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THIS NOTICE CONTAINS IMPORTANT INFORMATION THAT IS OF INTEREST TO THE BENEFICIAL OWNERS OF THE SUBJECT SECURITIES. IF BENEFICIAL OWNERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK THEIR OWN FINANCIAL AND LEGAL ADVICE, INCLUDING AS TO ANY TAX CONSEQUENCES, IMMEDIATELY FROM THEIR STOCKBROKER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL OR LEGAL ADVISER.

IF APPLICABLE, ALL DEPOSITORIES, CUSTODIANS AND OTHER INTERMEDIARIES RECEIVING THIS NOTICE ARE REQUESTED TO EXPEDITE THE RE-TRANSMITTAL TO BENEFICIAL OWNERS OF THE SECURITIES IN A TIMELY MANNER.

If you have recently sold or otherwise transferred your entire holding(s) of Notes, you should immediately forward this document to the purchaser or transferee or the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

**COVIVIO**



Paris, Milan, 21 December 2018



## **Merger of Beni Stabili S.p.A. SIIQ into Covivio, S.A.**

### **Notice to the holders of outstanding bonds issued by Beni Stabili**

Reference is made to the following bonds issued by Beni Stabili S.p.A. Siiq ("**Beni Stabili**") and outstanding as at the date hereof:

- (i) Euro 200,000,000 0.875 per cent. Convertible Bonds due 2021 (ISIN: XS1268574891) (the "**Convertible Bonds**");
- (ii) Euro 300,000,000 2.375 per cent. Notes due 20 February 2028 (ISIN: XS1772457633) (the "**Notes due 2028**");
- (iii) Euro 300,000,000 1.625 per cent. Notes due 17 October 2024 (ISIN: XS1698714000) (the "**Notes due 2024**");
- (iv) Euro 125,000,000 2.125 per cent. Notes due 30 March 2022 (ISIN: XS1209112793) (the "**Notes due 2022**" and, together with the Notes due 2028 and the Notes due 2024, the "**Notes**").



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On 31 December 2018 at 11:59 pm CET (the “**Merger Effective Date**”), the cross-border merger (the “**Merger**”) by way of absorption of Beni Stabili into Covivio, S.A. (formerly Foncière des Régions S.A., “**Covivio**”) will become effective from a legal, tax and accounting standpoint, and Beni Stabili will cease to exist. As a legal effect of the Merger, Covivio shall undertake all the obligations in respect of the Convertible Bonds and the Notes issued by Beni Stabili. In particular, from the Merger Effective Date, the Convertible Bonds shall be convertible into shares of Covivio.

Covivio shares are listed on the regulated market of Euronext Paris. As previously announced to the market, from 2 January 2019 Covivio shares will be also listed and traded on the Italian *Mercato Telematico Azionario* organised and managed by Borsa Italiana S.p.A.

As from the Merger Effective Date all references to Beni Stabili in the Notes documentation will be deemed to be references to Covivio.

### Convertible Bonds

The Merger will qualify as a “Permitted Reorganisation” as defined under the terms and conditions of the Convertible Bonds (the “**Convertible Bonds Conditions**”) and, for that purpose, Beni Stabili and Covivio have executed or carried out, as applicable, the documentation and activities described below.

First, a supplemental paying, transfer and conversion agency agreement has been entered into among Beni Stabili, Covivio and BNP Paribas Securities Services, Luxembourg Branch (in its capacity as Principal Paying, Transfer and Conversion Agent), in order to make amendments to the original paying, transfer and conversion agency agreements entered into in connection with the Convertible Bonds, and to the Convertible Bonds Conditions, that are necessary due to the assumption by Covivio of Beni Stabili’s obligations under the Convertible Bonds.

In accordance with the amended Convertible Bonds Conditions (the “**Restated Convertible Bonds Conditions**”), the initial conversion price to be applied by Covivio starting from the Merger Effective Date (as may be adjusted in accordance with the Restated Convertible Bonds Conditions) will be EUR 118.0836 (the “**Initial Conversion Price**”). The amendments to the Restated Convertible Bonds Conditions, including the Initial Conversion Price, have been confirmed by an independent financial advisor appointed in the context of the Merger (the “**Independent Financial Advisor**”) as being appropriate with regard to the interests of the holders of Convertible Bonds.

The Restated Convertible Bonds Conditions are available for consultation on the respective websites of Beni Stabili ([www.benistabili.it](http://www.benistabili.it)) and Covivio ([www.covivio.eu](http://www.covivio.eu)).

### Notes

The Merger will also qualify as a “Permitted Reorganisation” under the terms and conditions of each of the Notes (collectively, the “**Notes Conditions**”) and, for that purpose and to complete an “Issuer Substitution” in accordance with the provisions of the trust deeds entered into in connection with the Notes (the “**Trust Deeds**”), the following documentation and activities have been executed and carried out.



Supplemental agency agreements and supplemental trust deeds have been entered into among Beni Stabili, Covivio, BNP Paribas Trust Corporation UK Limited (in its capacity as Trustee) and BNP Paribas Securities Services, Luxembourg Branch (as applicable, in its capacity as Principal Paying Agent) so as to allow the substitution of Covivio for Beni Stabili as issuer under the Notes.

This notice of issuer substitution is issued in compliance with the Notes Conditions and the Trust Deeds.

The supplemental agency agreements and supplemental trust deeds are available for consultation from Covivio and the Principal Paying Agent upon request of the noteholders.

#### **DISCLAIMER**

This announcement may not be published, distributed or released directly or indirectly in the United States of America, Canada, Australia or Japan.

No communication or information relating to the assumption by Covivio of the Convertible Bonds and the Notes may be transmitted to the public in a country where there is a registration obligation or where an approval is required. No action has been or will be taken in any country in which such registration or approval would be required. The assumption of the Convertible Bonds and the Notes may be subject to specific legal and regulatory restrictions in certain jurisdictions. None of Covivio, Beni Stabili, the Trustee or the Principal Paying Agent assumes liability in connection with the breach by any person of such restrictions.

This announcement does not, and shall not, in any circumstances, constitute an offer to the public, an offer to subscribe or designed to solicit interest for purposes of an offer to the public in any jurisdiction, including France.

This announcement may not be published, distributed or transmitted in the United States of America (including its territories and dependencies, any State of the United States of America and the district of Columbia). This announcement does not constitute or form a part of any offer or solicitation to purchase the Convertible Bonds or the Notes or any other financial securities in the United States of America. The Convertible Bonds and the Notes and, if applicable, Covivio's shares to be delivered upon exercise of the conversion/exchange right, have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended. Covivio does not intend to offer any securities in the United States of America or to conduct a public offering in the United States of America.

The distribution of this announcement in certain jurisdictions may be restricted by law, and persons into whose possession this announcement comes are required to inform themselves about, and to observe, any such restrictions. Nothing in this announcement constitutes or form part of, and should not be construed as, an offer for sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities of Covivio or any other entity in any jurisdiction. None of Covivio, Beni Stabili, the Trustee or the Principal Paying Agent will incur any liability for its own failure or the failure of any other person or persons to comply with the provisions of any such restrictions.

Each holder of Convertible Bonds or Notes is solely responsible for making its own independent appraisal of all matters as such holder deems appropriate in evaluating the securities and the Merger. The Principal Paying Agent is the agent of Covivio and owes no duty to any holder of Convertible Bonds.

This Notice is given by

COVIVIO, S.A.

BENI STABILI S.p.A. SIIQ

Dated 21 December 2018



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## ABOUT COVIVIO

Thanks to its partnering history, its real estate expertise and its European culture, Covivio is inventing today's user experience and designing tomorrow's city.

A preferred real estate player at the European level, Covivio is close to its end users, capturing their aspirations, combining work, travel, living, and co-inventing vibrant spaces.

A benchmark in the European real estate market with €23 Bn in assets, Covivio offers support to companies, hotel brands and territories in their pursuit for attractiveness, transformation and responsible performance.

Its living, dynamic approach opens up exciting project and career prospects for its teams.

Covivio's shares are listed in the Euronext Paris A compartment (FR0000064578 - COV), are admitted to trading on the SRD, and are included in the composition of the MSCI, SBF 120, Euronext IEIF "SIIC France" and CAC Mid100 indices, in the "EPRA" and "GPR 250" benchmark European real estate indices, EPRA BPRs Gold Awards (financial + Sustainability), CDP (A-), Green Star GRESB and in the ESG FTSE4 Good, DJSI World & Europe, Euronext Vigeo (World 120, Eurozone 120, Europe 120 and France 20), Euronext® CDP Environment France EW, Oekom, Ethibel, Sustainalytics and Gaïa ethical indices.

Covivio is rated BBB/Positive outlook by Standard and Poor's.



## ABOUT BENI STABILI

Beni Stabili is the leading property player in the Italian real estate market with total assets of over 4bn euro. Our assets portfolio is sited in key locations of North and Central Italy's major cities and consists mainly of offices. We pursue the appreciation of our assets to increase profitability and create value for our clients, partners and shareholders.

As a major player in office investment and development, we foster pioneering solutions to improve the environmental performance of our buildings for the well-being of our clients' employees. With this in mind we are developing in Milan a new business area dedicated to smart working: Symbiosis.

Beni Stabili is listed on the Milan and Paris Stock Exchanges and operates through its main offices of Milan and Rome. Beni Stabili belongs to Covivio reference in the European real estate market with a portfolio of €23 Bn in office, hotel and residential assets, located in the most dynamic European cities.