution of the variable components of remuneration.

The variable components assigned to directors who have an administrative and control role and senior managers with strategic responsibilities will, usually, be linked to specific targets taking into account the nature of the functions and the tasks attributed to them, it obviously being understood that these may, in part, be subordinate to the economic, capital and financial performance of the Damiani group. In special cases, the performance objectives can also be of an individual/qualitative nature (and so linked to an assessment of the work of a qualitative type, which is independent of the achievement of performance objectives).

The Remuneration policy establishes that, if the target is not achieved, and where this is due to extraordinary and/or unpredictable factors, the Remuneration Committee, unanimously and as an exception, can however give a favourable judgement on the work done and propose to the Board of Directors of the company that payment be made of all or part of the variable component. Payment of the variable components of the remuneration can, likewise, be linked to additional parameters, instrumental in the pursuit of the purposes of the incentive and/or loyalty, like the achievement of determined periods staying inside the company.

(H) Criteria for the evaluation of performance objectives

As noted, the remuneration policy adopted by the Damiani group identifies different objectives in relation to the different functions and specific role performed by the recipient in the company and, in particular, the variable components assigned to executive directors, who mainly have driving roles and tasks with respect to the development and expansion of the company business, must usually be linked to the economic, capital and financial performance of the group, as listed above. The variable components assigned to directors who have a role and functions that are mainly administrative and control, and senior managers with strategic responsibilities, are normally linked to specific targets that take account of the functions and tasks attributed to them.

(I) Consistency of the policy with the pursuit of the long-term interests of Damiani and the risk management policy

The Board of Directors of your company has adopted a remuneration policy upheld by guiding criteria which are considered consistent with the pursuit of its interests, also in the long term, and respect the principles of prudent risk management; on this point, they refer to: (i) setting predetermined and measurable objectives to which the variable components of the remuneration can be linked; (ii) the provision for different objectives in relation to the different functions and specific roles in the company of the recipients of the variable components; (iii) the absence, normally, of variable remuneration for non-executive and, in particular, independent directors; (iv) setting adequately balanced parameters for the quantitative determination of the variable components of the payment, within ranges commensurate with the fixed payment received at group level; (v) setting time horizons, normally of not less than twelve months, the minimum term considered suitable and consistent with the trend in the market in which the Damiani group operates.

(J)-(K) Payment plans pursuant to Art. 114-bis TUF, ‘vesting period’, ‘lock-up’ and ‘ex post correction mechanisms’

Three payment plans based on financial instruments pursuant to Art. 114-bis del T.U.F. were ongoing at the date of approval of this Report. In detail they are:

- the ‘Stock Grant Plan 2009’, approved by the Shareholders’ Meeting on 22 July 2009, concerning the free assignment of a maximum 1,000,000 Damiani shares to employees and some directors of the Damiani group, in one or more tranche, within five years of approval by the Meeting; up to the date of approval of this Report, this Plan had been concerned in two implementation cycles, deliberated by the Board of Directors on 10 September 2009 and 10 June 2011 respectively;*
- the ‘Stock Option Plan 2009’, approved by the Shareholders’ Meeting on 22 July 2009, concerning the sale of options to the management of the Damiani group for the purchase of a maximum 3,500,000 Damiani shares (in the ratio of one share for each option sold) in one or more tranche, within five years of approval by the Meeting; to date, this Plan was implemented by the Board meeting of 24 September 2009;*
- the ‘Stock Option Plan 2010’, approved by the Shareholders’ Meeting on 21 July 2010, on the free attribution of options for the purchase of a maximum 3,500,000 Damiani shares (in the ratio of one share*

for each option assigned) to executive directors, executives, middle managers, other employees, consultants and co-workers, including agents, of the Company and companies in the Damiani group, in one or more tranche, within five years of approval by the Meeting; up to the date of approval of this Report, this Plan had been involved in a single implementation cycle deliberated in the Board meeting of 21 April 2011.

Please see the document attached to this Report, and also the information documents drawn up pursuant to Art. 84-bis of the Listing Rules available in the 'Investor Relations/Shareholders/Shareholders' Meeting' and 'Investor Relations/Financial Documents/Documents and Notices' sections of the website www.damiani.com, for any further information and detail in relation to the above-mentioned remuneration plans.

The remuneration policy sets out that the remuneration plans based on financial instruments are prepared by the Board of Directors with the aid of the Remuneration Committee and approved by the Shareholders' Meeting. It is, therefore, prescribed that such plans are normally intended for:

- (i) executive directors of the Company, its parent companies or subsidiaries;*
- (iii) senior managers with strategic responsibilities, other employees and co-workers (not necessarily connected by employment relationships) of the Company, its parent companies or subsidiaries.*

Alternatively, remuneration in the form of shares (or other financial instruments) is not usually intended for non-executive directors, unless there is a contrary, motivated decision by the Shareholders' Meeting.

Such systems of remuneration (a) must, in particular, be developed and structured so that they align the interests of the executive directors and senior managers with strategic responsibilities with those of the Shareholders and (b) favour the increase in the market value of the shares and creation of value in the medium-long term.

The Board of Directors must comply with the following criteria in preparing the plans:

- a) provision of a multi-year 'vesting' period;*
- b) subjection to predetermined and measurable performance objectives for the maturation of the right at the end of the vesting period;*

c) suitable structuring of the plans to pursue the aim of loyalty in recipients.

For example, mechanisms of the so-called 'share retention' (the obligation to reinvest a part of the bonuses assigned in company shares, requirements to maintain a portion of the assigned shares until the expiry of a predetermined period of time, etc.) can be set out. The maintenance periods and specific criteria to use for the determination of those periods will be set each time by the Board of Directors, with the assistance of the Remuneration Committee, and submitted for the approval of the Meeting pursuant to Art. 114-bis of the T.U.F.

(L) Payments planned in the event of termination of the office or resolution of the employment relationship.

The Remuneration Policy adopted by the Board of Directors sets out, firstly, that the economic payment made if the employment relationship is terminated is regulated by the National Collective Contract for the sector, in force each time, applicable to the existing employee relationship (the so-called 'employment relationship'). Further, with reference to the position of director (the so-called 'corporate relationship'), the Company can set out specific indemnities to be attributed, in the corporate interest, if the administration relationship is terminated in advance or it is not renewed; if the Board of Directors decides to adopt specific indemnities (such as, for example, an indemnity for the assumption of non-competition commitments) in the interests of the Company, or it is decided to sign special consultancy contracts with the director who has left office, these decisions must be adopted consistently with the strategy, values and medium-long term interests of the Damiani group and, in any case, they must take account of the following guiding principles:

i) the indemnity (unless, if appropriate, that relating to non-competition agreements) cannot be paid if the termination of the administration relationship is due to objectively inadequate results;

ii) any consultancy contracts will be limited to predefined periods of time, circumscribed to what is strictly necessary in the interest of the Company, in order to guarantee continuity of action in the context of efficient and effective management of the group;

iii) normally, unless there are exceptional cases, the amounts to be paid to the director cannot exceed the overall remuneration paid to him throughout the relationship over a period of 24 months.

Specific criteria of correlation between these possible payments in the event of the termination of the office and the company performance are not provided for.

(M) Insurance coverage

The Company can adopt insurance coverage and/or welfare or pensions covers different from the compulsory ones, in any case in a context of temperance, containment of costs and proportionality with respect to the aims pursued. At the date of approval of this Report, insurance, welfare or pensions covers different from the compulsory ones are provided for; in particular, there are supplementary policies for the reimbursement of medical expenses, life and accident policies and those for the civil liability of directors and executives.

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The proposal for deliberation to be submitted to the Shareholders' Meeting in compliance with the applicable legal provisions, already made available to the public with the Report on the Agenda prepared pursuant to Art. 125-ter T.U.F. is shown below.

'Given Arts. 123-ter of Legislative Decree 58 dated 24 February 1998 and 84-quater of CONSOB regulation 11971/99,

- acknowledging the Remuneration Report drawn up by the Board of Directors;

- taking into consideration that, pursuant to Art. 123-ter, sub-para. 6, of Legislative Decree 58 dated 24 February 1998, this resolution will not be binding on the Board of Directors,

the Shareholders' Meeting

RESOLVES

to consider favourably the first section of the Remuneration Report drafted by the Board of Directors pursuant to Art. 123-ter of Legislative Decree 58 dated 24 February 1998, with special reference to the remuneration policy of Damiani S.p.A.’.

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SECTION II

This section illustrates (a) the payments of the members of the administration and control bodies by name, taking into account that Damiani S.p.A. is a ‘smaller-sized company’ pursuant to CONSOB Regulation 17221/2010, (b) the payments of executives qualified as ‘senior managers with strategic responsibilities’ in the financial year 2011/2012 at aggregate level.

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FIRST PART

Each member of the Board of Directors of the Company receives a basic payment of Euro 15,000.00 for the financial year, deliberated by the Shareholders’ Meeting pursuant to Art. 2389, sub-para. 1, of the Civil Code.

The Board of Directors decided on the attribution of the following payments pursuant to Art. 2389, sub-para. 3, of the Civil Code in the Board meeting of 3 April 2009:

- (i) Euro 888,000.00 per financial year to the Chairman and Managing Director Mr Guido Roberto Grassi Damiani;*
- (ii) Euro 300,000.00 per financial year to the Deputy Chairman Mr Giorgio Andrea Grassi Damiani;*

- (iii) Euro 235,000.00 per financial year to the Deputy Chairman Ms Silvia Maria Grassi Damiani (payment reconsidered to Euro 118,000,00 per financial year by the Board of Directors of 21 July 2010);*
- (iv) Euro 10,000.00 per financial year to the executive director Mr Stefano Graidì;*
- (v) Euro 500.00 to each member of the Committees set up by the Company in relation to participation in each meeting.*

At the beginning of the financial year 2011/2012 and, more specifically on 21 April 2011, the directors Guido Roberto Grassi Damiani, Giorgio Andrea Grassi Damiani and Silvia Maria Grassi Damiani voluntarily renounced the payments for the financial year 2011/2012 deliberated by the Board of Directors pursuant to Art. 2389, sub-para. 3, of the Civil Code, to show their real affection for the Company even more.

Please note that Ms Gabriella Colombo Damiani covers the position of Honorary Chairman of the Company; the honorary position is unlimited but, from 1 October 2007, Ms Colombo Damiani has not received any payment for the position held.

The Shareholders' Meeting of 21 July 2010 resolved on an annual payment to the members of the Board of Auditors of the Company determined in accordance with the minimum of the professional tariff in force.

In the financial year 2011/2012, the senior managers with strategic responsibilities (qualified as such for the reference financial year) received an overall remuneration of Euro 762,782 (including non-monetary benefits). The payment includes the use of a car and housing allowance (only 2 executives out of 5), and also insurance coverage relating to the reimbursement of medical expenses, life and accident insurance, and the civil liability of directors and executives.

Similarly, it should be noted that:

- a) there are no specific agreements between the Issuer and any of the directors which provide for the payment of an indemnity to directors on resignation, dismissal without just cause or termination of the employment relationship following a take-over bid;*

b) there are no agreements which provide for the assignment or maintenance of non-monetary benefits to people who have terminated their office (the so-called 'post-retirement perks') or the signature of consultancy contracts for a period following the termination of the relationship;

c) there are no agreements which provide for payments for non-competition undertakings.

There were three valid remuneration plans based on financial instruments at the date of publication of this Report, in particular (i) the 'Stock Grant Plan 2009', deliberated by the Shareholders' Meeting of 22 July 2009, (ii) the 'Stock Option Plan 2009', approved by the Shareholders' Meeting on 22 July 2009, and (iii) the 'Stock Option Plan 2010', approved by the Shareholders' Meeting on 21 July 2010.

It should be noted that the Shareholders' Meeting of Damiani S.p.A. of 27 July 2011 resolved on the amendment of (a) the Stock Grant Plan 2009 to allow the Board of Directors to implement the Plan also by assigning, if necessary, the shares to beneficiaries whose relevant relationship with Gruppo Damiani S.p.A. had terminated at the date of assignment of the shares, (b) the Stock Option Plan 2010 to allow the Board of Directors to implement the Plan also permitting, if necessary, the exercise of the options by the beneficiaries whose relevant relationship with the Gruppo Damiani S.p.A. had terminated at the date of effective exercise of the options.

Please see Appendix 1 to this Report and also the information documents drawn up pursuant to Art. 84-bis of the Listing Rules, available in the 'Investor Relations/Shareholders/Shareholders' Meeting' and 'Investor Relations/Financial Documents/Documents and Notices' sections of website www.damiani.com for any further information and detail in relation to the Plans.

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SECOND PART

The Tables below indicate the emoluments received by members of the administration and control bodies, senior managers with strategic responsibilities (qualified as such in the financial year 2011/2012), and

also the financial instruments assigned to them, in accordance with the criteria indicated in Appendix 3A to the Listing Rules, during the financial year to 31 March 2012. In particular, the following are shown in the emoluments for the position: (i) those which are under the authority of the Shareholders' Meeting, although not paid, (ii) attendance tokens, (iii) reimbursement of lump-sum expenses, (iv) payments received for the performance of particular offices, pursuant to Art. 2389, sub-para. 3, of the Civil Code. Payments for participation in committees' are shown according to a criterion of competence and at aggregate level (an indication of the committees on which the director sits are indicated in a note and, if s/he sits on more than one committee, the payment received for each of them); the 'Non-monetary benefits' column does not show fringe benefits (in accordance with a criterion of taxability) including any insurance policies and supplementary pension funds; all of any additional payments arising from other services given are indicated, according to a criterion of competence, in 'Other payments'.

All the people who held the position of member of an administration or control body, even for a fraction of the period, in the financial year are included in the Table.

Similarly, taking into account that Damiani S.p.A. is a 'smaller-sized company' pursuant to CONSOB Regulation 17221/2010, please note that the information relating to senior managers with strategic responsibilities qualified as such in the financial year 2011/2012 is supplied in aggregate form.

PAYMENTS MADE TO MEMBERS OF THE ADMINISTRATION AND CONTROL BODIES, THE GENERAL DIRECTORS AND THE OTHER SENIOR MANAGERS WITH STRATEGIC RESPONSIBILITIES

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Position	Period the position was held	Expiry of the position	Fixed payment	Payments for participation in committees	Variable non-equity payments		Non-monetary benefits	Other payments	Total	Fair Value of equity payments	Severance payments for completion of office or termination of employment
						Bonuses and other incentives	Profit sharing					
DIRECTORS												
GUIDO ROBERTO GRASSI DAMIANI	Chairman and Managing Director	1/4/2011 31/3/2012	Approval of the Balance Sheet 31/3/2012									
(I) Payments to the company drafting the Balance Sheet				15,000.00				3,454.00				
(II) Payments from subsidiaries and associated companies				30,000.00								
(III) Total				45,000.00				3,454.00				

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Position	Period the position was held	Expiry of the position	Fixed payment	Payments for participation in committees	Variable non-equity payments		Non-monetary benefits	Other payments	Total	Fair Value of equity payments	Severance payments for completion of office or termination of employment
						Bonuses and other incentives	Profit sharing					
DIRECTORS												
GIORGIO ANDREA GRASSI DAMIANI	Deputy Chairman	1/4/2011 31/3/2012	Approval of the Balance Sheet to 31/3/2012									
(I) Payments to the company drafting the Balance Sheet				15,000.00								
(II) Payments from subsidiaries and associated companies				55,000.00								
(III) Total				70,000.00								
SILVIA MARIA GRASSI DAMIANI	Deputy Chairman	1/4/2011 31/3/2012	Approval of the Balance Sheet to 31/3/2012									
(I) Payments to the company drafting the Balance Sheet				15,000.00								

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Position	Period the position was held	Expiry of the position	Fixed payment	Payments for participation in committees	Variable non-equity payments		Non-monetary benefits	Other payments	Total	Fair Value of equity payments	Severance payments for completion of office or termination of employment
						Bonuses and other incentives	Profit sharing					
DIRECTORS												
(II) Payments from subsidiaries and associated companies				112,309.00								
(III) Total				127,309.00								
STEFANO GRAIDI	Director	1/4/2011 31/3/2012	Approval of the Balance Sheet to 31/3/2012									
(I) Payments to the company drafting the Balance Sheet				25,000.00								
(II) Payments from subsidiaries and associated companies												
(III) Total				25,000.00								

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Position	Period the position was held	Expiry of the position	Fixed payment	Payments for participation in committees	Variable non-equity payments		Non-monetary benefits	Other payments	Total	Fair Value of equity payments	Severance payments for completion of office or termination of employment
						Bonuses and other incentives	Profit sharing					
DIRECTORS												
GIANCARLO MALERBA	Director	1/4/2011 31/3/2012	Approval of the Balance Sheet to 31/3/2012									
(I) Payments in the company drafting the Balance Sheet				15,000.00	4,500.00 (*)							
(II) Payments from subsidiaries and associated companies												
(III) Total				15,000.00	4,500.00							
NOTE: (*) Of which Euro 1,500.00 for participation in the Remuneration Committee, and Euro 3,000.00 for participation in the Internal Control Committee.												
ROBERTA BENAGLIA	Director	1/4/2011 31/3/2012	Approval of the Balance Sheet to 31/3/2012									
(I) Payments in the company drafting the Balance Sheet				15,000.00	4,500.00 (*)							

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Position	Period the position was held	Expiry of the position	Fixed payment	Payments for participation in committees	Variable non-equity payments		Non-monetary benefits	Other payments	Total	Fair Value of equity payments	Severance payments for completion of office or termination of employment
						Bonuses and other incentives	Profit sharing					
DIRECTORS												
(II) Payments from subsidiaries and associated companies												
(III) Total				15,000.00	4,500.00							
NOTE: (*) Of which Euro 1,500.00 for participation in the Remuneration Committee, and Euro 3,000.00 for participation in the Internal Control Committee.												
FABRIZIO REDAELLI	Director	1/4/2011 31/3/2012	Approval of the Balance Sheet to 31/3/2012									
(I) Payments in the company drafting the Balance Sheet				15,000.00	4,500.00 (*)							
(II) Payments from subsidiaries and associated companies												

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Position	Period the position was held	Expiry of the position	Fixed payment	Payments for participation in committees	Variable non-equity payments		Non-monetary benefits	Other payments	Total	Fair Value of equity payments	Severance payments for completion of office or termination of employment
						Bonuses and other incentives	Profit sharing					
DIRECTORS												
(III) Total				15,000.00	4,500.00							
NOTE: (*) Of which Euro 1,500.00 for participation in the Remuneration Committee, and Euro 3,000.00 for participation in the Internal Control Committee.												
FRANCESCO MINOLI	Director	1/4/2011 31/3/2012	Approval of the Balance Sheet to 31/3/2012									
(I) Payments in the company drafting the Balance Sheet				15,000.00								
(II) Payments from subsidiaries and associated companies												
(III) Total				15,000.00								

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Position	Period the position was held	Expiry of the position	Fixed payment	Payments for participation in committees	Variable non-equity payments		Non-monetary benefits	Other payments	Total	Fair Value of equity payments	Severance payments for completion of office or termination of employment
						Bonuses and other incentives	Profit sharing					
AUDITORS												
GIANLUCA BOLELLI	Chairman	1/4/2011 31/3/2012	Approval of the Balance Sheet to 31/3/2013									
(I) Payments in the company drafting the Balance Sheet				44,173.91								
(II) Payments from subsidiaries and associated companies												
(III) Total				44,173.91								

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Position	Period the position was held	Expiry of the position	Fixed payment	Payments for participation in committees	Variable non-equity payments		Non-monetary benefits	Other payments	Total	Fair Value of equity payments	Severance payments for completion of office or termination of employment
						Bonuses and other incentives	Profit sharing					
AUDITORS												
SIMONE CAVALLI	Regular auditor	1/4/2011 31/3/2012	Approval of the Balance Sheet to 31/3/2013									
(I) Payments in the company drafting the Balance Sheet				31,194.94								
(II) Payments from subsidiaries and associated companies				5,831.78								
(III) Total				37,026.72								
FABIO MASSIMO MICALUDI	Regular auditor	1/4/2011 31/3/2012	Approval of the Balance Sheet to 31/3/2013									
(I) Payments in the company drafting the Balance Sheet				31,359.47								

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Position	Period the position was held	Expiry of the position	Fixed payment	Payments for participation in committees	Variable non-equity payments		Non-monetary benefits	Other payments	Total	Fair Value of equity payments	Severance payments for completion of office or termination of employment
						Bonuses and other incentives	Profit sharing					
AUDITORS												
(II) Payments from subsidiaries and associated companies												
(III) Total				31,359.47								

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name and surname	Position	Period the position was held	Expiry of the position	Fixed payment	Payments for participation in committees	Variable non-equity payments		Non-monetary benefits	Other payments	Total	Fair Value of equity payments	Severance payments for completion of office or termination of employment
						Bonuses and other incentives	Profit sharing					

SENIOR MANAGERS WITH STRATEGIC RESPONSIBILITIES												
5		1/4/2011 31/3/2012										
(I) Payments in the company drafting the Balance Sheet				586,288.87				81,492.70		667,781.57		43,954.74
(II) Payments from subsidiaries and associated companies				95,000.00						95,000.00		
(III) Total				681,288.87				81,492.70		762,781.57		43,954.74

STOCK-OPTIONS ASSIGNED TO MEMBERS OF THE ADMINISTRATIVE BODY AND THE OTHER SENIOR MANAGERS WITH STRATEGIC RESPONSIBILITIES

A	B	(1)	OPTIONS HELD AT THE START OF THE FINANCIAL YEAR			OPTIONS ASSIGNED DURING THE FINANCIAL YEAR						OPTIONS EXERCISED DURING THE FINANCIAL YEAR			OPTIONS EXPIRED IN THE FINANCIAL YEAR	OPTIONS HELD AT THE END OF THE FINANCIAL YEAR	OPTIONS RELEVANT TO FINANCIAL YEAR
			(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15) = (2)+(5)-(11)-(14)	(16)
AGGREGATE NO.	POSITION	PLAN	NO. OF OPTIONS	EXERCISE PRICE	PERIOD OF POSSIBLE EXERCISE (FROM-TO)	NO. OF OPTIONS	EXERCISE PRICE	PERIOD OF POSSIBLE EXERCISE (FROM-TO)	FAIR VALUE AT DATE OF ASSIGNMENT	DATE OF ASSIGNMENT	MARKET PRICE OF SHARES UNDERLYING THE ASSIGNMENT OF THE OPTIONS	NO. OF OPTIONS	EXERCISE PRICE	MARKET PRICE OF UNDERLYING SHARES AT DATE OF EXERCISE	NO. OF OPTIONS	NO. OF OPTIONS	FAIR VALUE
4	SENIOR MANAGERS WITH STRATEGIC RESPONSIBILITIES																
(I) PAYMENTS IN THE COMPANY DRAFTING THE BALANCE SHEET		STOCK OPTION PLAN 2009 (22/7/2009)	260,000	EURO 1.60 PER OPTION	FROM 13/9/2012 TO 30/9/2012	-	-	-	-	-	-	-	-	-	-	260,000	EURO 32,760*
		STOCK OPTION PLAN 2010 1ST MATURATION AND EXERCISE PERIOD OF OPTIONS (21/7/2010)	135,000	EURO 1.47 PER OPTION	FROM 22/4/2013 TO 22/4/2016	-	-	-	-	-	-	-	-	-	-	135,000	EURO 15,813
		STOCK OPTION PLAN 2010 2ND MATURATION AND EXERCISE PERIOD OF OPTIONS (21/7/2010)	230,000	EURO 1.47 PER OPTION	FROM 22/4/2014 TO 22/4/2017	-	-	-	-	-	-	-	-	-	-	230,000	EURO 20,532
		STOCK OPTION PLAN 2010 3RD MATURATION AND EXERCISE PERIOD OF OPTIONS (21/7/2010)	90,000	EURO 1.47 PER OPTION	FROM 22/4/2015 TO 22/4/2018	-	-	-	-	-	-	-	-	-	-	90,000	EURO 6,683
(II) PAYMENTS FROM SUBSIDIARIES AND ASSOCIATED COMPANIES		PLAN A (DATE RELATIVE RESOLUTION)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		PLAN B (DATE RELATIVE RESOLUTION)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(III) TOTAL			715,000	-	-	-	-	-	-	-	-	-	-	-	-	715,000	EURO 75,788

*DETERMINED AT TIME OF ASSIGNMENT AND PAID BY THE BENEFICIARIES

INCENTIVE PLANS BASED ON FINANCIAL INSTRUMENTS OTHER THAN *STOCK-OPTIONS* TO MEMBERS OF THE ADMINISTRATIVE BODY AND THE OTHER SENIOR MANAGERS WITH STRATEGIC RESPONSIBILITIES

A	B	(1)	FINANCIAL INSTRUMENTS ASSIGNED IN PREVIOUS FINANCIAL YEARS NOT VESTED DURING FINANCIAL YEAR		FINANCIAL INSTRUMENTS ASSIGNED DURING THE FINANCIAL YEAR					FINANCIAL INSTRUMENTS VESTED DURING THE FINANCIAL YEAR AND NOT ATTRIBUTED	FINANCIAL INSTRUMENTS VESTED DURING THE FINANCIAL YEAR AND ATTRIBUTABLE		FINANCIAL INSTRUMENTS RELEVANT TO FINANCIAL YEAR
			(2)	(3)	(4)	(5)	(6)	(7)	(8)		(9)	(10)	
AGGREGATE	POSITION	PLAN	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS	PERIOD OF VESTING	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS	FAIR VALUE AT DATE OF ASSIGNMENT	PERIOD OF VESTING	DATE OF ASSIGNMENT	MARKET PRICE ON ASSIGNMENT	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS	NUMBER AND TYPE OF FINANCIAL INSTRUMENTS	VALUE AT DATE OF MATURITY	FAIR VALUE
4	SENIOR MANAGERS WITH STRATEGIC RESPONSIBILITIES												
(I) PAYMENTS IN THE COMPANY DRAFTING THE BALANCE SHEET		STOCK GRANT PLAN 2009 APPROVED BY MEETING OF 22/7/2009 1ST IMPLEMENTATION CYCLE DELIBERATED BY BOD ON 10/9/2009 (*)	-	-	-	-	-	-	-	200 DAMIANI S.P.A. SHARES (**)	100 DAMIANI S.P.A. SHARES	EURO 103,70 (ON 12/9/2011)	EURO 33
		STOCK GRANT PLAN 2009 APPROVED BY MEETING OF 22/7/2009 2ND IMPLEMENTATION CYCLE DELIBERATED BY BOD ON 10/6/2011	-	-	70,000 DAMIANI S.P.A. SHARES	EURO 102,480	FROM 10/6/2011 TO 14/6/2012	10/6/2011	EURO 1,19	-	-	-	EURO 82,546
(II) PAYMENTS FROM SUBSIDIARIES AND ASSOCIATED COMPANIES		PLAN A (DATE RELATIVE RESOLUTION)	-	-	-	-	-	-	-	-	-	-	-
		PLAN B (DATE RELATIVE RESOLUTION)	-	-	-	-	-	-	-	-	-	-	-
(III) TOTAL			-	-	-	EURO 102,480	-	-	-	-	-	EURO 103,70	EURO 82,579
<p>NOTES: (*) Please note that only 2 of the 4 senior managers with strategic responsibilities beneficiaries of the Plan joined the 1st implementation cycle of the <i>Stock Grant Plan 2009</i>. (**) The shares were not assigned to the beneficiaries taking account of the failure to achieve the objectives.</p>													

PARTICIPATIONS OF MEMBERS OF THE ADMINISTRATION AND CONTROL BODIES

NAME AND SURNAME	POSITION	COMPANY IN WHICH STAKE IS HELD	NUMBER OF SHARES HELD AT 31.3.2011	NUMBER OF SHARES PURCHASED DURING THE FINANCIAL YEAR TO 31.3.2012	NUMBER OF SHARES SOLD DURING THE FINANCIAL YEAR TO 31.3.2012	NUMBER OF SHARES HELD AT 31.3.2012
GUIDO GRASSI DAMIANI	CHAIRMAN OF THE BOARD OF DIRECTORS	DAMIANI SPA	57,119,943 ⁽¹⁾	1,445,203 ⁽²⁾	-	58,513,396 ⁽³⁾
GIORGIO GRASSI DAMIANI	DEPUTY CHAIRMAN	DAMIANI SPA	5,047,371 ⁽⁴⁾	-	-	5,047,371
SILVIA GRASSI DAMIANI	DEPUTY CHAIRMAN	DAMIANI SPA	4,687,371 ⁽⁵⁾	-	300,000	4,387,371 ⁽⁵⁾
STEFANO GRAIDI	DIRECTOR	-	-	-	-	-
GIANCARLO MALERBA	DIRECTOR	-	-	-	-	-
FABRIZIO REDAELLI	DIRECTOR	-	-	-	-	-
ROBERTA BENAGLIA	DIRECTOR	-	-	-	-	-
FRANCESCO MINOLI	DIRECTOR	-	-	-	-	-
GIANLUCA BOLELLI	CHAIRMAN OF THE BOARD OF AUDITORS	-	-	-	-	-
FABIO MASSIMO MICALUDI	REGULAR AUDITOR	-	-	-	-	-
SIMONE CAVALLI	REGULAR AUDITOR	-	-	-	-	-

NOTES: (1) Of which 4,150,808 directly and 52,969,135 indirectly through Leading Jewels S.A. and Sparkling Inv. S.A., increased by the treasury shares held by Damiani S.p.A. (5,618,309). It should be noted that 616,379 shares were held by Leading Jewels S.A. in bare ownership but with voting rights.

(2) Of which 714,879 purchased directly and 730,324 acquired indirectly through Sparkling Inv. S.A.

(3) Of which 4,865,687 directly and 53,647,709 indirectly through Leading Jewels S.A. and Sparkling Inv. S.A. and increased by the treasury shares held by Damiani S.p.A. (5,566,559; the total at 31.03.2012 is lower by 51,750 shares with respect to 31.03.2011 following the free assignment to employees). It should be noted that 616,379 shares are held by Leading Jewels S.A. in bare ownership but with voting rights.

(4) Of which 163,373 in bare ownership but with voting rights.

(5) Of which 163,373 in bare ownership but with voting rights.

PARTICIPATIONS OF SENIOR MANAGERS WITH STRATEGIC RESPONSIBILITIES

NUMBER OF EXECUTIVES WITH STRATEGIC RESPONSIBILITY	COMPANY IN WHICH STAKE IS HELD	NUMBER OF SHARES HELD AT 31.3.2011	NUMBER OF SHARES PURCHASED DURING THE FINANCIAL YEAR TO 31.3.2012	NUMBER OF SHARES SOLD DURING THE FINANCIAL YEAR TO 31.3.2012	NUMBER OF SHARES HELD AT 31.3.2012
5	DAMIANI SPA	16,000	2,000		58.100 (*)
NOTE: (*) Of which 40,100 shares assigned free.					

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Guido Roberto Grassi Damiani
The Chairman
For the Board of Directors

Milan, 14 June 2012

APPENDIX A

**DOCUMENT WITH SUPPLEMENTARY INFORMATION ON THE IMPLEMENTATION OF THE
AMENDMENTS DELIBERATED BY THE SHAREHOLDERS' MEETING OF 27 JULY 2011
ON THE *STOCK GRANT PLAN* APPROVED BY THE SHAREHOLDERS' MEETING OF 22 JULY 2009 AND
THE *STOCK OPTION PLAN* APPROVED BY THE SHAREHOLDERS' MEETING OF 21 JULY 2010**

pursuant to Art. 84 *bis*, sub-para. 5, (*a*) of the CONSOB Regulation approved by resolution 11971 of 14 May 1999 (Issuer Regulation) and in compliance with Appendix 3A, Table 7 of the Issuer Regulation

Introduction

For completeness and greater clarity in presentation, it seems opportune to recall that, at today's date, there are three valid remuneration plans based on financial instruments, in detail: (i) the '*Stock Grant Plan 2009*', deliberated by the Shareholders' Meeting of 22 July 2009, (ii) the '*Stock Option Plan 2009*', approved by the Shareholders' Meeting on 22 July 2009, and (iii) the '*Stock Option Plan 2010*', approved by the Shareholders' Meeting on 21 July 2010; the information documents submitted to the above-mentioned Meetings are attached to the respective illustrative Reports of the Directors and are available in the '*Investor Relations/Shareholders/Shareholders' Meetings*' section of the website www.damiani.com.

(i) The *Stock Grant Plan 2009*, concerning the free assignment of a maximum 1,000,000 Damiani shares to employees and some directors of the Damiani group, in one or more *tranche*, within five years of approval in the Shareholders' Meeting, has had, to date, two different implementation cycles, deliberated by the Board of Directors on 10 September 2009 and 10 June 2011 respectively; the relative supplementary information documents (denominated '*10/09/2009 Stock Grant Plan 2009 Information Document*' and '*10/06/2011 Supplementary Information on the Stock Grant Plan approved by the Shareholders' Meeting of 22 July 2009*') are available in the '*Investor Relations/Financial Documents/Documents and Notices*' section of the website www.damiani.com.

(ii) The *Stock Option Plan 2009*, on the sale of options for the purchase of a maximum 3,500,000 Damiani shares (in the ratio of one share per option sold) to the management of the Damiani group, in one or more *tranche*, within five years of approval in the Shareholders' Meeting, has had, to date, one implementation cycle, deliberated by the Board of Directors on 24 September 2009; the relative supplementary information document (denominated '*24/09/2009 Stock Option Plan 2009 Information Document*') is available in the '*Investor Relations/Financial Documents/Documents and Notices*' section of the website www.damiani.com.

(iii) The *Stock Option Plan 2010*, concerning the free attribution of options for the purchase of a maximum 3,500,000 Damiani shares (in the ratio of one share per option assigned) to executive directors, executives, middle managers, other employees, consultants and co-workers, including the agents, of the Company and companies of the Damiani group, in one or more *tranche*, within five years of approval in the Shareholders' Meeting, has had, to date, one implementation cycle, deliberated by the Board of Directors on 21 April 2011; the relative supplementary information document (denominated '*21/04/2011 Supplementary Information on the Stock Option Plan approved by the Shareholders' Meeting of 21 July 2010*') is available in the '*Investors Relations/Financial Documents/Documents and Notices*' of the website www.damiani.com.

As is known, on 27 July 2011, the Shareholders' Meeting of Damiani S.p.A. deliberated, *inter alia*, the amendment of (i) the *Stock Grant Plan* approved on 22 July 2009, allowing the Board of Directors to implement the Plan also assigning, if necessary, the shares to beneficiaries whose relevant relationship with Gruppo Damiani S.p.A. had terminated at the date of assignment of the shares; (ii) the *Stock Option Plan* approved on 21 July 2010, allowing the Board of Directors to implement the Plan also consenting, possibly, the exercise of the options to beneficiaries whose relevant relationship with Gruppo Damiani S.p.A. had terminated at the date of 'effective exercise' of the options.

Stock Grant Plan 2009

Please remember that the *Stock Grant Plan 2009* was the subject of a **first cycle** of implementation, at the proposal of the Remuneration Committee, decided in the Board meeting of 10 September 2009; at that time, each beneficiary joining the first *tranche* of the Plan was attributed the right, from 12 September 2011, to receive:

- a) 50 ordinary Damiani S.p.A. shares, on condition that the same beneficiary had maintained the relevant employment relationship with the Damiani group at that date;
- b) a further 100 ordinary Damiani shares, on condition that, in the unquestionable judgement of the Board of Directors, the Consolidated Financial Statements to 31 March 2010 were consistent with the expected results and that, at the date of their approval, the beneficiary had maintained the relevant relationship with the Damiani group.

The first implementation cycle of the *Stock Grant Plan 2009* was completed¹;

On 10 February 2012, the Board of Directors, respecting the resolution of the Shareholders' Meeting of 27 July 2011 mentioned above and with the aid of the Remuneration Committee, deliberated the amendment of the conditions of the **second cycle** implementing the *Stock Grant Plan 2009*, establishing that the 11 beneficiaries of the second *tranche* could receive the ordinary Damiani S.p.A. shares free from 15 June 2012, on condition that:

- (i) in the unquestionable judgement of the Board of Directors, the Consolidated Financial Statements to 31 March 2012 were consistent with the expected results;
- (ii) the relevant relationship had been maintained with the Damiani group until 31 March 2012, when the reference financial year closed (and no longer until 14 June 2012, date of approval of the Consolidated Financial Statements);
- (iii) the individual objectives had been reached assigned by the Managing Director and that the respective areas of responsibility had been maintained during the 2011/2012 financial year.

Please note that, in the meeting of 14 June 2012 to approve, inter alia, the Consolidated Financial Statements to 31 March 2012, the Board of Directors, at the suggestion of the Remuneration Committee, considered the consolidated objectives had not been reached and so decided not to proceed with the consignment of the ordinary Damiani shares to the 11 beneficiaries of the second *tranche* of the Plan.

¹ On this please note that:

- (i) 139 beneficiaries of the original overall 582 identified by the Board of Directors joined the first *tranche* of the Plan;
- (ii) in relation to the 100 shares as per point b), the condition did not occur as the consolidated objectives at 31 March 2010 were not judged consistent with the results expected by the Board of Directors (with the aid of the Remuneration Committee);
- (iii) with reference to the 50 shares as per point a) above however, the Company had delivered the Damiani S.p.A. shares to the 139 beneficiaries who joined the first *tranche* of the Plan by 12 September 2011, drawing on the share depository of treasury shares acquired and held by Damiani S.p.A. in conformity with the decision of the Shareholders' Meeting of 27 July 2011 authorising the purchase and subsequent disposal of treasury shares, pursuant to Arts. 2357 and 2357-ter of the Civil Code.

Stock Option Plan 2010

On 10 February 2012, the Board of Directors, respecting the resolution of the Shareholders' Meeting of 27 July 2011 mentioned above, and with the aid of the Remuneration Committee, deliberated to also amend the conditions of the first cycle implementing the *Stock Option Plan 2010*, establishing that the current 47 beneficiaries of the Plan could exercise the overall 1,768,000 free and personal options assigned to them on 21 April 2011, at the end of each period of maturation, on condition that:

a) they have maintained the relevant relationship (employment, administration, co-operation, agency, consultancy, etc.) with the Damiani group at the date of closure of the financial years at 31 March 2013, 31 March 2014 and 31 March 2015 respectively (and no longer at the 'effective date of exercise' of the options);

b) the Consolidated Financial Statements closing on 31 March 2013, 31 March 2014 and 31 March 2015 respectively, are consistent with the expected results.

Remember that each option attributes the right to purchase (or, if this is the case, subscribe) and ordinary Damiani share at the cost of Euro 1.47; options are personal and cannot be freely transferred *inter vivos*.

It should also be recalled that the overall 1,768,000 options assigned in the sphere of the first implantation cycle of the *Stock Option Plan 2010* will mature in three different periods, expiring respectively on 21.4.2013, 21.4.2014 and 21.4.2015, and can therefore be exercised:

- from 22 April 2013 to 22 April 2016 (the date on which they expire) for 517,000 options as long as, *inter alia*, the relevant relationship with the Damiani group has been maintained at the date of closure of the financial year to 31 March 2013;

- from 22 April 2014 to 22 April 2017 (the date on which they expire) for 882,000 options, as long as, *inter alia*, the relevant relationship with the Damiani group has been maintained at the date of closure of the financial year to 31 March 2014;

- from 22 April 2015 to 22 April 2018 (the date on which they expire) for 369,000 options as long as, *inter alia*, the relevant relationship with the Damiani group has been maintained at the date of closure of the financial year to 31 March 2015.

The maturation of the options is also linked to the achievement of results at 31 March 2013, 31 March 2014 and 31 March 2015 consistent with those expected. It remains understood that this check will be made by the Board of Directors at the Board meeting for the approval of the Consolidated Financial Statements of each relevant financial year, to close on 31 March 2013, 31 March 2014 and 31 March 2015 respectively.

In the event that the relevant relationship with the Damiani group of each beneficiary does not continue before the closure of each financial year for reasons other than death, the relative options will be cancelled and, however, will cease to have any effect, except for the contents already specified of para. 4.8 of the Information Document relating to the *Stock Option Plan 2010*, available from the website www.damiani.com, which should be referred to for all further information and detail.

Lastly, remember that, in accordance with the decisions of the Board of Directors, with the aid of the Remuneration Committee, on 21 April 2011, the shares from the exercise of the options can be sold on the Stock Exchange by each beneficiary in a maximum number of 50,000 shares per session.

The detailed information on the categories of beneficiary and the names of the people covering the role of director in companies of the Damiani group, with reference to all the valid Plans at today's date (*Stock Option Plan 2009*, implemented in September 2009, *Stock*

² Please note that the data shown in this document refers to 31 March 2012, when the reference financial year closed, and takes account of the options cancelled following the loss of the relevant relationship with the Damiani group by some of the 50 beneficiaries originally identified by the Board of Directors (with the aid of the Remuneration Committee) on 21 April 2011.

Option Plan 2010, implemented in April 2011 and second *tranche* of the *Stock Grant Plan 2009*, implemented in June 2011), can be found in the following Tables, prepared in compliance with Table 7 of Appendix 3A of the Issuer Regulation, and annexed to the Remuneration Report drafted pursuant to Art. 123-ter Legislative Decree 58/98 and Art. 84-*quater* of the Issuer Regulation, as supplementary to the information already advised to the market and available in the '*Investor Relations/Financial Documents/Documents and Notices*' and '*Investor Relations/Shareholders/Shareholders' Meeting*' sections of the website www.damiani.com.

Mr Guido Grassi Damiani
Board of Directors
Chairman and Managing Director

Milan, 14 June 2012

FEES PLAN BASED ON FINANCIAL INSTRUMENTS

Table 1, Statement 7 of Appendix 3A of the Listing Rules

Date: 14 June 2012

Name and Surname or category	Position	PANEL 2							
		<i>Stock Option</i>							
		Section 1							
		Options relating to the previous, valid, <i>Stock Option Plan 2009</i> , approved by the Shareholders' Meeting on 22/07/2009							
		Date of the shareholders' resolution	Description of instrument	Options held at the end of the financial year to 31.3.2012	Options exercised	Date of assignment	Operating price	Market price of the underlying shares on the assignment date	Period of possible exercise (from-to)
MEMBERS OF THE BOARDS OF DIRECTORS OF SUBSIDIARY COMPANIES									
CARLO LONGAGNANI	Director in Alfieri & St. John S.p.A. and Rocca S.p.A.	22/07/2009	Call Option with physical settlement on Damiani ordinary shares	60,000	-	24/09/2009	€ 1.60	€ 1.17	From 13/09/2012 to 30/09/2012

ANDREA QUESTA	Director in Alfieri & St. John S.p.A., New Mood S.p.A. and Damiani Manufacturing S.r.l.	22/07/2009	Call Option with physical settlement on Damiani ordinary shares	100,000	-	24/09/2009	€ 1.60	€ 1.17	From 13/09/2012 to 30/09/2012
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Note: Data referring to 31 March 2012, date the reference financial year closed.

EXECUTIVES OF THE ISSUER RELEVANT FOR THE *INTERNAL DEALING* PROCEDURE

EXECUTIVES OF THE ISSUER RELEVANT FOR THE <i>INTERNAL DEALING</i> PROCEDURE 2		22/07/2009	Call Option with physical settlement on Damiani ordinary shares	100,000	-	24/09/2009	€ 1.60	€ 1.17	From 13/09/2012 to 30/09/2012
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Note: Data referring to 31 March 2012, date the reference financial year closed, which does not include those already indicated by name as directors.

EXECUTIVES OF THE SUBSIDIARY COMPANIES OF THE ISSUER RELEVANT FOR THE *INTERNAL DEALING* PROCEDURE

EXECUTIVES OF SUBSIDIARY COMPANIES RELEVANT FOR THE <i>INTERNAL DEALING</i> PROCEDURE 1		22/07/2009	Call Option with physical settlement on Damiani ordinary shares	150,000	-	24/09/2009	€ 1.60	€ 1.17	From 13/09/2012 to 30/09/2012
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Note: Data referring to 31 March 2012, date the reference financial year closed.

OTHER EXECUTIVES OF THE GROUP

OTHER EXECUTIVES 5		22/07/2009	Call Option with physical settlement on Damiani ordinary shares	55,000	-	24/09/2009	€ 1.60	€ 1.17	From 13/09/2012 to 30/09/2012
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Note: Data referring to 31 March 2012, date the reference financial year closed.

MIDDLE MANAGERS OF THE GROUP

MIDDLE MANAGERS 4		22/07/2009	Call Option with physical settlement on Damiani ordinary shares	70,000	-	24/09/2009	€ 1.60	€ 1.17	From 13/09/2012 to 30/09/2012
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Note: Data referring to 31 March 2012, date the reference financial year closed.

Data: 14 June 2012

Name and Surname or category	Position	PANEL 2							
		<i>Stock Option</i>							
		Section 1							
		Options relating to the previous, valid, <i>Stock Option Plan 2010</i> , approved by the Shareholders' Meeting on 21/07/2010							
		Date of the share-holders' resolution	Description of instrument	Options held at the end of the financial year to 31.3.2012	Options exercised	Date of assignment	Operating price	Market price of the underlying shares on the assignment date	Period of possible exercise (from-to)
MEMBERS OF THE BOARDS OF DIRECTORS OF SUBSIDIARY COMPANIES (*)									
CARLO LONGAGNANI	Director in Alfieri & St. John S.p.A. and Rocca S.p.A.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	55,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016 (**)
CARLO LONGAGNANI	Director in Alfieri & St. John S.p.A. and Rocca S.p.A.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	90,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)

CARLO LONGAGNANI	Director in Alfieri & St. John S.p.A. and Rocca S.p.A.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	35,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)
ANDREA QUESTA	Director in Alfieri & St. John S.p.A., New Mood S.p.A. and Damiani Manufacturing S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	30,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016 (**)
ANDREA QUESTA	Director in Alfieri & St. John S.p.A., New Mood S.p.A. and Damiani Manufacturing S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	50,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)
ANDREA QUESTA	Director in Alfieri & St. John S.p.A., New Mood S.p.A. and Damiani Manufacturing S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	20,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)
FERNANDA PELATI	Chairman and Managing Director in	21/07/2010	Call Option with physical settlement on	45,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to

	Rocca S.p.A.		Damiani ordinary shares						22/04/2016 (**)
FERNANDA PELATI	Chairman and Managing Director in Rocca S.p.A.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	75,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)
FERNANDA PELATI	Chairman and Managing Director in Rocca S.p.A.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	30,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)
STEFANO AMIRANTE	Director in Laboratorio Damiani S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	10,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016 (**)
STEFANO AMIRANTE	Director in Laboratorio Damiani S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	20,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)
STEFANO AMIRANTE	Director in Laboratorio Damiani S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	10,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)
CARLO ALBERTO MARTELLOZZO	Director in Rocca S.p.A.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	5,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016 (**)

CARLO ALBERTO MARTELLOZZO	Director in Rocca S.p.A.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	15,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)
CARLO ALBERTO MARTELLOZZO	Director in Rocca S.p.A.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	5,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)
SIMONE RIZZETTO	Director in Laboratorio Damiani S.r.l. and Damiani Manufacturing S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	5,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016 (**)
SIMONE RIZZETTO	Director in Laboratorio Damiani S.r.l. and Damiani Manufacturing S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	10,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)
SIMONE RIZZETTO	Director in Laboratorio Damiani S.r.l. and Damiani Manufacturing S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	5,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)
CHRISTIAN RIZZETTO	Director in Laboratorio Damiani S.r.l. and Damiani	21/07/2010	Call Option with physical settlement on Damiani ordinary	5,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016

	Manufacturing S.r.l.		shares						(**)
CHRISTIAN RIZZETTO	Director in Laboratorio Damiani S.r.l. and Damiani Manufacturing S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	10,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)
CHRISTIAN RIZZETTO	Director in Laboratorio Damiani S.r.l. and Damiani Manufacturing S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	5,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)
MAURIZIO PONTA	Director in Laboratorio Damiani S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	4,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016 (**)
MAURIZIO PONTA	Director in Laboratorio Damiani S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	8,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)
MAURIZIO PONTA	Director in Laboratorio Damiani S.r.l.	21/07/2010	Call Option with physical settlement on Damiani ordinary shares	3,000		21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)

Note: (*) Data referring to 31 March 2012, date the reference financial year closed.

(**) The exercise of the options is, *inter alia*, conditioned by the achievement to 31.3.2013, 31.3.2014 and 31.3.2015 respectively of results consistent with those

expected, to be checked by the Board of Directors during the board meeting to approve the consolidated balance sheet of each relevant financial year, to close on 31.3.2013, 31.3.2014 and 31.3.2015 respectively.

EXECUTIVES OF THE ISSUER RELEVANT FOR THE *INTERNAL DEALING* PROCEDURE (*)

EXECUTIVES OF THE ISSUER RELEVANT FOR THE <i>INTERNAL DEALING</i> PROCEDURE 2		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	50,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016 (**)
EXECUTIVES OF THE ISSUER RELEVANT FOR THE <i>INTERNAL DEALING</i> PROCEDURE 2		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	90,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)
EXECUTIVES OF THE ISSUER RELEVANT FOR THE <i>INTERNAL DEALING</i> PROCEDURE 2		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	35,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)

Note: (*) Data referring to 31 March 2012, date the reference financial year closed, which does not include those already indicated by name as directors.

(**) The exercise of the options is, *inter alia*, conditioned by the achievement to 31.3.2013, 31.3.2014 and 31.3.2015 respectively of results consistent with those expected, to be checked by the Board of Directors during the board meeting to approve the consolidated balance sheet of each relevant financial year, to close on 31.3.2013, 31.3.2014 and 31.3.2015 respectively.

EXECUTIVES OF SUBSIDIARY COMPANIES OF THE ISSUER RELEVANT FOR THE *INTERNAL DEALING* PROCEDURE (*)

EXECUTIVES OF SUBSIDIARY COMPANIES		21/07/2010	Call Option with physical settlement on Damiani	75,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016
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RELEVANT FOR THE <i>INTERNAL DEALING</i> PROCEDURE 1			ordinary shares						(**)
EXECUTIVES OF SUBSIDIARY COMPANIES RELEVANT FOR THE <i>INTERNAL DEALING</i> PROCEDURE 1		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	125,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)
EXECUTIVES OF SUBSIDIARY COMPANIES RELEVANT FOR THE <i>INTERNAL DEALING</i> PROCEDURE 1		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	50,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)
<p>Note: (*) Data referring to 31 March 2012, date the reference financial year closed.</p> <p>(**) The exercise of the options is, <i>inter alia</i>, conditioned by the achievement to 31.3.2013, 31.3.2014 and 31.3.2015 respectively of results consistent with those expected, to be checked by the Board of Directors during the board meeting to approve the consolidated balance sheet of each relevant financial year, to close on 31.3.2013, 31.3.2014 and 31.3.2015 respectively.</p>									
OTHER GROUP EXECUTIVES (*)									
OTHER EXECUTIVES 14		21/07/2010	Call Option with physical settlement on Damiani		-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to

			ordinary shares	143,000					22/04/2016 (**)
OTHER EXECUTIVES 14		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	222,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 al 22/04/2017 (**)
OTHER EXECUTIVES 14		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	85,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 al 22/04/2018 (**)

Note: (*) Data referring to 31 March 2012, date the reference financial year closed.

(**) The exercise of the options is, *inter alia*, conditioned by the achievement to 31.3.2013, 31.3.2014 and 31.3.2015 respectively of results consistent with those expected, to be checked by the Board of Directors during the board meeting to approve the consolidated balance sheet of each relevant financial year, to close on 31.3.2013, 31.3.2014 and 31.3.2015 respectively.

MIDDLE MANAGERS OF THE GROUP (*)

MIDDLE MANAGERS 12		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	56,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 al 22/04/2016 (**)
MIDDLE MANAGERS 12		21/07/2010	Call Option with physical settlement		-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2014

			on Damiani ordinary shares	101,000					al 22/04/2017 (**)
MIDDLE MANAGERS 12		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	55,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 al 22/04/2018 (**)

Note: (*) Data referring to 31 March 2012, when the reference financial year closed.

(**) The exercise of the options is, *inter alia*, conditioned by achievement respectively of results consistent with those expected at 31.3.2013, 31.3.2014 and 31.3.2015, a check that will be made by the Board of Directors in the Board meeting to approve the consolidated financial statements of each relevant financial year, which will close on 31.3.2013, 31.3.2014 and 31.3.2015 respectively.

OTHER EMPLOYEES OF THE GROUP (*)

OTHER EMPLOYEES 8		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	21,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016 (**)
OTHER EMPLOYEES 8		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	42,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)

OTHER EMPLOYEES 8		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	18,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)
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Note: (*) Data referring to 31 March 2012, when the reference financial year closed.

(**) The exercise of the options is, *inter alia*, conditioned by achievement respectively of results consistent with those expected at 31.3.2013, 31.3.2014 and 31.3.2015, a check that will be made by the Board of Directors in the Board meeting to approve the consolidated financial statements of each relevant financial year, which will close on 31.3.2013, 31.3.2014 and 31.3.2015 respectively.

AGENTS OF THE GROUP (*)

AGENTS 1		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	10,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016 (**)
AGENTS 1		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	20,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)
AGENTS 1		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	10,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)

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Note: (*) Data referring to 31 March 2012, when the reference financial year closed.

(**) The exercise of the options is, *inter alia*, conditioned by achievement respectively of results consistent with those expected at 31.3.2013, 31.3.2014 and 31.3.2015, a check that will be made by the Board of Directors in the Board meeting to approve the consolidated financial statements of each relevant financial year, which will close on 31.3.2013, 31.3.2014 and 31.3.2015 respectively.

CONSULTANTS OF THE GROUP (*)

CONSULTANTS 1		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	3,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2013 to 22/04/2016 (**)
CONSULTANTS 1		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	4,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2014 to 22/04/2017 (**)
CONSULTANTS 1		21/07/2010	Call Option with physical settlement on Damiani ordinary shares	3,000	-	21/04/2011	€ 1.47	€ 0.99	From 22/04/2015 to 22/04/2018 (**)

Note: (*) Data referring to 31 March 2012, when the reference financial year closed.

(**) The exercise of the options is, *inter alia*, conditioned by achievement respectively of results consistent with those expected at 31.3.2013, 31.3.2014 and 31.3.2015 respectively.

31.3.2015, a check that will be made by the Board of Directors in the Board meeting to approve the consolidated financial statements of each relevant financial year, which will close on 31.3.2013, 31.3.2014 and 31.3.2015 respectively.

Date: 14 June 2012

Name and surname or sector	Position	PANEL 1						
		<i>Stock Grant</i>						
		<u>Section 1</u>						
		Instruments relating to the second implementation cycle of the preceding <i>Stock Grant Plan 2009</i> , valid, deliberated by the Shareholders' Meeting on 22/07/2009						
		Date of the resolution of the Meeting	Type of financial instruments	Number of financial instruments	Assignment date	Possible purchase price of the instruments	Market price on assignment	Vesting period
MEMBERS OF THE BOARD OF DIRECTORS OF SUBSIDIARY COMPANIES (*)								
CARLO LONGAGNANI	Director in Alfieri & St. John S.p.A. and Rocca S.p.A.	22/07/2009	Ordinary Damiani shares	25,000	10/06/2011	€ 0	€ 1.19	From 10/06/2011 to 14/06/2012 (**)
FERNANDA PELATI	Chairman and Managing Director in	22/07/2009	Ordinary Damiani shares	20,000	10/06/2011	€ 0	€ 1.19	From 10/06/2011 to

	Rocca S.p.A.							14/06/2012 (**)
ANDREA QUESTA	Director in Alfieri & St. John S.p.A., New Mood S.p.A. and Damiani Manufacturing S.r.l.	22/07/2009	Ordinary Damiani shares	25,000	10/06/2011	€ 0	€ 1.19	From 10/06/2011 to 14/06/2012 (**)

Note: (*) Data referring to 31 March 2012, when the reference financial year closed.

(**) The shares will be transferred to the beneficiaries from 15 June 2012, when the conditions summarised in this document occur; it is likewise set out that each beneficiary non cannot transfer the shares received for the 24 months following the date of delivery, unless there is prior written permission from the company.

EXECUTIVES OF THE ISSUER RELEVANT FOR THE PURPOSES OF THE *INTERNAL DEALING* PROCEDURE (*)

EXECUTIVES OF THE ISSUER RELEVANT FOR THE PURPOSES OF THE <i>INTERNAL DEALING</i> PROCEDURE 2		22/07/2009	Ordinary Damiani shares	20,000	10/06/2011	€ 0	€ 1.19	From 10/06/2011 to 14/06/2012 (**)
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NOTE: (*) Data referring to 31 March 2012, when the reference financial year closed, which does not include those people already indicated by name as directors.

(**) The shares will be transferred to the beneficiaries from 15 June 2012, when the conditions summarised in this document occur; it is likewise set out that each beneficiary non cannot transfer the shares received for the 24 months following the date of delivery, unless there is prior written permission from the company.

EXECUTIVES OF SUBSIDIARY COMPANIES OF THE ISSUER RELEVANT FOR THE PURPOSES OF THE *INTERNAL DEALING* PROCEDURE (*)

EXECUTIVES OF SUBSIDIARIES OF THE ISSUER RELEVANT FOR THE PURPOSES OF THE <i>INTERNAL DEALING</i> PROCEDURE 1		22/07/2009	Ordinary Damiani shares	50,000	10/06/2011	€ 0	€ 1.19	From 10/06/2011 to 14/06/2012 (**)
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Note: (*) Data referring to 31 March 2012, when the reference financial year closed.

(**) The shares will be transferred to the beneficiaries from 15 June 2012, when the conditions summarised in this document occur; it is likewise set out that each beneficiary non cannot transfer the shares received for the 24 months following the date of delivery, unless there is prior written permission from the company.

OTHER EXECUTIVES IN THE GROUP (*)

OTHER EXECUTIVES 3		22/07/2009	Ordinary Damiani shares	25,000	10/06/2011	€ 0	€ 1.19	From 10/06/2011 to
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								14/06/2012 (**)
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Note: (*) Data referring to 31 March 2012, when the reference financial year closed.

(**) The shares will be transferred to the beneficiaries from 15 June 2012, when the conditions summarised in this document occur; it is likewise set out that each beneficiary non cannot transfer the shares received for the 24 months following the date of delivery, unless there is prior written permission from the company.

MIDDLE MANAGERS IN THE GROUP (*)

MIDDLE MANAGERS 2		22/07/2009	Ordinary Damiani shares	12,000	10/06/2011	€ 0	€ 1.19	From 10/06/2011 to 14/06/2012 (**)
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Note: (*) Data referring to 31 March 2012, when the reference financial year closed.

(**) The shares will be transferred to the beneficiaries from 15 June 2012, when the conditions summarised in this document occur; it is likewise set out that each beneficiary non cannot transfer the shares received for the 24 months following the date of delivery, unless there is prior written permission from the company.

