



**BENI STABILI S.P.A. SIIQ**

**EXPLANATORY REPORT ON THE PROPOSALS ON THE AGENDA OF THE SHAREHOLDERS' EXTRAORDINARY  
MEETING OF  
BENI STABILI S.P.A. SIIQ  
HELD ON 31 JULY 2014 ON SINGLE CALL**

(drawn up pursuant to article 125-ter of Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented, and pursuant to article 72 of the Regulation adopted by Consob resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented, and in compliance with Schedule 3A - Chart No. 2 of such Regulation)

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## **Explanatory Report of the Board of Directors on the proposals on the agenda of the Shareholders' Extraordinary Meeting of Beni Stabili S.p.A. SIIQ**

Dear Shareholders

The Board of Directors of Beni Stabili S.p.A. SIIQ (“**Beni Stabili**” or the “**Company**”) called you to attend an extraordinary meeting on single call to be held at 11:00 on 31 July 2014, at the “*Auditorium*” in Milan, via Carlo Ottavio Cornaggia n. 8, to discuss and resolve upon the following agenda:

*Proposal to confer to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, the power to increase Company's share capital by a maximum nominal amount (including any share premium) of €150,000,000, to be offered as an option to the Shareholders and Convertible Bondholders, pursuant to Article 2441, paragraph 1, of the Italian Civil Code.*

*Amendment of Article 5 of the Articles of Association.*

*Pertinent and consequent resolutions.*

This report (the “**Report**”) was drawn up by the Board of Directors of the Company pursuant to article 125-ter of Legislative Decree No. 58 of 24 February 1998, as subsequently amended and supplemented (the “**Italian Financial Services Act**”), and to article 72 of the Regulation adopted by Consob resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented (the “**Issuers' Regulation**”) and in compliance with Schedule 3A, chart No. 2, of the Issuers' Regulation.

The Board of Directors called you to attend an extraordinary meeting to submit to you, for approval, the grant to the Board of Directors, pursuant to article 2443 of the Italian Civil Code, of the power to increase the share capital of the Company, for a consideration and in one or more separate tranches, within 24 months of the date of registration of the relevant resolution with the Companies' Register, by an aggregate amount (including any premium) of up to EUR 150,000,000.00, through the issue of ordinary shares having a nominal value of EUR 0.10 each, to be offered on a pre-emption basis to the shareholders and to the holders of convertible bonds of the Company, pursuant to article 2441, paragraph 1, of the Italian Civil Code (the “**Capital Increase**”). The Board of Directors shall have the broadest powers to set the procedure, terms and conditions of the capital increase, in compliance with the above-mentioned limits, including the exact number of shares to be issued, their entitlement to dividends, the option ratio and the issue price for the new shares (including any premium) (the “**Power of Attorney**”).

\* \* \*

### **1. REASONS FOR AND APPLICATION OF THE CAPITAL INCREASE**

The proposal being the subject-matter of this Report is part of the broader project concerning the repayment of the securitisation transaction commenced in 2002 to finance the acquisition of

a real estate portfolio owned by Telecom Italia S.p.A., originally composed of approximately 227 properties, through the securitisation of the receivables arising from the mortgage loan (*finanziamento fondiario*) granted to Imser 60 SIINQ S.p.A. in 2002 - current owner of a real estate portfolio rented to Telecom Italia S.p.A. - secured, among other things, by a mortgage on the real estate properties and by the cash flows arising from the multi-annual lease agreements in forced with the above mentioned lessee company (the “**Securitisation Transaction**”).

Following the disposal of part of the real estate portfolio as of 2009, the annual costs of the Securitisation Transaction do no longer appear to be justifiable in view of, among other things, the current size of the transaction. Indeed, the outstanding amount of the notes issued in the context of the securitisation more than halved over the last 12 years, decreasing from the initial amount of EUR 1,168 million to the current amount of EUR 552 million, including approximately EUR 100 million of notes repurchased by the Beni Stabili Group (the “**Group**”). Furthermore, the Securitisation Transaction is an element of rigidity in the financial and operating structure of the Company and the Group.

Conversely, the repayment of the Securitisation Transaction shall allow: (i) to exploit the favourable market conditions and improve the EPRA recurring net income; and (ii) to recover flexibility and freedom to act which are useful to the financial structure of the Company and the Group.

The Company has estimated that the repayment of the Securitisation Transaction shall require funds in the aggregate amount, as assessed at the date of this Report, at of EUR 650 million, of which approximately EUR 500 million to be applied to the repayment of the notes issued by the SPV (through the prior repayment of the underlying loans) and approximately EUR 150 million of liabilities connected with the early discharge. With respect to the timing of the repayment, it is expected that the Securitisation Transaction will be prepaid on 18 September 2014, on the occasion of the next payment date of the *abs* notes issued by SPV Imser Sec 2 S.r.l., or on the first following useful date.

The funds necessary for the repayment of the Securitisation Transaction will be raised by the Company - which in turn will provide the controlled company Imser 60 SIINQ S.p.A. the necessary funds to prepay the current mortgage loan (*finanziamento fondiario*) - partly through bank loans as described below and partly, through the Capital Increase in the amount of EUR 150 million. In the latter respect it is believed that the grant of the Power of Attorney to the Board of Directors will allow the Company to benefit from more flexibility in the execution of the transaction, allowing it to determine the structure of the transaction and the relevant sources of funding in a more flexible way, and consequently to seize any market opportunities.

As at the date of this Report the repayment is expected to take place through the following:

- (a) a short-term loan, unsecured, in the aggregate amount of approximately EUR 150 million (the “**Short-Term Loan**”) to be disbursed by Intesa Sanpaolo S.p.A., BNP Paribas S.A. and Mediobanca - Banca di Credito Finanziario S.p.A. - (the “**Lending Banks**”) to advance to the Company the funds that the latter shall receive following the Capital Increase;

- (b) a medium term loan, unsecured, in the aggregate amount of approximately EUR 200 million (the “**Medium Term Loan**” and, together with the Short-Term Loan, the “**Unsecured Loans**”) to be disbursed by the Lending Banks; and
- (c) a medium-long term mortgage loan (having an indicative duration of six years) in the aggregate amount of approximately EUR 300 million, to be disbursed by a pool of banks to be identified following a competitive bidding process launched by the Company (the “**Mortgage Loan**”).

Negotiations are ongoing with the Lending Banks to finalise the terms and conditions of the Unsecured Loans, whereas the terms and conditions of the Mortgage Loan shall be negotiated specifically with the pool of banks to be identified following the above-mentioned competitive bidding process.

Beni Stabili shall announce the possible reaching of final agreements with the Lending Banks in relation to the above-mentioned loans and shall provide an update in this respect at the Extraordinary Meeting.

## 2. ANALYSIS OF THE COMPOSITION OF THE NET FINANCIAL INDEBTEDNESS

As outlined at paragraph 1 above, the funds raised through the Capital Increase shall be applied to the repayment of the Securitisation Transaction, with the consequent change in the structure of the Company’s financial indebtedness.

Below is a table showing the composition of the short-term and medium-long-term net financial indebtedness of the Company and of the Group:

BeniStabili Group	Financial Debts		Financial Debts		Financial Debts		Financial Debts	
	31/05/2014		31/03/2014		31/12/2013		30/06/2013	
Amounts in € thousands	Face value		Face value		Face value		Face value	
Loans and other short-term debt	0		28,291		80,102		86,384	
Mortgage loans, other loans and facilities	830,278		786,968		1,205,730		1,307,394	
Debt securities	457,814		457,814		475,891		494,500	
Debt notes	600,000		600,000					
Convertible notes	600,538		600,538		600,538		450,000	
<b>Total</b>	<b>2,488,630</b>		<b>2,473,612</b>		<b>2,362,261</b>		<b>2,338,278</b>	
Cash and cash equivalents	-256,323		-282,537		-150,633		-52,262	
<b>NFP</b>	<b>2,232,307</b>		<b>2,191,075</b>		<b>2,211,628</b>		<b>2,286,016</b>	

  

BeniStabili S.p.A. Siiq	Financial Debts		Financial Debts		Financial Debts		Financial Debts	
	31/05/2014		31/03/2014		31/12/2013		30/06/2013	
Amounts in € thousands	Face value		Face value		Face value		Face value	
Loans and other short-term debt	0		28,291		80,102		86,384	
Mortgage loans, other loans and facilities	651,686		608,377		1,024,307		1,063,912	
Debt securities	600,000		600,000					
Convertible notes	600,538		600,538		600,538		450,000	
<b>Total</b>	<b>1,852,224</b>		<b>1,837,206</b>		<b>1,704,947</b>		<b>1,600,296</b>	
Cash and cash equivalents	-211,973		-219,407		-104,575		-18,861	
<b>NFP</b>	<b>1,640,251</b>		<b>1,617,799</b>		<b>1,600,372</b>		<b>1,581,436</b>	

### **3. UNDERWRITING SYNDICATES AND/OR PLACING SYNDICATES, RELEVANT COMPOSITION, PROCEDURE AND TERMS OF THEIR INTERVENTION**

To guarantee the success of the Capital Increase Banca IMI S.p.A., BNP PARIBAS, Mediobanca - Banca di Credito Finanziario S.p.A. - and Unicredit Bank AG, Milan Branch (the “**Guarantor Banks**”), on the one hand, and the Company, on the other hand, executed a pre-underwriting agreement, whereby all such banks undertook to guarantee the subscription of the shares that may still be unsubscribed at the end of the offer of the pre-emptive rights not opted for on the stock exchange, pursuant to article 2441, paragraph 3, of the Italian Civil Code, in an aggregate amount of up to approximately EUR 98 million (the “**Maximum Risk**”), an amount equal to the aggregate value of the Capital Increase, net of the amount of the subscription commitment of the majority shareholder of the Company, *Foncière des Régions* S.A., referred to at paragraph 6 below. Specifically, the commitment was undertaken by each bank severally and not jointly to the extent of an amount of up to approximately EUR 24 million (each, the “**Individual Maximum Risk**”).

The subscription commitment of IMI S.p.A., BNP PARIBAS, Mediobanca - Banca di Credito Finanziario S.p.A. - and Unicredit Bank AG, Milan Branch is subject to the occurrence of a number of conditions typical of this type of transaction, as well as to the execution of a more extensive security agreement (the “**Security Agreement**”) to be entered into before the offer of the shares issued pursuant to the Capital Increase.

The pre-underwriting agreement shall be valid until the earlier of (i) the date of execution of the Security Agreement; and (ii) 3 November 2014.

### **4. OTHER POSSIBLE FORMS OF PLACEMENT PROVIDED FOR**

The new shares shall be offered on a pre-emptive basis to the shareholders and to the holders of the convertible bonds of the Company pursuant to article 2441, paragraph 1, of the Italian Civil Code, and these shall be offered by the Company. No further forms of placement are provided for.

### **5. TERMS AND CONDITIONS OF THE CAPITAL INCREASE, INCLUDING THE CRITERIA FOR DETERMINING THE ISSUE PRICE OF THE NEW SHARES**

The proposal being the subject-matter of this Report provides for the grant to the Board of Directors of the Company, pursuant to article 2443 of the Italian Civil Code, of the power to increase the Company’s share capital, for a consideration and in one or more separate tranches, within 24 months of the date of registration of the relevant resolution with the Companies’ Register, in an aggregate amount (including any premium) of up to EUR 150,000,000.00 through the issue of ordinary shares having a nominal value of EUR 0.10 each, to be offered on a pre-emptive basis to the shareholders and to the holders of convertible bonds of the Company, pursuant to article 2441, paragraph 1, of the Italian Civil Code, with the broadest powers for the

Board of Directors to set the procedures, terms and conditions of the capital increase, in compliance with the above-mentioned limits, including the exact number of shares to be issued, their entitlement to dividends, the option ratio and the issue price for the new shares (including any premium).

With respect to the deadline by which the Board of Directors may exercise its Power of Attorney, consistently with the above considerations on the reasons for and application of the Capital Increase, it was deemed expedient to set such deadline at the end of the 24<sup>th</sup> month following the date of registration of the relevant resolution with the Companies' Register and not at the end of the longer period of 5 years provided for by the law.

Concerning the powers of the Directors in the context of the exercise of the Power of Attorney, it is provided that the Extraordinary Meeting shall grant the Board of Directors the broadest powers, with the power to grant in turn powers of attorney, that are required and/or expedient for determining the procedure, terms and conditions of the Capital Increase. In any case it is understood as follows:

- the aggregate amount of the Capital Increase (including any premium) may not exceed EUR 150,000,000.00;
- the Capital Increase shall be carried out for a consideration or by the payment of an amount of money as the issue price by the subscribers of the new shares; and
- the newly-issued shares shall be offered on a pre-emptive basis to the shareholders of the Company and to the holders of convertible bonds, pursuant to article 2441 of the Italian Civil Code.

The terms and conditions of the Capital Increase, which include among other things the exact number of shares to be issued, their entitlement to dividends, the option ratio and the issue price for the new shares, shall be determined by the Board of Directors around the time of commencement of the offer.

Specifically, the issue price (including any premium) shall be determined in compliance with the applicable provisions of law and considering, among other things, market conditions, the performance of the prices of the Company's shares and the relevant volumes, the economic, equity and financial results of the Company and/or of the Company's group, as well as the market practice for similar transactions, whereby, among other things, the issue price may be determined as being equal to the theoretical ex right price (TERP) of the Company's shares, calculated according to the current methods and discounted to the extent to be determined by the Board of Directors before the commencement of the offer.

The subscription of the shares through the exercise of the pre-emptive rights may take place at the offices of any authorised intermediaries belonging to the clearing system of Monte Titoli S.p.A..

**6. AVAILABILITY TO SUBSCRIBE THE NEWLY-ISSUED SHARES AND ANY PRE-EMPTIVE RIGHTS EXERCISED**

The majority shareholder of the Company, *Foncière des Régions S.A.*, the holder of No. 974,568,562 shares representing 50.857 per cent. of the share capital of Beni Stabili, undertook vis-à-vis the Company to subscribe the Capital Increase in proportion to the interest held by it in the Company's capital, taking into account the shares to be offered to the holders of the convertible bonds of the Company.

**7. PERIOD OF EXECUTION OF THE CAPITAL INCREASE**

It is provided that, where so permitted by market conditions and subject to the obtainment of the required authorisations, the Capital Increase may be executed during the second semester of the current financial year.

**8. ENTITLEMENT OF THE NEWLY-ISSUED SHARES**

The entitlement to dividends of the newly-issued shares shall be determined by the Board of Directors in the context of the exercise of the Power of Attorney.

**9. EFFECTS OF THE CAPITAL INCREASE ON THE ECONOMIC PERFORMANCE AND ON THE EQUITY SITUATION OF THE COMPANY**

It should be noticed that the purposed of the Capital Increase, as mentioned above, is to exploit the favourable market conditions and improve the EPRA recurring net income of approximately EUR 30 million on an annual basis, replacing, through repayment, the existing debt with a debt at lower cost, as well as to recover flexibility and freedom to act which are useful to the financial structure of the Company and the Group, with a consequent increase of the equity resources of the Company for an amount equal to the Capital Increase.

**10. EFFECTS ON THE UNIT VALUE OF THE SHARES OF THE POSSIBLE DILUTION OF SUCH VALUE**

As the Capital Increase has to be carried out through an offer to the shareholders and to the holders of convertible bonds on a pre-emptive basis, pursuant to article 2441 of the Italian Civil Code, there are no diluting effects in terms of interests in the fully diluted share capital of the Company (calculated by assuming the full conversion of the convertible bonds) for the shareholders and for the holders of convertible bonds who decide to fully accept such offer by subscribing the shares arising from the pre-emptive rights to which they are entitled, according to the option ratio to be determined by the Board of Directors.

On the other hand, as at the date of this Report it is not possible to determine or formulate even just an estimate of the diluting effect that (i) the shareholders will suffer, even if they decided to

subscribe in full the newly-issued shares pertaining to them, as a consequence of the participation in the Capital Increase of the holders of convertible bonds, and (ii) the shareholders not exercising, whether in full or in part, the pre-emptive rights pertaining to them would suffer, as the issue price of the new shares, the aggregate number of the shares to be issued and the option ratio (elements that are required to determine the above-mentioned diluting effect) have not been determined yet.

For the same reasons, as at the date of this Report it is not possible to calculate the diluting effect on the unit value of the Company's shares arising from the execution of the Capital Increase.

## 11. AMENDMENTS TO THE BY-LAWS

The grant of the Power of Attorney to the Board of Directors involves the amendment to article 5 of the Company's By-laws and, specifically, the introduction of paragraph 5, as detailed below:

Current wording Article 5 of the By-laws	Proposed wording Article 5 of the By-laws
The share capital is of EUR 191,630,290.40 (one hundred and ninety-one million, six hundred and thirty thousand, two hundred and ninety euros and forty cents), represented by No. 1,916,302,904 (one billion, nine hundred and sixteen million, three hundred and two thousand, nine hundred and four) shares having a nominal value of EUR 0.10 (nought point ten euros) each.	<b>Unchanged</b>
The Extraordinary Meeting of 3 June 2010 resolved to increase the share capital in cash, for a consideration and in one or more separate tranches, with the exclusion of the pre-emptive right pursuant to article 2441, paragraph 5, of the Italian Civil Code, by an aggregate nominal amount of up to EUR 26,223,776.20 to be paid up in one or more instalments through the issue of up to No. 262,237,762 ordinary shares of the Company having the same characteristics as those of the outstanding ordinary shares, irrevocably and solely reserved for the service of the conversion of the "EUR 225,000,000.00 3.875 per cent. Convertible Bonds due 2015". It is understood that the deadline for the subscription of the newly-issued shares is set at 23 April 2015 and that if the capital increase is not fully subscribed as at that date such capital shall be deemed to be increased in any case by an amount equal to the subscriptions collected.	<b>Unchanged</b>
The Extraordinary Meeting of 22 May 2013 resolved to increase the share capital in cash, for a consideration and in one or more separate tranches, with the exclusion of the pre-emptive right pursuant to article 2441, paragraph 5, of the Italian Civil Code, by an aggregate nominal amount of up to EUR 37,556,334.50 to be paid up in one or more instalments through the issue of up to No. 375,563,345 ordinary shares of the Company having the same characteristics as those of the outstanding ordinary shares, irrevocably and solely reserved for the service of the	<b>Unchanged</b>

<p>conversion of the bonds issued on 17 January 2013 (pursuant to the power of attorney granted by the Board of Directors by a resolution dated 7 November 2012) and on 14 March 2013 (pursuant to the power of attorney granted by the Board of Directors by a resolution dated 4 March 2013), respectively. It is understood that the deadline for the subscription of the newly-issued shares is set at 10 January 2018, and that if the capital increase is not fully subscribed as at that date such capital shall be deemed to be increased in any case by an amount equal to the subscriptions collected by such date, with the explicit authorisation to the directors to issue the new shares as they are subscribed.</p>	
<p>The Extraordinary Meeting of 15 April 2014 resolved to increase the share capital in cash, for a consideration and in one or more separate tranches, with the exclusion of the pre-emptive right pursuant to article 2441, paragraph 5, of the Italian Civil Code, by an aggregate nominal amount of up to EUR 40,964,952.20 to be paid up in one or more instalments through the issue of up to No. 409,649,522 ordinary shares of the Company having the same characteristics as those of the outstanding ordinary shares, irrevocably and solely reserved for the service of the conversion of the bonds issued on 17 October 2013 (pursuant to the power of attorney granted by the Board of Directors by a resolution dated 7 October 2013). It is understood that the deadline for the subscription of the newly-issued shares is set at 10 April 2019, and that if the capital increase is not fully subscribed as at that date such capital shall be deemed to be increased in any case by an amount equal to the subscriptions collected by such date, with the explicit authorisation to the directors to issue the new shares as they are subscribed.</p>	<p><b>Unchanged</b></p>
	<p><b>The Extraordinary Meeting of 31 July 2014 granted the Board of Directors, pursuant to article 2443 of the Italian Civil Code, the power to increase the share capital for a consideration and in one or more separate tranches, within the 24 months following the registration of the relevant resolution with the Companies' Register, by an aggregate amount (including any premium) of up to EUR 150,000,000.00 to be executed through the issue of new ordinary shares having the nominal value of EUR 0.10 each, to be offered on a pre-emptive basis to the shareholders and to the holders of convertible bonds of the Company, pursuant to article 2441, paragraph 1, of the Italian Civil Code, and the Board of Directors shall have the broadest powers to set the procedure, terms and conditions of the capital increase, in compliance with the above-mentioned limits, including the exact number of shares to be issued, their entitlements to dividends, the option ratio and the issue price for the new shares</b></p>

	(including any premium). It is understood that the issue price shall be determined in compliance with the applicable provisions of law and considering, among other things, market conditions, the performance of the prices of the Company's shares and the relevant volumes, the economic, equity and financial results of the Company and/or of the Company's group, as well as the market practice for similar transactions, whereby, among other things, the issue price may be determined as being equal to the theoretical ex right price (TERP) of the Company's shares, calculated according to the current methods and discounted to the extent to be determined by the Board of Directors before the commencement of the offer.
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**12. INFORMATION ON THE ARISING OF THE RIGHT OF WITHDRAWAL: CASES OF WITHDRAWAL IN RELATION TO THE PROPOSED AMENDMENTS TO THE BY-LAWS**

The adoption of the resolutions referred to in this Report does not involve the arising of the right of withdrawal pursuant to article 2437 of the Italian Civil Code.

\* \* \*

Should you agree on the foregoing, please adopt the following resolutions:

*“The Extraordinary Shareholders’ Meeting of Beni Stabili, after reviewing the report of the Board of Directors and the proposal submitted therein*

**RESOLVED**

1. *to grant the Board of Directors of the Company, pursuant to article 2443 of the Italian Civil Code, the power to increase the share capital of the Company, for a consideration and in one or more separate issues, within 24 months of the date of registration of the relevant resolution with the Companies' Register, by an aggregate amount (including any premium) of up to EUR 150,000,000.00, through the issue of ordinary shares having a nominal value of EUR 0.10 each, to be offered on a pre-emptive to the shareholders and to the holders of convertible bonds of the Company, pursuant to article 2441, paragraph 1, of the Italian Civil Code (the “**Capital Increase**”);*
2. *to grant the Board of Directors the broadest powers, with the power to grant in turn powers of attorney, that are required or expedient for determining the following, in compliance with the limits and criteria set forth in today's Meeting: (i) the procedure, terms and conditions of the Capital Increase, including the issue price (including any premium), the number of the new shares, their entitlement to dividends, and the option ratio; it is understood that the issue price shall be determined in compliance with the applicable provisions of law and considering, among other things, market conditions, the performance of the prices of the Company's shares*

and the relevant volumes, the economic, equity and financial results of the Company and/or of the Company's group, as well as the market practice for similar transactions, whereby, among other things, the issue price may be determined as being equal to the theoretical ex right price (TERP) of the Company's shares, calculated according to the current methods and discounted to the extent to be determined by the Board of Directors around the time of commencement of the offer; and (ii) the timeframe for the implementation of the Capital Increase resolution and, specifically, for the commencement of the offer of the pre-emptive rights, as well as the subsequent offer on the Stock Exchange of any rights still not opted for by the end of the subscription period;

3. to amend article 5 of the Company's By-laws following the above resolutions by inserting a new fifth and last paragraph having the following wording:

*"The Extraordinary Meeting of 31 July 2014 granted the Board of Directors, pursuant to article 2443 of the Italian Civil Code, the power to increase the share capital for a consideration and in one or more separate tranches, within the 24 months following the registration of the relevant resolution with the Companies' Register, by an aggregate amount (including any premium) of up to EUR 150,000,000.00 to be executed through the issue of new ordinary shares having the nominal value of EUR 0.10 each, to be offered on a pre-emptive basis to the shareholders and to the holders of convertible bonds of the Company, pursuant to article 2441, paragraph 1, of the Italian Civil Code, and the Board of Directors shall have the broadest powers to set the procedure, terms and conditions of the capital increase, in compliance with the above-mentioned limits, including the exact number of shares to be issued, their entitlement to dividends, the option ratio and the issue price for the new shares (including any premium). It is understood that the issue price shall be determined in compliance with the applicable provisions of law and considering, among other things, market conditions, the performance of the prices of the Company's shares and the relevant volumes, the economic, equity and financial results of the Company and/or of the Company's group, as well as the market practice for similar transactions, whereby, among other things, the issue price may be determined as being equal to the theoretical ex right price (TERP) of the Company's shares, calculated according to the current methods and discounted to the extent to be determined by the Board of Directors before the commencement of the offer."*

4. to grant the Board of Directors and, for it, the Chairman and the Managing Director, whether jointly or severally, in turn, powers of attorney, the broadest powers, with no exception, that are necessary or expedient for executing the above resolutions and for carrying out all the actions and transactions that are necessary or expedient for performing the formalities required by the legislation in force, including, without limitation, the powers to do the following:
  - prepare and submit any documents required for the execution of the Capital Increase and for the performance of the formalities required to proceed with the subscription offer and with the admission of the newly-issued shares to listing on the MTA (Mercato Telematico Azionario) organised and managed by Borsa Italiana S.p.A., including the power to prepare and submit to the competent Italian and foreign Authorities any request, application, document or prospectus necessary or expedient for such purpose;
  - manage the relationship with any competent Italian or foreign body and/or Authority for the obtainment of all the authorisations and approvals required for the successful outcome of the transaction, and prepare, amend, supplement and/or execute and/or perform any contract, agreement, deed, statement or

*document required for such purpose;*

- make the necessary amendments to article 5 of the Company's By-laws following the partial and/or full exercise of the pre-emptive rights and the consequent partial and/or full execution of the Capital Increase, and make the necessary filings with the Companies' Register;*
- make any such amendment and/or supplement to the adopted resolutions as may become necessary and/or expedient for obtaining the legal approval or as may be requested by the competent Italian or foreign Authorities and/or by the Companies' Register upon their registration.*

\* \* \*

Rome, 30 June 2014

For the Board of Directors

The Chairman

(Enrico Laghi)