

# B V L G A R I

## **Procedure for communication to the market of operations carried out by Significant Persons and by persons closely linked to them.**

### **1. Scope and purpose of the procedure.**

In fulfilment of the provisions of art. 152-*octies*, sub-paragraph 8, of the Consob Issuers Regulation no. 11971, as in its latest amendment with deliberation no. 15232 of 29th November 2005 (hereinafter “Issuers Regulation”) Bulgari S.p.A. (hereinafter the “Company”) adopts the following series of rules to govern the information obligations prescribed by art. 114, sub-paragraph 7 of the Consolidation Act concerning financial brokerage pursuant to Italian Law Decree no. 58 of 24 February (hereinafter “TUIF”) concerning the operations carried out by Significant Persons (as defined hereinafter) and by persons closely linked to them and the operations relating to shares issued by the Company or to other linked financial instruments, carried out by them, also by another person.

The rules prescribed in this document, starting from their approval, cancel and substitute the “Code of conduct of members of the Company’s corporate bodies and the new procedure for providing information to the market” approved by the Board of Directors with deliberation dated 14 November 2002.

The aim of the provisions is to ensure maximum transparency for the market on operations carried out on the Company’s listed financial instrument, by members of the Company’s corporate bodies and other subjects who, because of the role they cover within the Company, have access to Privileged Information concerning the management and economic and financial prospects of the Company.

By Privileged Information we mean information pursuant to art. 181 of the TUIF, i.e. information of a precise nature, which has not been made public directly or indirectly concerning the Company or the Bulgari Group (meaning by this the Company and all those companies controlled by the Company) or financial instruments issued by the Company, information which, if made public, could have a considerable impact on the price of such financial instruments.

### **2. Subjects obliged to communicate.**

2.1 The following binding regulations apply to the subjects identified pursuant to the Issuers Regulation and hereinafter defined as **Significant Persons**:

- a) board members in office,
- b) statutory members of the Board of Auditors,
- c) subjects who carry out management functions in the Company and executives who have regular access to Privileged Information and who have the power to adopt management decisions that have an impact on the development and future prospects of the Company. By these we mean:
  - ✓ Central Director of human resources and organisation
  - ✓ Central Director of the perfume and licence division
  - ✓ Central Director of administration, finance and control
  - ✓ Central Director of jewellery, watches and accessories
  - ✓ Central Director of Image and Creative Services
- d) The members of the administration and control bodies, subjects who carry out management functions and executives who have regular access to Privileged Information and who have the power to adopt management decisions that may

have an impact on the development and future prospects of a company controlled directly or indirectly by the Company, if the accounting value of this participation represents more than fifty percent of the assets of the listed issuer, as shown in the last approved financial statements.

2.2 Such regulations are also binding for those subjects defined hereinafter as “**Person strictly linked**” to the Significant Persons:

- a. the spouse not legally separated, dependant children, also of the spouse, and, if cohabiting for at least one year, parents, relatives and suchlike;
- b. corporate bodies, partnerships and trusts in which each Significant Person or one of the persons indicated in letter a) of this article is a holder, alone or together with another Significant Person, of the management function;
- c. corporate bodies directly or indirectly controlled by a Significant Person or by one of the persons indicated in letter a) of this point;
- d. partnerships whose economic interests are fundamentally the same as those of a Significant Person or of one of the persons indicated in letter a) of this point;
- e. trusts established to benefit a Significant Person or one of the persons indicated in letter a) of this point.

### **3. Object of the communication and procedures for transferring information to the market**

3.1 The Significant Persons shall communicate in the terms and with the procedures specified herein, purchase, sale, underwriting and exchange operations involving shares issued by the Company (hereinafter “Shares”) or other financial instruments linked to them carried out for any reason by the Significant Persons or Persons strictly linked to them, excluding the operations listed in point 3.2 (the operations that are the object of communication are defined as “Significant Operations”).

By financial instruments linked to shares we mean:

- a) financial instruments that allow the underwriting, purchase or transfer of the Shares;
- b) financial debt instruments convertible into the Shares or that can be exchanged with them;
- c) derivative financial instruments on the Shares indicated by art.1 subparagraph 3 of the TUIF;
- d) financial instruments equivalent to the Shares representing the Shares;
- e) listed shares issued by companies controlled by the Company and the financial instruments mentioned in letters a) to d) above linked to them;
- f) unlisted shares issued by subsidiaries of the Company when the accounting value of the stake in the subsidiary represents more than 50% of the Company’s assets, as stated in the last approved Statutory Financial Statements, and the financial instruments mentioned in letters a) to d).

3.2 The following are not subject to the communication obligation:

- a) operations carried out between Significant Persons and Persons closely linked to them;
- b) operations carried out between the Company and companies controlled by it;
- c) operations whose overall amount does not reach 5,000 (five thousand) Euro by the end of the year;

The amount, for linked derivative financial instruments is calculated with reference to the underlying shares.

3.3 Operations carried out by each Significant Person or by each Closely linked Person or which are entrusted to intermediaries and/or trustees are taken into account. The amount mentioned in point 3.2 c) above is calculated by adding up the operations relating to the

Shares and to the financial instruments linked to them, carried out on behalf of each Significant Person and those carried out on behalf of Persons closely linked to such subjects.

3.4 The Significant Persons mentioned in point 2.1 letters a) b) c) and d) are obliged to inform Consob and the Company **within the fifth day the market is open** starting from the date operations are carried out about all the Significant Operations they have carried out themselves or those carried out by Persons closely linked to them.

The communication obligation mentioned in the paragraph above is carried out by:

- sending CONSOB the form **annexed under B** via fax to the number (+39) 068477612, by e-mail to the address [internaldealing@consob.it](mailto:internaldealing@consob.it) or using the NIS system, or to those other numbers and e-mail addresses that the CONSIB may indicate.
- sending the Company the form **annexed under B** by e-mail to the following address: [TEAM\\_BSP\\_internaldealing@bulgari.com](mailto:TEAM_BSP_internaldealing@bulgari.com) and by fax to the numbers (+39) 06 68810614 / 68810615, or to other numbers and e-mail addresses that the Appointed Person may notify, as defined in point 3.5, in writing.

If no operations exist, there is no need to send any report.

3.5 The person appointed to receive, manage and communicate to the Market the information prescribed by this procedure is identified in the Legal and Corporate Affairs Division (hereinafter the "Appointed Person"). The Appointed Person shall be responsible for obtaining from the Significant Persons explicit confirmation that they are aware of their obligations as prescribed by this document. Through the Appointed Person, the Company shall notify the market, within the end of the day the market is open following the day on which it has received the notification, concerning the Significant Operations notified by the Significant Persons and shall make the communications prescribed in point 4 on behalf of the Significant Persons.

#### **4. Communication to Consob by the Company**

Following the request made by the Significant Person pursuant to letters a), b), c) and d), the Company may be appointed to carry out the obligatory communications to Consob, on its own behalf, via the Appointed Person, as long as the Significant Person makes a written request for this to be done by sending the Appointed Person (to the addresses indicated in point 3) the model **annexed under B** by the **third day** the market is open starting from the date the Significant Operation is carried out. The Significant Person still remains responsible if a late or inaccurate communication is made to the Company or if no communication is made at all.

#### **5. Final provisions**

5.1 Each Significant Person is obliged to inform the Persons closely linked to him/her about the obligations to communicate to the Significant Person any operations carried out, pursuant to point 3 above, so as to allow the latter to observe the communication deadlines prescribed by current legislation.

5.2 The Company reserves the right to update and integrate this procedure as it considers appropriate and/or necessary in compliance with applicable legislation.

5.3 This procedure is delivered to each of the Significant Persons by the Legal and Corporate Affairs Division that shall also send a copy to the Human Resources office to be filed. By signing and returning a copy of this document to the Company each Significant Person acknowledges the obligations prescribed by this Procedure and that the processing of personal data is carried out in application of the Procedure, and may also be carried out through third parties, for the sole purpose of fulfilling the legislation in force and for complying with any Consob requirements.

5.4 Failure to observe the obligations and bans prescribed above shall make the Company and Significant Persons liable under the current provisions. For Significant Persons employed by the Company, non-fulfilment may also assume significance for the application of any disciplinary sanctions, notwithstanding responsibilities of another kind.

Rome , 27 March 2006

ANNEX 6  
PROSPECT FOR COMMUNICATION PURSUANT TO ARTICLE 152-*octies*, sub-paragraph 7

<b>1. DECLARING SIGNIFICANT PERSON</b>										
<b>1.1 PERSONAL DATA</b>										
IF AN INDIVIDUAL										
SURNAME				NAME				SEX*		
FISCAL CODE*		DATE OF BIRTH (dd/mm/yyyy) *		TOWN OF BIRTH*		PROVINCE OF BIRTH*		COUNTRY OF BIRTH*		
DOMICILE FOR THE APPOINTMENT*										
IF A CORPORATE BODY, PARTNERSHIP OR TRUST										
COMPANY NAME										
FISCAL CODE*		LEGAL STATUS*		DATE OF ESTABLISHMENT (dd/mm/yyyy) *						
REGISTERED OFFICE*										
<b>1.2. NATURE OF THE RELATIONSHIP WITH LISTED ISSUER</b>										
C.1) SUBJECT WHO PERFORMS ADMINISTRATIVE, CONTROL OR MANAGEMENT FUNCTIONS IN A LISTED ISSUER									Y/N	
C.2) EXECUTIVE WHO HAS REGULAR ACCESS TO PRIVILEGED INFORMATION AND HOLDS THE POWER TO ADOPT MANAGEMENT DECISIONS THAT MAY HAVE AN IMPACT ON THE DEVELOPMENT AND FUTURE PROSPECTS OF THE LISTED ISSUER									Y/N	
C.3) SUBJECT WHO PERFORMS THE FUNCTIONS MENTIONED IN POINT C1) OR C.2) IN A COMPANY CONTROLLED BY THE LISTED ISSUER									Y/N	
C.4) SUBJECT WHO HOLDS AT LEAST 10 PERCENT OF SHARES IN THE SHARE CAPITAL OF THE LISTED ISSUER OR SUBJECT CONTROLLING THE LISTED ISSUER									Y/N	
<b>2. LISTED ISSUER</b>										
COMPANY NAME							FISCAL CODE*			

\* information to be included only if it is actually sent via computerised systems implemented by the company that manages the markets (not the object of communication to the public by the latter)

### 3. SUBJECT WHO HAS CARRIED OUT OPERATIONS

#### 3.1. NATURE OF THE SUBJECT WHO HAS CARRIED OUT THE OPERATIONS

SIGNIFICANT PERSON	Y/N
INDIVIDUAL CLOSELY LINKED TO A SIGNIFICANT PERSON (SPOUSE NOT SEPARATED LEGALLY, DEPENDANT CHILD, ALSO OF THE SPOUSE , COHABITING PARENT, RELATIVE OR SUCHLIKE)	Y/N
CORPORATE BODY, PARTNERSHIP OR TRUST CLOSELY LINKED TO A SIGNIFICANT PERSON OR TO ONE OF THE INDIVIDUALS MENTIONED IN THE PREVIOUS POINT	Y/N

#### 3.2 PERSONAL DATA<sup>1</sup>

##### IF INDIVIDUAL

SURNAME	NAME				SEX*				
FISCAL CODE*		DATE OF BIRTH (dd/mm/yyyy) *		TOWN OF BIRTH*		PROVINCE OF BIRTH*		COUNTRY OF BIRTH*	
REGISTERED RESIDENCE									

##### IF A CORPORATE BODY, PARTNERSHIP OR TRUST

COMPANY NAME									
FISCAL CODE*		LEGAL STATUS*		DATE OF ESTABLISHMENT (dd/mm/yyyy) *					
REGISTERED OFFICE*									

\* information to be included only if it is actually sent via computerised systems implemented by the company that manages the markets (not the object of communication to the public by the latter)

#### 4. OPERATIONS

##### SECTION A): RELATING TO SHARES AND EQUIVALENT FINANCIAL INSTRUMENTS AND CONNECTED CONVERTIBLE BONDS

DATE	TYPE OF OPERATION <sup>2</sup>	ISIN CODE <sup>3</sup>	SECURITY NAME	TYPE OF FINANCIAL INSTRUMENT <sup>4</sup>	QUANTITY	PRICE (in €) <sup>5</sup>	COUNTERVALUE (in €)	OPERATION PROCEDURE <sup>6</sup>	NOTES
TOTAL COUNTERVALUE SECTION A (in €)									

##### SECTION B): RELATING TO THE OTHER FINANCIAL INSTRUMENTS LINKED TO SHARES PURSUANT TO ART. 152-sexies, sub-paragraph 1, letters b1, b3

DATE	TYPE OF OPERATION <sup>6</sup>	TYPE OF LINKED FINANCIAL INSTRUMENT <sup>8</sup>	TYPE OF OPTION <sup>9</sup>	LINKED FINANCIAL INSTRUMENT		UNDERLYING SHARE		ACTUAL INVESTMENT / DISINVESTMENT			POTENTIAL (NOTIONAL) INVESTMENT / DISINVESTMENT			EXPIRY DATE	NOTE
				ISIN CODE <sup>10</sup>	NAME <sup>11</sup>	ISIN CODE	NAME <sup>12</sup>	QUANTITY	PRICE (in €) <sup>5</sup>	COUNTERVALUE (in €)	QUANTITY OF UNDERWRITTEN INVESTMENT	PRICE OF EX. OR SETTLEMENT (in €)	COUNTERVALUE (in €)		
TOTAL POTENTIAL COUNTERVALUE SECTION B (in €)															
TOTAL COUNTERVALUE SECTION A + SECTION B (in €)															

<sup>1</sup> This section referring to the personal data of the subject does not have to be filled in if the subject is the same as the declaring subject in section 1.1

<sup>2</sup> Indicate the type of operations also carried out through the exercise of linked financial instruments

A= purchase

V= sale

S= underwriting

X= exchange

<sup>3</sup> The ISIN code must always be indicated if the financial instrument has received it from an international coding agency (e.g. UIC for Italy) /

<sup>4</sup> Indicate the financial instrument that is the object of the operation

AZO = ordinary shares

AZP = preference shares

AZR = savings shares

QFC = closed fund shares

EQV = other financial instruments equivalent to shares representing such shares

OBCV = Convertible bonds or other financial instruments that can be exchanged with shares

<sup>5</sup> If, during the day, more than one operation of the same type (see note 42) has been carried out and with the same procedure (see note 6) for a security indicate the mean weighted price of the above-mentioned operations. In the case of convertible bonds, it must be indicated in hundredths (e.g. for a bond quoted below par at a price of 99 indicate 0.99, while if quoted above par at a price of 101 indicate 1.01)

<sup>6</sup> Indicate the origin of the operation

MERC-IT = transaction on the Italian regulated market

MERC-ES = transaction on the foreign regulated market

FMERC = transaction outside the market or the secondary market

CONV = conversion of convertible bonds or exchange of financial debt instruments with shares

ESEMERC-SO = transaction on the market at the same time as exercising stock options – stock grants

ESE-DE = exercise of derivative instrument or settlement of other derivative contracts (*futures, swaps*)

ESE-DI = exercise of rights (*warrants/covered warrants/securitised derivatives/rights*)

<sup>7</sup> Indicate the type of operation

A= purchase

V= sale

S= underwriting

AL= other (give details in note)

<sup>8</sup> Indicate the type of financial instrument

W= warrant

OBW = bond cum warrant

SD= securitised derivative

OPZ= option

FUT = future

FW = forward

OS = structured bond

SW = swap

DIR = rights

<sup>9</sup> Indicate the category of derivative financial instrument (only for options)

CE= call European style

PE= put European style

CA= call American style

PA= put American style

AL= other (give details in note)

<sup>10</sup> Not to be indicated only for non-standard derivative contracts (on financial instruments) or if the instrument has not received assignment from an international coding agency (e.g.. UIC for Italy)

<sup>11</sup> Indicate the financial instrument linked to the shares

<sup>12</sup> Indicate the underlying financial instrument (share)