



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

**BOARD OF DIRECTORS' ILLUSTRATIVE REPORT DRAWN UP PURSUANT TO ART. 125-  
TER OF LEGISLATIVE DECREE N. 58 DATED 24 FEBRUARY 1998 AND SUCCESSIVE  
AMENDMENTS, PERTAINING TO POINT N. 1 OF THE AGENDA OF THE ORDINARY  
SHAREHOLDERS' MEETING OF BENI STABILI S.P.A. SIIQ CALLED FOR 6 APRIL 2017**

**ILLUSTRATIVE REPORT PERTAINING POINT 1 OF THE AGENDA OF THE ORDINARY  
SHAREHOLDERS' MEETING**

**1. Financial statements as of 31 December 2016 and related Board of Directors'  
Management Report. Board of Statutory Auditors' Report on the financial year  
closed on 31 December 2016. Dividend distribution to shareholders. Resolutions  
pertaining thereto and resulting therefrom.**

Dear Shareholders,

as reported in the financial statements as at 31 December 2016 and in the Management Report, a net profit of 164,549,951.84 Euro was recorded in 2016.

As described in paragraph 6 of the Notes to the Financial Statements as at 31 December 2016, in accordance with SIIQ regulations, this result includes profit from tax-exempt operations of 124,455,934.76 Euro and loss on taxable operations of 40,094,017.08 Euro.

The Board of Directors proposes, subject to approval of the financial statements for the year ended 31 December 2016, to allocate the net profit of Euro 164,549,951.84, as follows:

- to supplement the inalienability constraint envisaged by art. 6 of Italian Legislative Decree no. 38 of 28 February 2005 by Euro 79,667,374.25. The Provision pursuant to Italian Legislative Decree 38/2005 consequently increased from Euro 230,160,940.24 to Euro 309,828,314.49. The amount of Euro 79,667,374.25 corresponds to property write-ups in the year in application of the fair value method, net of the effect on the existing provision for doubtful debt for the year and the release of the corresponding portion of the provision attributable to properties sold in 2016;
- to distribute to shareholders a dividend of Euro 0.033 for each ordinary share in issue at the ex-dividend date, net of treasury shares held on that date;
- based on the number of shares in issue (2,269,592,803), net of treasury shares held

(961,000), the total dividend is Euro 74,864,849.50;

- the dividend, calculated on the ex-dividend date of 29 May 2017 (coupon 21), will be paid from 31 May 2017. It should be noted that, in accordance with the regulations in force, entitlement to the payment of profits is determined on the basis of the accounting data at the end of the first settlement date following the ex-dividend date (record date: 30 May 2017);
- to allocate the residual amount of Euro 10,017,728.09 to retained earnings;

Should you agree with the above proposals, please approve the following resolutions:

“the General Meeting,

- having examined the Financial Statements as at 31 December 2016, which include the Management Report;
- having read the Report of the Board of Statutory Auditors prepared pursuant to Article 153 of Italian Legislative Decree no. 58 of 24 February 1998;
- having read the Report of the Independent Auditor, EY S.p.A., prepared pursuant to Articles 14 and 16 of Italian Legislative Decree no. 39 of 27 January 2010,

resolves

- to allocate the net profit for the 2016 financial year:
  - (i) to increase the inalienability constraint envisaged by art. 6 of Italian Legislative Decree no. 38 of 28 February 2005 by Euro 79,667,374.25;
  - (ii) to distribute to shareholders a dividend of Euro 0.033 for each ordinary share in issue at the ex-dividend date, net of treasury shares held on that date.

Based on the number of shares in issue (2,269,592.803), net of treasury shares held (961,000), the total dividend to be paid from the net profit for the 2016 year, is Euro 74,864,849.50.

The dividend, calculated on the ex-dividend date of 29 May 2016 (coupon 21), will be paid from 31 May 2017. It should be noted that, in accordance with the regulations in

force, entitlement to the payment of profits is determined on the basis of the accounting data at the end of the first settlement date following the ex-dividend date (record date: 30 May 2017);

(iii) to allocate the residual amount of Euro 10,017,728.09 to retained earnings;

- to grant all powers, without exclusion or exception, to the Board of Directors, and authority to the Chairman and Chief Executive Officer to act on the Board's behalf, allowing them, separately and if necessary through special attorneys, to take all action and complete all formalities as required to implement this resolution."

Rome, 7 March 2017

For the Board of Directors  
The Chairman of the Board of Directors  
Enrico Laghi