

"CIR S.p.A. - COMPAGNIE INDUSTRIALI RIUNITE"

Headquarters in Milan, Via Ciovassino 1

Share Capital Euro 397,146,183.50

Registration number on the Milan Register of Companies 00519120018

Company subject to management and coordination by "COFIDE"

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MINUTES OF THE ORDINARY ANNUAL GENERAL MEETING

In the year 2016 on the 29th day of the month of April at 11.00 a.m.

In Milan, at the Palazzo delle Stelline Congress Centre in Corso Magenta 61, the Annual General Meeting of the Shareholders is being held.

The Chairman, Mr Rodolfo De Benedetti, takes the chair in accordance with the terms of Art. 17 of the Company Bylaws and with the unanimous consent of those present calls upon the Notary Public, Ms Francesca Gasparro, to act as Secretary

The Chairman informs those present that today's meeting was called for April 28 2016 at the first call and for today at the second call, with a notice published on March 29 2016 in full on the website of the Company and with an extract of the same published in the newspaper "La Repubblica" and through the SDIR NIS STORAGE system, to pass resolution on the following

AGENDA

1. Financial Statements for the year ended December 31 2015. Resolutions on the same. Presentation of the Consolidated Financial Statements for the year ended December 31 2015.
2. Award of the legal audit mandate for the years 2017-2025; decisions as to the fees for the same.
3. Proposal to cancel the resolution of April 27 2015 regarding the authorization to buy back and dispose of own shares and proposal for a new authorization.
4. Compensation Report.
5. Proposal regarding the approval of Stock Grant Plan 2016.

Since nobody attended the first call, as per the separate minutes, the Chairman reminds those present that a notice of postponement until the second call was published on the Company website and through the SDIR NIS STORAGE system.

As well as the Chairman, the following Directors are present, namely: Ms Monica Mondardini – Chief Executive Officer, Mr Giampio Bracchi, Mr Edoardo De Benedetti, Mr Marco De Benedetti, Mr Franco Debenedetti, Ms Silvia Giannini, Mr Franco Girard, Mr Michael Pistauer and Mr Claudio Recchi.

The Statutory Auditors in office are also present, namely: Mr Pietro Manzonetto – Chairman of the Board of Statutory Auditors, Ms Anna Maria Allievi and Mr Riccardo Zingales.

Directors Stefano Micossi, Maristella Botticini and Guido Tabellini have sent apologies for absence.

The Chairman announces that at the start of the meeting Shareholders representing 420,245,001 shares with voting rights are present either in person or by proxy, equal to 52.908 % of the 794,292,367 shares making up the share capital and he therefore declares the meeting to be validly constituted at the second call and qualified to pass resolution on the items on the Agenda.

He states that the right of those present at the meeting to exercise their votes has been verified as per the terms of the law.

He goes on to say that:

- a system is in operation to record the proceedings of the meeting in order to facilitate the preparation of the minutes of the meeting;
- in compliance with the rules set out in Consob Resolution no. 11971, the list of the names of those attending the meeting is attached to these minutes under the letter "A" to form an essential and integral part of the same; this list gives the details of the Shareholder, the name of any proxy authorized to take part in the proceedings, and the name of anyone attending as a lienor, or as a person with the right of usufruct;
- the list of those who voted in favour or against the motions, and those who abstained or left the room before each individual vote is attached to these minutes under the letter "B" to form an integral and essential part of the same.

He requests that anyone wishing to have their absence from the meeting acknowledged should notify the staff at the entrance to the hall and if a vote is imminent they should also inform the Chairman and the Notary Public.

He also says that:

- some staff are present in the hall for reasons of duty and some experts, financial analysts and qualified journalists have been allowed to attend the meeting (on behalf of the titles RADIOCOR, ANSA, MILANO FINANZA and IMAGO);
- some students from the Bocconi University have been allowed to attend this Shareholders' Meeting;
- no audio or video recording devices may be used.

He notes that the personal information of the persons taking part in the meeting will be collected and used by the Company in accordance with the terms of Legislative Decree no. 196/2003.

The list of the Shareholders with percentages of ownership of more than 3% of the capital, resulting from the Shareholders' Book on April 20 2016, together with the communications received as per the terms of Art. 120 of the Finance Consolidation Act (T.U.F.) and any other information available to the Company as of April 28 2016 is as follows:

- F.lli De Benedetti S.p.A. which indirectly, through COFIDE - Gruppo De Benedetti S.p.A. owns 363,771,164 ordinary shares, equal to 45.798% of the share capital;
- Bestinver Gestion SGIIC SA which indirectly owns a total of 111,247,619 shares, equal to 14.006% of the share capital, of which:
 - * 37,480,367 ordinary shares, equal to 4.719% of the share capital, through Bestinver International F.I.;
 - * 31,542,347 ordinary shares, equal to 3.971% of the share capital, through Bestinfond F.I.;
 - * 42,224,905 ordinary shares through other Funds, which do not individually own more than 3% of the share capital;
- Government of Norway, which owns 20,533,262 ordinary shares, equal to 2.585% of the share capital.

There were 13,621 shareholders recorded in the Shareholders Book on April 20 2016.

The own shares held by the Company total 122,699,393, which is equal to 15.45 % of the share capital.

Lastly, he informs the meeting that a summary of the interventions and of the replies given and any declarations commenting on the same will be included in the minutes and thus it will not be necessary to prepare a special annex to the same.

He says that Mr Marco Miccoli and Ms Rosella Cazzulani are present representing the firm of Auditors Deloitte & Touche S.p.A.

For fulfilling the obligations in relation to the audit mandate and ongoing check that the accounts are being held correctly, he informs those present that Deloitte & Touche S.p.A. billed a total fee of euro 161,335 of which:

- euro 72,262 for 630 hours of audit work on the separate financial statements of the Company;
- euro 29,825 for 330 hours of audit work on the consolidated financial statements of the Group;
- euro 32,255 for 320 hours of audit work on the semi-annual financial report as of June 30 2015;
- euro 9,177 for 90 hours of audit work on the ongoing accounting checks;
- euro 17,816 for expenses (of which euro 10,136 for the Consob supervisory fee).

He points out that the booklet handed out at the entrance to the hall contains on page 99 onwards the “Report on Corporate Governance and the ownership structure” as per the terms of Art. 123-*bis*, paragraph 2, of the T.U.F.

He reminds those present that the Annual Report booklet distributed containing the Annual Report and the Financial Statements of the Company, also includes the consolidated Financial Statements of the Group for financial year 2015 which, although not the subject of discussion and approval by the Shareholders, do give the Shareholders broader and more significant information.

He states that the share capital of CIR S.p.A., which is fully paid up, amounts to euro 397,146,183.50 and consists of 794,292,367 ordinary shares each with a nominal value of euro 0.50.

He invites anyone who may not have the right to vote as per the terms of the law to make the fact known.

The Chairman also reminds the attendees that, in accordance with the terms of Art. 135-*undecies*, of D.Lgs. 58/98, the Company had designated Studio Segre S.r.l. as the entity that those with voting rights could contact and appoint as proxy, giving voting instructions on all or some of the motions on the Agenda. However, no such instructions were received.

Since the documentation on all the items on the Agenda was made available to the public well before the date of the meeting, with the unanimous consent of those present at the meeting the Chairman proposes that a reading of the same be omitted.

Moving on to deal with the **first item on the Agenda**, the Chairman passes the floor to **Chief Executive Officer Monica Mondardini**, who with the aid of some slides, which are attached to these minutes under the letter "C", illustrates the general performance of the Group in 2015, which also includes the quarterly results approved by the Board of Directors just before this AGM. The year 2015 was a positive year for the CIR Group, which completed the process of re-equilibrating the group's capital and assets and the strategic repositioning that began in 2013. The Company also returned to profit after four years, reporting significant earnings.

She then gives a summary of the consolidated results for 2015:

- Revenues rose by 6.3% to over 2.5 billion euro;
- EBITDA increased by 11% to almost 220 million euro;
- The net result was a positive figure of 42 million euro, compared to a loss of 23.4 million in 2014; the contribution of the three industrial subsidiaries (Espresso in media, Sogefi in automotive components and KOS in healthcare) was also higher and the parent company and the non-industrial subsidiaries reported a positive net result of 22 million euro, thanks to the good returns on financial management and to the capital gain on the sale of Swiss Education Group, an excellent investment made in 2011 which guaranteed an internal rate of return (IRR) of 30% per year;

- The capital and equity structure of the group is solid. Consolidated debt was just 121.7 million euro at December 31 2015 and remained substantially unchanged despite the considerable investment activity during the year;
- In fact 71 million euro of investments were made in the acquisitions of KOS and 55 million euro were invested in the buyback of own shares, offset by a positive operating cash flow of 40 million euro and inflows from disposals of 73 million euro;
- The financial position of the parent company and the non-industrial subsidiaries was a positive 418 million euro at the close of 2015 (380 million at the end of 2014), thanks to positive inflows from disposals, which were partly used for the buyback of own shares.

She then goes on to the individual industrial subsidiaries: Espresso, on the Italian publishing scene, continues to report a much better performance than all its main competitors. Despite the still critical trend of revenues due to the decline in circulation and advertising revenues of the print sector, the company obtained results in line with the previous year and a significantly higher net income than in 2014 thanks to the capital gain on the sale of All Music.

Sogefi reported revenues of 1.5 billion euro, thanks to the good performance of the European and US markets, a gross operating margin that was a little higher but slightly lower earnings. The profitability of the company is still lower than expected and the new management, which took office in the middle of 2015, is engaged in the formulation of a three-year plan to achieve adequate results.

In 2015 KOS continued to roll out its development plan, reporting significant growth in its results thanks to organic growth and to its new acquisitions. In just 13 years of existence, as shown in a recent Mediobanca study of the healthcare sector, KOS has become the fourth private Italian group in terms of revenues and number one among non-hospital groups.

At the close of 2015, the consolidated equity of the CIR group stood at 1,103 million euro and comprised the following: 570 million euro relating to the industrial subsidiaries, with a value that for KOS (137 million euro) corresponds to less than half of the valuation of the recent agreement between CIR and F2i to buy Ardian's interest (a valuation of 625 million for 100% and therefore 321 million euro for CIR's stake of 51.3%); 130 million of further capital assets mainly consisting of properties, private equity funds, non-performing loans and non-strategic equity investments and, lastly, 418 million of positive net financial position at parent company level.

She then goes on to illustrate the interim financial report as of March 31 2016 approved by the Board of Directors Meeting held this morning, summarizing the results, which confirm the development path of the Group in a global economic environment that remains somewhat uncertain:

- revenues came to 644.3 million euro, up by 2.7%;
- EBITDA was 62.7 million euro, up by 2.5%;
- the net result was 14.7 million euro compared to earnings of 21.2 million euro in the first quarter of 2015; the lower figure was due entirely to the capital gain on the sale of All Music that was reported by Espresso in first quarter 2015 and to higher write-downs and financial charges in Sogefi;
- the net financial position showed a positive change with consolidated net debt at March 31 2016 11.5 million lower than at the close of 2015 (from 121.7 million euro to 110.2 million euro);
- the net financial position of the parent company of the group was a positive 410 million euro, after an investment of 10 million euro in the buyback of own shares.

Regarding the performance of the main subsidiaries in the first quarter, Espresso reported a lower decline in revenues than in previous years, its gross operating margin and net result held up well with the same consolidation perimeter. Moreover, for the first time the company had a positive net financial position. She points out that over the last seven years Espresso has improved its financial position by 265 million euro.

In the first three months of the year Sogefi achieved 4.7% growth in revenues, thanks to the strong development of business activity in North America and Asia and to a slight increase in EBITDA before non-recurring charges. The company closed the period with a slightly positive net result, although it was lower than in last year because of the difficult situation in the South American market and higher write-downs and financial expense.

KOS continued its process of development, reporting growth in the quarter of all its main economic indicators.

Lastly, she explains that in the early months of 2016 the CIR group laid the foundations for the implementation of two important extraordinary deals.

CIR in fact signed an agreement to acquire with the F2i fund the interest in KOS currently held by the Ardian fund, which has been a shareholder since 2010 and has contributed with CIR to the development of the company.

Completion of the deal is expected to take place next month. The agreement confirmed the significant value already created by KOS in recent years as well as the further margins for growth in a sector that is still extremely fragmented. CIR will invest 85 million euro, raising its interest from the current 51.3% to 62.7%, while F2i will have 37.3%. Given the interest in the company shown by various international investors, the entry of other shareholders into KOS is being evaluated together with F2i, it remaining understood that CIR will maintain its absolute majority. Nothing has yet been decided or defined.

CIR will continue to focus on the development of KOS, a company created from scratch by CIR and today valued at around 625 million euro.

Furthermore, as is known, at the beginning of March Espresso announced a plan to merge with ITEDI, the company that publishes the daily newspapers La Stampa and Il Secolo XIX. The deal should complete in the first quarter of 2017 once the authorizations have been obtained from the competent authorities. The aim of this project is to give rise to the top Italian group in the publication of newspapers and digital news. CIR will remain the controlling shareholder of the new group and will be joined by new shareholders who are experts in the sector, particularly EXOR. This is an initiative of great industrial value and it opens up new prospects for the Espresso group and begins the necessary process of consolidation in the national daily press. The deal shows that in a market in difficulty Espresso is an active and credible operator and reaffirms CIR's long-term commitment to the publishing sector.

Lastly, she believes that the work done in 2015 and in the first few months of 2016 reflects the commitment made with this same AGM last year: to develop and strengthen the main industrial interests and give maximum value to non-core investments, as was the case with the Swiss Education Group.

The intention is to continue to invest in the main companies with a long-term time horizon, as was demonstrated by the recent development transactions undertaken by Espresso and KOS. All three sectors in which CIR operates face complex challenges but there is satisfaction with what has been achieved so far. Anyway even the market is recognizing the results obtained: in the first four months of 2016 CIR's stock has grown by around 9%.

The results achieved enabled the Board of Directors to propose a return to a dividend payout, equal to 0.044 euro per share, after four years. This is fair remuneration for all the Shareholders after a satisfactory year but is also a sign of confidence in the future prospects of the Group on the fortieth anniversary of its foundation, which goes back to the end of 1976. She thanks the managers and all the staff of the Group for their part in reaching these results.

The Chairman then takes back the floor to proffer his thanks to Ms Mondardini and all her staff for the results obtained, the fruit of ongoing and lasting teamwork over a period of time, which shows the ability and the commitment of its members.

He reminds those present that the proposed allocation of the result for the year 2015 can be found on page 32 of the Annual Report booklet that has been distributed to everyone present.

The Chairman says that the Report of the Board of Auditors is on page 225 and following pages of the Annual Report booklet and then passes the floor to the **Chairman of the Board of Statutory Auditors, Mr Pietro Manzonetto**, who with the consent of those present, skips reading out the report.

Before opening the debate, **Chairman Rodolfo De Benedetti** informs the meeting that shareholders Francesco Rimbotti, Tommaso Marino and Marco Bava have sent in a list of questions and that, as per the terms of Art. 127-ter, paragraph 3, of the T.U.F., the answers have been made available in booklet form to those present at the meeting and are attached to these minutes under the letter "**D**".

He then opens the debate.

Shareholder **Francesco Rimbotti** takes the floor and says that although he sent his questions in time and obtained answers to the same, he requires further clarification on the subject. He says that his intervention will only concern KOS: he acknowledges the positive performance in terms of overall earnings and asks for clarification about the ratio of deaths, the hospitalization of patients of the Nursing Homes (R.S.A.'s) – managed by "Residenze Anni Azzurri S.r.l." and in general by KOS – and of the beds and the length of guests' stays in the facilities. He also asks whether there have been any inspections by the competent Authority and what the outcome was, particularly in relation to the 4% of cases in which issues were raised. He reserves the right to formulate a declaration of his vote and asks for a copy of the slides illustrated by the Chief Executive Officer.

The Chairman says that the Chief Executive Officer of KOS, Mr Giuseppe Vailati Venturi, is present in the hall and passes the floor to him to give detailed answers to the questions posed by shareholder Rimbotti.

Mr Vailati Venturi says that 4,833 beds are managed by KOS through the company "Residenze Anni Azzurri S.r.l.", but there are over 400 other beds in R.S.A.'s that are not managed by Anni Azzurri, plus other rehabilitation facilities that are not nursing homes for an overall total of over 7,000 beds. As for the percentage of hospitalization and the death rate he says that these are not indicators of the efficiency of the service provided as the mortality rate varies according to the different pathologies and the age groups of the individual patients. He also says that some beds are devoted to a hospice function and for the hospice the mortality rate is very high since the patients are mainly suffering from cancer. He illustrates some statistics about the death rate by age group and refers to a study carried out in 2014 by the Libera Università Cattaneo in Castellanza, which in its assessment of 34 RSA's in Lombardy estimated that the average death rate was 20.4 % in 2014, while for Residenze Anni Azzurri the rate was 16.1 % in 2014 and 15.4% in 2015 and was therefore lower than the average.

Lastly, he explains that the 4% of cases in which issues were raised by the competent Authorities regarded requests to integrate the guests' health files or action to improve the organizational structure of the nursing homes rather than hygiene or environmental issues.

Rimbotti says that there is discordance between the data in his possession and the figures given by Mr Vailati Venturi because given the number of beds, the average occupancy rate of the beds of approximately 92.6 % and the average stay estimated at 927 days, this would give a mortality rate of around 25%.

Mr Vailati Venturi responds by saying that the lack of bed saturation does not depend solely on mortality but on the fact that some patients are hospitalized and others return home to be cared for in the home.

The Chairman says that KOS, in the person of its Chief Executive Officer, is prepared to give further clarification to shareholder Rimbotti outside of today's meeting.

As nobody else asks for the floor, **the Chairman** notes that shareholders are present either in person or by proxy representing 420,245,001 shares with voting rights, equal to 52.908% of the 794,292,367 shares making up the share capital.

He then puts to the vote the Financial Statements for the year ended December 31 with the following proposal for the allocation of the result for the year 2015 which is on page 32 of the Annual Report booklet that was given out to all those present.

"Dear Shareholders,

The Financial Statements for the year ended December 31 2015, which we are submitting to your approval, closed with a net loss of euro 8,390,107.25 which we propose covering entirely by withdrawing the same amount from the availability under the item "Retained earnings".

We also propose distributing a unit dividend of €0.044 to each of the shares with voting rights as of January 1 2016 in circulation (except for the own shares in the treasury share portfolio), withdrawing the entire amount from the item "Retained earnings".

The proposed allocation:

- takes into account the terms of Art. 2357 ter, 2nd paragraph, of the Civil Code, which requires that the dividend rights of treasury shares be assigned pro-rata to the other shares;
- will take into account the dividend pertaining to the 4,941 shares servicing 810 former Sasib privileged shares for which conversion has not yet been requested.

It should be noted that the actual amounts to be allocated to the dividend and the withdrawal from the "Retained earnings" reserve will take into account the treasury share portfolio and the ordinary shares actually in circulation on the date of the Shareholders' Meeting, because further purchases of own shares may have been made and stock options may have been exercised by the beneficiaries of the existing stock grant plans."

The proposal to approve the financial statements for the year ended December 31 2015 and the proposed allocation of the result for the year are put to the vote and are approved unanimously

with the abstention of Francesco Rimbotti with 600 shares, as can be seen from the list attached below under the letter B.

The Chairman thanks everyone and informs them that the dividend of euro 0.044 will be paid out on May 25 2016 with detachment of the coupon in the Stock Exchange on May 23 2016.

Moving on to deal with the **second item on the Agenda**, the Chairman reminds those present that with the approval of the financial statements for the year ended December 31 2016 the legal audit mandate awarded for the period 2008-2016 to the firm of Deloitte & Touche S.p.A. will come to an end.

In order to better manage the phase of transition to the new auditor, it was agreed that the legal audit mandate should be awarded a year before its natural maturity.

Thanking Deloitte & Touche for their professionalism and their collaboration, he notes that as per the terms of Art. 13 of D.Lgs. no. 39 of January 27 2010, the award of the mandate to the Firm of Auditors and the decisions as to the fees must be approved by the Shareholders' Meeting at the proposal of the control body.

The Chairman reminds those present that on page 9 onwards of the slimmer booklet given them at the entrance to the hall they will find the report of the Board of Directors and the following proposed resolution, with an attachment containing the proposal put forward by the Board of Statutory Auditors with the rationale for their decision. With the unanimous consent of the Meeting the document is not read out:

"The Annual General Meeting of the Shareholders of CIR S.p.A.:

having acknowledged that:

- i. With the approval of the Financial Statements for the year ended December 31 2016, the mandate for the legal audit of the accounts awarded on April 29 2008 for the period 2018-2016 to the firm of auditors Deloitte & Touche S.p.A., will come to an end;
- ii. The mandate to Deloitte & Touche SpA cannot be renewed as the nine-year period contemplated by Art. 17 of D.Lgs. no. 39/2010 has come to an end;
- iii. Art. 13 of D.Lgs. no. 39/2010 states that that it is the responsibility of the Shareholders' Meeting, at the proposal of the Board of Statutory Auditors with the reasons for their decision, to award the legal audit mandate and to determine the fees payable to the auditor or the legal auditing firm for the whole duration of the mandate as well as any criteria for adjusting the said fee during the period of the mandate;
- iv. having examined the proposal made by the Board of Statutory Auditors with the reasons for their choice, which contains the terms of the Offer of the firm of auditors identified and formulated in the light of a selection process based on clear and objective assess-

ment criteria characterized by transparency and traceability of the activities carried out and the decisions made;

RESOLVES

A) to award to the company KPMG SpA the mandate for the legal audit of the accounts of C.I.R. S.p.A. for the years 2017-2025, unless there are any reasons for an early termination, with the terms and conditions contained in the Offer made by the aforesaid firm of auditors and stated in the proposal of the Board of Statutory Auditors with the reasons for their decision;

B) to delegate to the Chairman of the Board of Directors and the Chief Executive Officer, severally, full powers, without prejudice to their compliance with the law, to implement the above resolution with all and every power necessary or useful, without any exceptions, including the power to make any changes of a non-substantial nature to the resolutions that should prove necessary and/or appropriate for registration in the Register of Companies and/or in relation to any indications of the Supervisory Authority.”

The Chairman then opens the debate.

Shareholder **Rimbotti** asks whether the fee to the newly appointed Firm of Auditors is higher or lower than the one paid to the current Deloitte & Touche S.p.A. and the **Chairman of the Board of Statutory Auditors** says that it will be slightly lower.

The Chairman says that at the moment there have been no changes in the number of presences and therefore puts the above resolution to the vote, whereupon it is unanimously approved by those voting with 500,000 abstentions by certain funds represented by Ms Patrizia Marin, as can be seen from the list attached under the letter B.

Moving on to deal with the **third item on the Agenda**, the **Chairman** reminds attendees that on pages 56 onwards of the slimmer booklet given to them at the entrance to the hall they will find the report of the Board of Directors and the following proposed resolution, which is the same as that of last year, and which with a duration of 18 months is put forward every year at the Annual General Meeting:

“The Meeting of the Shareholders of CIR S.p.A. - COMPAGNIE INDUSTRIALI RIUNITE”:

- having seen the report of the Board of Directors
- bearing in mind the provisions of Art. 2357 and following articles of the Civil Code, of Art. 132 of D.Lgs. 58/1998, of Art. 144-bis of Consob Resolution 11971/1999 and of EC Regulation 2273/2003

RESOLVES

1. To cancel for the part not utilized and for the period between the day of this Meeting and the natural expiry date, the resolution authorizing the buyback of own shares adopted by the Ordi-

nary Meeting of the Shareholders on April 27 2015 and, as a consequence of the above, the related authorization to dispose of the same;

2. To authorize, in accordance with and as an effect of the terms of Art. 2357 of the Civil Code, for eighteen months from today, the buyback of CIR shares as follows:

- A maximum of 40,000,000 shares may be bought back (in addition to the shares already held as treasury stock) with a maximum disbursement limit of euro 40.000.000; the Company will increase its current non-available reserve entitled “reserve for own shares held”, by the amount of the own shares bought back, by withdrawing a corresponding amount from the “retained earnings” reserve resulting from the Financial Statements as of December 31 2014, the most recently approved. The unit price of each individual purchase of shares shall not be more than 10% higher or lower than the official price recorded in trading on the Stock Exchange on the day before the purchase is made or the price is fixed;

- The buyback may take place:

- a) Through a public offer to acquire or exchange shares;

- b) On regulated markets according to operating procedures set out in the rules for organizing and managing those same markets, which do not permit bids to be matched directly with predetermined offers and in any case in such a way as to ensure the equal treatment of all the Shareholders in accordance with the provisions of Art. 132 of D.Lgs. no. 58/98 and with the terms of the law or of regulations in force when the transaction takes place;

- c) Through the purchase and sale of derivative instruments traded on regulated markets, which involve the physical delivery of the underlying shares, complying with the further provisions contained in Art. 144-*bis* of Consob resolution 11971 and its subsequent amendments and additions;

- d) Through the proportional assignment to the shareholders of call options to be assigned within 15 months and which are exercisable within 18 months of this resolution;

3. To authorize, in accordance with and as an effect of the terms of Art. 2357-*ter* of the Civil Code, the Board of Directors and for the Board the Chief Executive Officer, to carry out, within the limits of the law, any subsequent purchase or sale transactions and also to arrange, without any time limit or constraint, the shares bought back for sale – even before completing the buybacks as authorized above – once or more than once through authorized intermediaries, at prices no lower than the last purchase price paid or recorded in the books, with a specific exception for directors and executives of the Company, and for executives and directors of its subsidiaries and parent company to whom the shares may be transferred or assigned even free of charge, in observance of the limits laid down by law, in execution of specific existing or future compensation plans based on the shares of the Company;

4. To authorize the Board of Directors again, and for the Board the Chief Executive Officer, in accordance with and as a result of the terms of Art. 2357-ter of the Civil Code, without any time limit or constraint, to arrange for the own shares bought back to be used – once or more than once – as payment in exchange for equity, or for sale through offer to the public and/or to the Shareholders, or even through a placement of warrants and depositary receipts representing shares (American Depositary Receipts and similar certificates);

5. To establish that in the event of alienation of the own shares, the non-available reserve set up as per the provisions of Art. 2357-ter, third paragraph of the Civil Code “reserve for own shares held” shall be transferred with priority to the “share premium reserve” until its balance is fully made up and for any remaining amount to the reserve “retained earnings”.”

The Chairman then opens the debate.

Shareholder **Rimbotti** asks how many shares in total are in the Company’s portfolio as he is perplexed as to the limits imposed by law and requests clarification as to the purpose of the buyback of own shares.

The Chairman reminds those present that the Company is holding 122,699,393 of its own shares, equal to 15.45% of the share capital. He assures everyone that the limit is no longer 10% but 20% of the share capital as a reform was recently approved by Parliament on this subject. He explains that it is an opportunity for all the shareholders to benefit from this market valuation of CIR’s shares, given the real value of the shares, by buying the Company’s shares at an advantageous price, which is the reason why the Board of Directors considers it useful to carry out these transactions.

At the request of shareholder **Rimbotti, the Chairman of the Board of Statutory Auditors, Mr Manzonetto** takes the floor and assures those present that the buyback of own shares is legitimate both in terms of form and of substance.

As nobody else has requested the floor, **the Chairman** announces that for the moment there have not been any changes in the number of presences and therefore puts to the vote the resolution reproduced above, which is approved with a majority vote with 9,727,367 votes against by certain funds represented by Ms Patrizia Marin, with the abstention of shareholder Francesco Rimbotti with 600 shares and the votes in favour of all the other shareholders, as can be seen from the list attached under the letter B.

Moving on to deal with the **fourth item on the Agenda** the Chairman reminds everyone that in the slimmer booklet given out at the entrance to the meeting room on page 60 onwards they will find the Compensation Report and on page 77 the following proposed resolution:

“The Meeting of the Shareholders of CIR S.p.A. – COMPAGNIE INDUSTRIALI RIUNITE:
- having seen the terms of current regulations

- acknowledging that the Compensation Report was filed and made available within the time limits laid down by law

ADOPTS A RESOLUTION

in favour of the content of Section I of the Compensation Report approved by the Board of Directors at the meeting held on March 14 2016."

The Chairman reminds those present that the meeting is called upon to express a consultative vote on the first Section of the Report. He then opens the discussion and, as nobody has asked for the floor, notes that there have been no changes in the number of persons present and so he puts the above-cited resolution to the vote, whereupon it is approved by a majority of the votes with 21,207,973 votes against by certain funds represented by Ms Patrizia Marin and with the votes in favour of all the other shareholders, without any abstentions, as can be seen from the list attached to these minutes under the letter B.

Moving on to deal with the **fifth item on the Agenda** the Chairman says that the slimmer booklet given to them when they entered the hall contains on page 78 onwards the Report of the Board of Directors on Stock Grant Plan 2016 and the following proposed resolution:

"The Meeting of the Shareholders of CIR S.p.A. – COMPAGNIE INDUSTRIALI RIUNITE, acknowledging the proposal made by the Board of Directors,

RESOLVES

1) To approve Stock Grant Plan 2016 aimed at executives and/or directors of the Company, its subsidiaries and its parent company, through the issuance of a maximum of 2,400,000 Units, each of which will give the beneficiaries the right to be assigned free of charge 1 share of the Company, all as illustrated in the Information Document prepared in accordance with D.Lgs. no. 58/98;

2) To give the Board of Directors the broadest powers to implement the Plan and, more specifically, just for the purposes of exemplification and not exhaustively:

a) to identify the beneficiaries and define the number of Units to assign to each of them in relation to the maximum number approved by the Shareholders' Meeting;

b) To draw up and approve the Regulations of the Plans and carry out any obligation, formality, notification (including those required by regulations applicable at any one time in relation to the Plans) that may be necessary or appropriate for the purpose of managing and/or implementing the Plans, in accordance with the terms and conditions described in the Information Document;

All of the above with the right to delegate, wholly or in part, the above-mentioned powers to the Chairman and/or the Chief Executive Officer."

The Chairman then opens the debate.

Shareholder **Rimbotti** asks for a summary of Stock Grant Plan 2016.

The Chairman explains that Plan 2016 has the same structure as those adopted in recent years, with the aim of rewarding loyalty and incentivizing the Management of the Company. He assures the shareholder that it is a standard Plan and points out that it is described in detail in the booklet that has been distributed to those attending and was made available in good time on the Company's website. **The Director of Administration and Corporate Governance, Mr Giuseppe Gianoglio**, who is present in the meeting room, at the invitation of the Chairman, answers shareholder Rimbotti telling him what percentage of the plan is for the Chief Executive Officer and what percentage is for the Management, noting that Stock Grant Plan 2016 involves approximately 2,400,000 shares and that 40% of this is for the Chief Executive Officer and 60% is for the Executives. Again at the request of Mr Rimbotti, he goes on to give the overall compensation of the Chief Executive Officer, pointing out that it contains the fees for all the positions that she holds in the Group including the position of Chief Executive Officer of L'Espresso. All of this can be seen on page 72 of the booklet that was handed out.

As nobody else has asked for the floor, the Chairman notes that there has not been any change in the number of presences and therefore puts the resolution cited above to the vote, whereupon it is approved by a majority of the votes with 19,813,918 votes against by certain funds represented by Ms Patrizia Marin and with the votes in favour of all the other shareholders, without any abstentions, as can be seen from the list attached under the letter B.

After which, there being nothing further requiring a vote, the Chairman thanks everyone for coming and declares the meeting closed at 12.05 p.m..

THE CHAIRMAN
(Rodolfo De Benedetti)

THE SECRETARY
(Francesca Gasparro)