BENI STABILI S.P.A. SIIQ

AUDITOR'S REPORT ON THE PRICE OF ISSUE OF SHARES RELATED TO THE INCREASE IN CAPITAL WITH THE EXCLUSION OF THE RIGHT OF OPTION IN ACCORDANCE WITH ARTICLE 2441, PARAGRAPHS 5 AND 6 OF THE ITALIAN CIVIL CODE AND ARTICLE 158, PARAGRAPH 1 OF THE LEGISLATIVE DECREE No. 58/98

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To the Shareholders of
Beni Stabili SpA SIIQ

1. REASON FOR AND PURPOSE OF THE ASSIGNMENT

In relation to the proposal of an increase in capital for payment with the exclusion of option rights in line with article 2441, paragraph 5 of the Italian Civil Code and article 158, paragraph 1 of the Legislative Decree no. 58/98 as described below, we have received from the Board of Directors of Beni Stabili S.p.A. SIIQ (hereafter referred to as "Beni Stabili" or "the Company", a report dated 14 February 2014 (hereafter referred to as "the Directors' Report") which illustrates and explains the above-mentioned proposal of an increase in capital with the exclusion of option rights, indicating the criteria used by the Board of Directors to determine the price of the new issue of shares.

This proposal envisages an increase in capital by issuing up to a maximum of 409.649.522 ordinary shares with a nominal amount of Euro 0.10 each for a maximum nominal amount of Euro 40,964,952.20

The proposed increase in capital is instrumental to the assignment of the right to convert into newly issued ordinary shares of the Company the Bonds issued on 17 October 2013 for a nominal amount of Euro 270,000,000 in the context of the equity linked bond loan referred to as "*€ 270,000,000 2,625% Convertible Bonds due 2019*" (the "Bonds");

This increase in capital will be proposed for approval at the Extraordinary Shareholders' Meeting convened on 15 April 2014 at a single calling.

With reference to this transaction, the Company's Board of Directors has asked our audit firm to express an opinion, in line with the joint provisions of article 2441, paragraphs 5 and 6 of the Italian Civil Code and article 158 paragraph 1 of the "TUIF", on the adequacy of the criteria proposed by the Board for the determination of the issue price of the new shares of Beni Stabili S.p.A. SIIQ.

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Praxity MEMBER
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

2. DESCRIPTION OF THE TRANSACTION AND OF THE CRITERIA USED FOR THE DETERMINATION OF THE ISSUE PRICE OF THE SHARES

2.1. INTRODUCTION

The issue and the conversion of the Bonds into Convertible Bonds is intended to equip theCompany with a funding instrument which will allow it to gain rapid access to non-banking finance from the capital market in order to optimise the Company's financial structure and its cost of capital, allowing the Company to repurchase in advance part of the outstanding € 225,000,000 3.875% Convertible Bonds due 2015, which was carried out pursuant to a reverse bookbuilding process, as announced on 8 October 2013, at the same time of the issue of the Bonds, and reimbursing at maturity the outstanding bonds not yet repurchased.

2.2. ISSUE OF BONDS

As indicated in the Directors' Report, the issue and transformation of the Bonds into bonds which are convertible into ordinary shares of the Company, following the approval of an increase in capital by the Extraordinary Shareholders' Meeting, represent a single transaction intended to equip the Company with a funding instrument to allow the Company to gain rapid access to non-banking finance from the capital market in order to optimise the Company's financial structure and its cost of capital, allowing the Company to repurchase in advance part of the outstanding € 225,000,000 3.875% Convertible Bonds due 2015, which was carried out pursuant to a reverse bookbuilding process, as announced on 8 October 2013, at the same time of the issue of the Bonds, and reimbursing at maturity the outstanding bonds not yet repurchased.

The main characteristics of the Bonds are:

Total amount: € 270,000,000;

Maturity: 17 April 2019;

Strike price: Euro 0.6591 per share, subject to adjustment under the circumstances envisaged in the Regulations governing the Bonds and in line with market practice. The Company will be able to reimburse in cash any bondholder who exercises his conversion right, by paying the bondholder the so-called *Cash Alternative Amount* for all or part of the shares due to the bondholders;

Target: only those investors who qualify according to the definition in article 34-ter, paragraph 1, letter (b), of the Consob regulations passed by resolution no. 11971 dated 14 May 1999;

Issue price: 100% of the nominal amount;

Coupon: every six months (in April and in October of each year);

Interest rate: a fixed rate of 2.625% per annum;

Global Coordinator: Mediobanca – Banca di Credito Finanziario S.p.A.;

Joint Bookrunners: BNP Paribas, Mediobanca – Banca di Credito Finanziario S.p.A, Banca IMI S.p.A. and Bank of America Merryll Lynch;

Applicable law: English Law, except for the general bondholders' meetings which are governed by Italian Law; furthermore English law applies if it is not in conflict with Italian law;

Listing: Bonds have been listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF market of the Luxembourg Stock Exchange as of 18 December 2013;

Redemption method: on the maturity date of the loan, unless early repayment is decided or the Bonds' conversion right is exercised;

Early repayment: the Company is entitled to make early and full repayment of the Bonds in certain cases, as detailed in the Regulations of the Bond Issue, in line with the market practice, specifically:

- If the increase in capital to service the conversion has not been approved by 31 May 2014 and the Physical Settlement Notice has not been despatched;
- If the rights of conversion or of early repayment are exercised in relation to at least 85% of the original nominal amount of the loan;
- As from the fifteenth day (inclusive) after the third anniversary of the issue of the Bonds (issued on 17 October 2013), in the event that the trading price of the Company's ordinary shares exceed a certain level.

In addition, in the event of a change of control of the Company, each bondholder will have the option to ask for early repayment of the Bonds.
The Bonds have been admitted to trading to a recognised international multilateral trading system, therefore, the limits set by the article 2412, paragraph 5, of the Italian Civil Code are not applicable.
In any case, although these limits do not apply to the Bonds in question, the limit set by article 2412, paragraph 1 of the Italian Civil Code is not exceeded, also having regard to the partial reimbursement in advance of the outstanding bonds not yet repurchased and having regard to the absence of guarantees given by the Company on the borrowings of other companies.

The Bonds have a six-monthly coupon of 2.625% and a strike price of Euro 0.6591. This price incorporates a premium of 34% over the weighted average price of the Company's ordinary shares during the six moths before the issue of the Bonds and the Pricing.

The price so determined is higher than the shareholders' equity per share as of 30 June 2013 and as of 31 December 2013.

The strike price will be allocated to the nominal amount of the shares being subscribed for and, for the remainder, Euro 0.5591, to the share premium.

The number of shares to be issued or transferred to service the conversion will be determined by dividing the nominal amount of the Bonds on which the conversion will be exercised by the strike price (as adjusted on the date of conversion), rounding down to the nearest whole number of ordinary shares. Fractions of shares will not be issued or sold and no cash payment or adjustment will be made in place of such fractions.

In line with the market practice for this type of debt instrument, the Regulations provide for strike price adjustment formulae in certain circumstances and, amongst others, in the case of the following events:

- Grouping or splitting of the shares;
- Bonus increase in capital by transferring reserves or retained earnings to capital;
- Distribution of dividends;
- Issue of shares or financial instruments set aside for the Shareholders or the assignment to the Shareholders of options, warrants or other rights to subscribe for or purchase the shares or financial instruments;
- Issue of shares or assignment of options, warrants or other rights to subscribe for or purchase shares;
- Changes in the rights of conversion/exchange linked to other financial instruments;
- Change in control of the Company.

The Bonds offer a safeguard to the investors in respect of future dividends which may be paid by the Company. Specifically, should the Company decide to distribute dividends in excess of a predefined minimum of Euro 0.022 per share during the life of the loan, the strike price of the shares will be adjusted on the basis of predetermined formulae set by the Regulations in order to compensate the bondholders for the amount of dividends distributed.

3. NATURE AND SCOPE OF THIS REPORT

This fairness opinion, issued in accordance with article 2441, paragraph 6 of the Italian Civil Code and article 158, paragraph 1 of Legislative Decree 58/98, is intended to reinforce the information in favour of the Shareholders who have been excluded from exercising option rights, in accordance with article 2441, paragraph 5 of the Italian Civil Code, in relation to the methodologies used by the Directors to determine the issue price of the shares for the planned increase in capital.

More specifically, this fairness opinion indicates the methods used by the Directors to determine the issue price of the shares and any valuation difficulties that they faced, and consists of our considerations on the fairness in terms of reasonableness and the non-arbitrary nature of such methods, as well as their correct application under the circumstances.

In performing this assignment we did not perform a valuation of the Company, which is outside the scope of the work requested of us.

The purpose of our report is not to express, and it does not express, an opinion on the financial or strategic reasons of the Transaction.

4. DOCUMENTS USED

In performing our work, we obtained either directly from the Company, the documents and information considered necessary for the purpose.

More specifically, we analysed the following documentation:

- Explanatory Report of the Board of Directors on the proposal to increase the Company's share capital;
- Draft of the Minutes of the Board of Directors' meetings held on 14 February 2014, which approved the draft of this Report, giving instructions both to the Chief Executive Officer and to the Chairman in order to write the final version;
- Subscription Agreement;
- Pricing Term Sheet;
- The trend in market prices of the shares of Beni Stabili S.p.A. SIIQ as recorded on the MTA (Online Equities Market) from 1 October 2012 to 18 March 2014 and other information such as the volatility of the shares and the average daily trading volumes;
- The current articles of association of the Company, for the purposes of this assignment;
- Draft of the Separate and Consolidated Financial Statements of Beni Stabili SpA SIIQ as at 31 December 2013, audited by ourselves;
- Separate and Consolidated Financial Statements of Beni Stabili SpA SIIQ as at 31 December 2012, audited by ourselves;
- The six-monthly financial reports of Beni Stabili SpA SIIQ on 30 June 2013 and on 30 June 2012, on which we performed limited scope audits;
- Press releases about placement of the Bonds;
- Data on the conversion premium normally applied to convertible bonds with similar characteristics to those issued by the Company;
- Other accounting, non-accounting and statistical data, as well as other information considered necessary in order to carry out our work.

Additionally, we obtained a specific representation by way of a letter issued by the Company on 24 March 2014, stating that to the best of the knowledge of the management of Beni Stabili S.p.A. SIIQ, there have been no significant changes to the data and information taken into account in carrying out our analysis and/or that could have significant impact on the valuations made.

5. VALUATION METHODOLOGY USED BY THE DIRECTORS IN DETERMINING THE ISSUE PRICE OF THE SHARES

As indicated in the Report of the Directors with respect to the criteria for determining the issue price of the new shares, the Board of Directors has decided to propose to the Shareholders' Meeting that the issue price of the new shares arising from the increase in capital should be equal to the strike price for conversion of the Bonds.

In that context the Board of Directors deemed it appropriate to refer to the share price of the issuing Company on the regulated markets where they are listed. This approach is recognised by the current doctrine.

In particular, the Board of Directors decided to determine the issue price of the new shares based on the *weighted* average of the official prices of the Company's shares on the MTA between the start and close of bookbuilding. The price has been determined within a certain range, also based on the indications received from the banks chosen as Joint bookrunners.

The strike price at the time of placement of the Bonds was set at Euro 0.6591.

The Board of Directors therefore considered it reasonable and in line with the current doctrine to use in this particular case, the *weighted* average of the official prices recorded on the stock exchange in a time frame immediately prior to the issue of the new shares.

The Directors explain that the price calculated as described above is 34% higher than the average price of the Company's shares on the MTA, organised and managed by Borsa Italiana S.p.A. in the six months prior to the issue of the Bonds and the Pricing (which occurred as of 8 October 2013). Additionally, the price calculated as described above is higher than the shareholder's equity per share of Euro 0.5362 as of 31 December 2013 as per the draft financial statements as aof 31 December 2013 as approved by the Board of Directors on 14 February 2014, and is also higher than the shareholder's equity per share of Euro 0.5406 as of 30 June 2013.

Furthermore the strike price is 32% higher than the average price of the Company's shares on the MTA, organised and managed by Borsa Italiana S.p.A. in the six months prior the 31 January 2014, equal to 0,5001.

6. DIFFICULTIES FACED BY THE BOARD OF DIRECTORS IN CARRYING OUT THE VALUATION

In the Report of the Board of Directors there are no indications of any difficulties faced by the Directors in relation to the choice of criteria proposed by them and outlined in paragraph 5 above.

7. WORK PERFORMED

For the purposes of this assignment, we mainly performed the following work based on the documentation referred to in paragraph 4:

Carried out a critical reading of the Report of the Directors;

Analysed, through discussions with the Directors and the Company management, the work undertaken by them to identify the criteria used for the determination of the issue price of the Conversion Shares to check that they were adequate insofar as reasonable, justified, and not arbitrary, in the circumstances;

Considered the elements necessary to ascertain that these criteria were technically suitable in the specific circumstances, in terms of their reasonableness and non-arbitrary nature, to determine the issue price of the shares corresponding to the market price at the time of the increase in capital;

- Checked the completeness and non-contradictory nature of the reasons presented by the Board of Directors regarding the valuation method they adopted to set the issue price of the shares;
- Checked the market price of ordinary Beni Stabili shares over different time periods of one month, three months, six months and one year prior to 17 October 2013, and checked the accuracy of the counts carried out by the Directors;
- Checked the consistency of data used by the Directors with the sources of such information and checked the mathematical accuracy of the calculations used in the valuations;
- Analysed the level of significance of the conversion premium through an analysis of the conversion premiums normally used in the issue of similar convertible bonds;
- Through discussions with management, we collected information on any events that occurred after the issue, with reference to any facts of circumstances which could have had a significant impact on the data and information used in our analysis and on the results of the valuation;
- Analysed documentation which is publically available on the Group's website and information about the shares;
- Received formal representations from the Company's legal representatives on the elements of valuation presented to us and on the fact that, to the best of their knowledge, at the date of our report, there are no changes of significance to be made to the data and other information taken into consideration.

8. COMMENTS ON THE FAIRNESS OF THE VALUATION METHODOLOGY USED BY THE DIRECTORS TO DETERMINE THE ISSUE PRICE OF THE SHARES

Preliminarily, it should be recalled that the scope of this report is to assess the adequacy of the valuation method adopted by the Directors for the determination of the issue price of the shares for the increase in capital to enable the Bond Issue. The adoption of this instrument is justified by the primary interest of the Company to gain rapid access to non-banking finance from the capital market in order to optimise the Company's financial structure and its cost of capital, allowing the Company to repurchase in advance part of the outstanding € 225,000,000 3.875% Convertible Bonds due 2015, which was carried out pursuant to a reverse bookbuilding process, as announced on 8 October 2013, at the same time of the issue of the Bonds, and reimbursing at maturity the outstanding bonds not yet repurchased.

- With reference to the financial instrument chosen and the motivations that led to the exclusion of the right of option, the Directors explain that the choice is due to the following factors:
- The choice to reserve the subscription only to qualified investors is linked to the characteristics of the Bonds issued, which present a high degree of complexity and sophistication and require a minimum investment of Euro 100,000. These financial instruments have characteristics which allowing an easy gain of non-banking finance at a favourable conditions, that suits to the current needs of the Company;

- The exclusion of the right of option facilitates the successful outcome of the transaction in a short time;
- The transformation of the Bond Issue in Convertible Bonds excludes the right of the bondholders to ask for an early repayment, stabilizing therefore the resources gained;
- Any convertion of the Bonds into shares would allow the Company to strengthen its capital structure, as well as to consolidate and increase its shareholder base.

The report presented by the Directors to explain the increase in capital explains the reasons underlying the choice of methodology and the logic used by them in determining the issue price of the shares to service the increase in capital.

In this regard, and considering the characteristics of the entire operation, we set out our observations on the fairness of the methods of valuation used by the Directors, in terms of their reasonableness and non-arbitrary nature.

For greater clarity, and with the aim of supplying the most extensive explanation to the Shareholders, the recipients of this opinion, it should be noted that the Bond Issue includes a cash settlement clause that provides for a possibility for the Company to repay in cash the Bonds for which the conversion is requested.

With reference to the criteria used by the Board of Directors to determine the reference price, we consider it appropriate to comment as follows:

- In general terms, stock exchange prices provide a direct indication about the value attributed by the market to the shares in question. That value represents a reference point which assumes absolute importance if the prices negotiated and the volumes traded for the shares of the Company in question are the result of a continuous and high volume trading carried on freely by shareholders and investors without any external influence. On highly efficient financial markets the prices which are generated on shares with high levels of liquidity and with a high trading volume tend to converge towards an economic value which is theoretically determinable through the use of different analytical or empirical valuation methods;
- Normally the valuation criteria using stock exchange quotations are based on the prices of the Company's shares over different time periods. The Directors deemed it appropriate to consider the weighted average price of the shares of Beni Stabili S.p.A. SIIQ recorded on the MTA between the start and close of bookbuilding, occurred as of 8 October 2013;
- The Directors decided not to use valuation methodologies other than the market price method, whether as principal methods or for control purposes. The reasons for this choice are attributable to the characteristics of the operation, which is to raise new risk capital that it would be difficult to raise in conditions other than those that the market itself expresses.

The Directors' choice to adopt a criterion based on the identification of an official price current for the determination of the issue price of the shares is supported by market practice used in similar types of operations, in the arrangements set out for the placement of the Bonds and in the nature of the investors to which the placement is directed, although in other types of operations to increase capital with disapplication of preferential subscriptionrights, criteria that refer to average values measured over longer periods of time are usually adopted.

With reference to the use of stock exchange prices, it should be noted that Regulations leave ample choice to the Directors in identifying and proposing to the Shareholders' Meeting the value that can be considered to represent the market trend without necessarily restricting them to the use of average prices.

The use the average of the weighted prices for the volumes traded on the day of the issue of the operation finds confirmation in other recent market operations to issue equity or equity-linked financial instruments such as the Bond Issue considered here.

We underline that the sensitivity analysis we conducted to evaluate the possible impact of changes in the different hypotheses and different time periods, in the market price valuation method adopted, as well as our analysis of the accuracy, including the mathematical accuracy, of the method used, confirm the reasonableness of the result obtained by the Directors.

Finally, with reference to the choice of adopt the market method, it is not unreasonable, overall, for the Directors to choose to refer only to a "direct" market method, which is not affected by subjective factors related to the selection, by the Board, of basic assumptions and parameters (such as rates, comparables, development forecasts) that are more typically attributable to other valuation methods, in coherence with other types of operations and based on fundamental analysis criteria. In the case in question, taking account of the objective to raise resources on the market, we consider that the criterion preselected by the Directors enables a share issue price to be identified, always in the specific circumstances, that expresses a current value of the Company updated at a moment extremely close to the date of the placement of the financial instrument.

The choice made by the Board of Directors is also in line with the approach followed in a number of similar operations, in which the market price was the only criterion used for the determination of the issue price of new shares to service convertible bonds. In light of the above, the decision of the Directors to refer solely to the market price method, while only briefly explained and not in line with an abstractly preferable approach that also takes account of multiple methods, appears acceptable, as a whole, in the circumstances.

All of these aspects have been taken into due consideration in issuing this fairness opinion.

9. SPECIFIC LIMITATIONS MET BY THE AUDITORS AND ANY OTHER IMPORTANT ASPECTS HIGHLIGHTED IN THE COURSE OF THIS ASSIGNMENT

In relation the main difficulties and limitations that we faced in carrying out this assignment, we would like to point out the following:

- Certain information about the process of defining the issue price of the Bonds was provided to us by management and they made themselves available to interviews to explain the considerations made and technical analyses performed in order to define the issue price. We were also provided with detailed information underlying the considerations expressed by the Directors in their report;

- The Board of Directors deemed it appropriate to use the stock exchange prices method. We carried out additional checks on the meaningfulness of these prices based on the price and volume information obtained from the infoprovider Bloomberg;
- In this specific case, the Directors considered that methods other than the market price method were not applicable, given the special characteristics and purposes of the operation. We have already commented on the reasons on which this methodological choice is based in paragraph 8, above. The nonapplication of alternative methods, principally or as controls, to the results obtained with the market price method, constitutes an objective difficulty in performing our work.
- Valuations based on Stock Exchange prices are subject to market trends and can therefore undergo significant fluctuations, especially in the short term, depending on the uncertainties of the national and international economic climate. Additionally, share prices can be influenced by speculative pressures or unexpected or extraordinary external factors, which are independent of the economic and financial prospects of the Company.

10. CONCLUSIONS

Based on the documentation examined and the procedures described above, and taking account of the nature and scope of our work, as set out in this fairness opinion, without prejudice to the matters raised in paragraph 9 above, we consider that the valuation approach adopted by the Directors for the determination of the issue price of Beni Stabili S.p.A. SIIQ shares for the increase in capital with disapplication of the option right to enable the conversion of the Bond Issue, is adequate, in that it is reasonable and non-arbitrary, in the circumstances, in order to determine an issue price for the shares corresponding to Euro 0.6591.

Rome, March 24, 2014

Mazars S.p.A.

Sygned by Simone Del Bianco

Partner - Registered Auditor