

**"COFIDE - Gruppo De Benedetti S.p.A."**

Headquarters in Milan, Via Ciovassino 1

Share Capital Euro 359,604,959

Registration no. 01792930016 on the Milan, Monza Brianza and Lodi Register of Companies

Company subject to management and coordination by F.lli De Benedetti S.p.A.

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**MINUTES OF THE ORDINARY ANNUAL GENERAL MEETING**

In the year 2018 on the 27th day of the month of April at 4.00 p.m.

In Milan at the Palazzo delle Stelline Congress Centre, 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. 10 of the Company Bylaws and with the unanimous consent of those present calls upon the Notary Public, Ms Francesca Gasparro, to act as Secretary for the ordinary part of the meeting and to draw up the minutes of the extraordinary part.

The Chairman informs those present that today's meeting was called for April 26 2018 at the first call and for today at the second call with a notice published on March 26 2018 in full on the website of the Company and in a reduced form in the newspaper "La Repubblica" and through the eMarket STORAGE system, to pass resolution on the following

**AGENDA**

**Ordinary Part**

1. Financial Statements for the year ended December 31 2017. Resolutions on the same. Presentation of the Consolidated Financial Statements for the year ended December 31 2017.
2. Proposal to cancel the resolution of April 28 2017 regarding the authorization to buy back and dispose of own shares and proposal for a new authorization.
3. Compensation Report.

**Extraordinary Part**

4. Amendment of Art. 11 of the Company Bylaws. Resolutions pertaining to and resulting from the same.
5. Authorization of the Board of Directors as per the terms of Articles 2420-ter and 2443 of the Civil Code; consequent amendment of Art. 17 of the Company Bylaws. Resolutions pertaining to and resulting from the same.

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 given in a press release published through eMarket STORAGE and on the Company website.

As well as the Chairman, the following Directors are present, namely: Mr Massimo Cremona, Mr Edoardo De Benedetti, Mr Marco De Benedetti, Mr Pierluigi Ferrero, Mr Francesco Guasti and Ms Maria Serena Porcari as well as all of the Statutory Auditors in office: Mr Riccardo Zingales – Chairman of the Board of Statutory Auditors, Ms Antonella Dellatorre and Mr Tiziano Bracco.

Directors Silvia Candiani and Paola Dubini have sent apologies for absence.

The Chairman announces that the share capital of COFIDE S.p.A., fully paid up, amounts to euro 359,604,959 consisting of 719,209,918 ordinary shares each with a nominal value of euro 0.50, corresponding to a total of 1,128,937,075 voting rights since some Shareholders now have increased voting rights as per the terms of Art. 8 of the Company Bylaws.

He invites anyone who is not entitled to vote to make this fact known.

The Chairman then reminds those present that as per the terms of Art. 135-undecies of D.Lgs 58/98 the Company has designated Studio Segre S.r.l. as the entity to whom those entitled may give a proxy with voting instructions on all or some of the proposals on the Agenda and goes on to say that these will be taken into account at each individual vote.

The Chairman announces that at the start of the meeting Shareholders representing 818,545,716 shares with voting rights are present either in person or by proxy, equal to 72.505% of the 1,128,937,075 total voting rights. 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 informs those present of the following:

- 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. 11971/1999, the Chairman informs the meeting that the list of the names of those attending the meeting is attached to these minutes under the **letter A**. 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;
- a list of those who voted in favour or against the motions, and those who abstained before each individual vote is attached to these minutes under the **letter B**.

To this end, to ensure that the minutes are drawn up correctly, he asks that anyone wishing to have their absence from the meeting acknowledged should inform those at the exit and, if this is before a vote they should also notify the Chairman and the Notary.

He says that some members of staff are present in the hall for reasons of duty, and that some experts, financial analysts and the following qualified journalists have been allowed to attend the meeting: Tommaso Ebhardt and Daniele Lepido both for Bloomberg.

He informs those present that no audio or video recording equipment is allowed.

He acknowledges that the personal information of those taking part in the meeting is collected and used by the Company in compliance with Legislative Decree no. 196/2003.

After reminding everyone that COFIDE belongs to the category of SMEs as defined by Art. 1 of the Finance Consolidation Act (TUF) and that as per the terms of Art. 120, paragraph 2, of the said TUF only interests of over 5% of the voting rights must be notified to the Company, he goes on to give the list of the main shareholders based on the Shareholders Book updated as of March 30 2018, the notification as per Art. 120 of the TUF and the other information available to the Company as of April 26 2018. The main shareholders are as follows:

- F.Ili De Benedetti S.p.A. which owns directly 373,441,844 ordinary shares equal to 51.924% of the share capital and 746,883,688 voting rights equal to 66.158% of the total voting rights;
- BESTINVER GESTION SGIIC S.A. which owns 105,960,499 ordinary shares equal to 14.733% of the share capital, and 105,960,499 voting rights equal to 9.385% of the total voting rights, through various Funds, none of which individually holds more than 5% of the voting rights.

There were 4,519 shareholders recorded in the Shareholders Book on March 30 2018.

As of today the Company owns 21,296,972 of its own shares equal to 2.96% of the share capital.

He informs the meeting that Mr Giovanni Rebay and Ms Annalisa Violante are present in the meeting hall for the firm of Auditors KPMG S.p.A..

For fulfilling the obligations in relation to the audit mandate and ongoing check that the accounts are being held correctly, **the Chairman** informs those present that KPMG S.p.A. billed a total fee of euro 62,762.50 of which:

\* euro 25,248 for 295 hours of audit work on the separate financial statements of the Company and for the ongoing checks;

\* euro 15,582 for 176 hours of audit work on the consolidated financial statements of the Group;

\* euro 14,200 for 178 hours of audit work on the semi-annual financial report as of June 30 2017;

\* euro 7,732.50 for expenses (of which euro 4,981 for the Consob Supervisory fee).

He also informs the meeting that:

- the booklet with a blue cover handed out at the entrance to the hall contains on pages 51 onwards the "Report on the System of Corporate Governance and on compliance with the Code of Conduct for Listed Companies", as per Art. 123-bis, paragraph 2, of the TUF;
- 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 2017 which, although not the subject of discussion and approval by the Shareholders, do give the Shareholders broader and more significant information;
- in compliance with the terms of D.Lgs.254/2016 the Shareholders have also received a copy of the booklet containing the Consolidated Declaration of a Non-Financial Nature for the year 2017.

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 consent of those present at the meeting the Chairman waives the reading out of the same.

The Chairman informs the meeting that shareholder Marco Bava has sent in a list of questions and that as per the terms of Art. 127-ter, paragraph 3, of the Finance Consolidation Act (TUF) the answers are being given at the AGM by giving all attendees a booklet containing the questions and the answers, which is attached to these minutes under the **letter C**.

Moving on to deal with the **first item on the Agenda**, the Chairman, with the aid of some slides which are attached to these minutes under the letter **D**, proceeds to give a general illustration of the performance of the Group, taking into account the quarterly results approved by the Board of Directors Meeting held before this AGM.

He then examines the year 2017 of the Cofide Group, which reported a consolidated net loss of euro 3 million compared to net income of 21.2 million in the previous year.

This consolidated result was a combination of the negative contribution of the subsidiary CIR for euro 3.3 million (versus a positive contribution of euro 18.4 million in 2016) and the contribution of the parent company of the Cofide Group, which was a positive amount of euro 0.3 million (versus euro 2.8 million in 2016).

He informs the meeting that in first quarter 2018 Cofide reported consolidated net income of euro 4.8 million compared to 8.1 million in the same period of last year.

The consolidated result consists of the contribution of the subsidiary CIR for euro 5.5 million (euro 7.4 million in the first quarter of 2017) and the loss of the parent company of the Cofide Group of euro 0.7 million compared to net income of euro 0.8 million in first quarter 2017. This was caused by the lower results of financial management.

The net debt of the parent company of the Cofide Group declined from euro 31.1 million at December 31 2017 to euro 29.2 million at March 31 2018.

He then goes on to describe the performance of CIR in 2017, saying that it was a good year for the Group, with positive developments for the industrial subsidiaries and for financial management.

Consolidated revenues came in at 2.8 billion euro and were up by 6.7% on 2016.

The consolidated gross operating margin (EBITDA) rose by 12.2% to 290.4 million euro (258.8 million euro in 2016).

The consolidated operating result (EBIT) was up by 19.1% and came to 154.3 million euro, representing 5.5% of sales compared to 4.9% in 2016.

The consolidated net result of the Group was a loss of euro 5.9 million because of the significant tax charge of an extraordinary nature incurred by the subsidiary GEDI, of which ample disclosure was made to the market, and without which the net result would have been net income of euro 59.6 million.

He then goes on to say that all of the subsidiaries reported growth in revenues and better results.

More specifically:

- **GEDI** in 2017 completed the merger of ITEDI (publisher of the daily newspapers La Stampa and Il Secolo XIX) giving rise to the top Italian group in daily and multimedia news, as well as one of the most important players in Europe.

In just six months the initial stage of the business plan was put in place, with the creation of GEDI News Network, the company of the GEDI Group that combined La Stampa and Il Secolo XIX with all the local titles of Gruppo Editoriale L'Espresso.

In 2017, in the presence of a scenario again difficult for the publishing sector, GEDI reported growth in revenues of 8.2% with revenues substantially unchanged on a like-for-like basis; EBITDA came to 53.2 million euro, up by 21.7% compared to the previous year and higher even on a like-for-like basis (+ 15.4%) and before the tax charge the net result was 19.9 million euro.

In 2017 the Company settled a tax dispute pending in the Court of Cassation that arose following corporate transactions going back to 1991. This involved a particularly significant tax charge - 175 million euro - but released the Company from a potential risk that could have had a much greater impact in the future if the decision had gone against the Company.

As an effect of the above, the Group reported a loss of 123.3 million euro, which was entirely covered from available equity reserves without affecting the share capital;

- **Sogefi** reported revenue growth of 6.2%, outperforming the market in Europe, North American and Asia. EBITDA rose by 8.6% to euro 165.8 million and net income went up from euro 9.3 million in 2016 to euro 26.6 million in 2017. In the last two years Sogefi, which, as is known, is a components group consisting of three product Divisions: Suspensions, Filtration and Air & Cooling, achieved a turnaround of the Air & Cooling Division and thanks especially to increased volumes, significantly improved its profitability in the “Filtration” and “Suspensions” businesses;
- **KOS** reported a rise in revenues of 6.4%, due to the organic growth of all areas of the business and to the acquisition of five facilities that were completed during the year. EBITDA was up by 6.4% at euro 87.9 million and net income rose from 23.4 million euro to 29 million euro.

Even the contribution of the parent company of the CIR group, resulting from its own financial management and that of its subsidiaries Cir Investimenti and Cir International, was positive for 18.1 million euro compared to 8.7 million euro in 2016.

Consolidated debt rose to 272.5 million euro at December 31 2017 from 143.6 million euro at December 31 2016, because of the disbursement made by GEDI to settle the above-mentioned tax dispute.

The total debt of the industrial subsidiaries stood at 615.5 million euro at December 31 2017, 2.12 times EBITDA, and was higher than at December 31 2016 (euro 477.9 million), following the disbursement of 140.2 million euro made by GEDI to settle its tax dispute, the significant investments made by KOS in development (euro 42.9 million) and the dividends paid out (euro 13 million).

The net financial position of the parent company and the non-industrial subsidiaries was positive for 343 million euro, up from 334.3 million euro at the end of 2016.

The Chairman then illustrates to the Shareholders the Interim Financial Report as of March 31 2018, which was approved this morning by the Board of Directors of CIR , which is essentially in line with the first quarter of 2017:

- Revenues came in at euro 710.1 million, up by 4.5%;
- EBITDA came to euro 84.8 million, up by 5.3%;
- Net income was euro 9.9 million;
- Net debt stood at euro 274.7 million.

As regards **GEDI**, he explains that the trends of the sector remain unchanged with a decline in the copies of newspapers circulated and in advertising investment. GEDI has reported a 20.7% rise in revenues thanks to its expansion through the business combination with ITEDI. It has reported a net income of euro 3 million.

The first quarter result of **Sogefi** was affected significantly by three factors: the downturn in world car production in the United States and China, the rise in the price of steel and the strengthening of the euro against the other currencies in which the Group operates. Revenues posted a decline of 2.7%, but an increase at constant exchange rates of 2.8%, EBITDA was stable with net income totalling euro 12 million.

**KOS** reported a rise in revenues of 13.4%, due to the growth of all areas of the business and to the full contribution of the acquisitions made in 2017. EBITDA was up by 33.3% at euro 23.8 million and the net result came in at euro 7.5 million (euro 4.6 million in the first quarter of 2017).

He expresses his satisfaction with the results achieved in 2017 during which the Cir Group reported a positive trend for all its industrial subsidiaries – both in terms of revenue growth and of increased profitability – as well as a highly positive result of financial management.

He takes the opportunity to thank Ms Monica Mondardini for the results she has obtained and more specifically, even on behalf of the whole Board of Directors, for what she has achieved in her 9 years at the helm of Gruppo Editoriale L'Espresso, now GEDI.

Ms Mondardini took over the management of GEDI in 2009 precisely when both the economic crisis and the digital transformation were beginning to have a considerable impact on the revenues of publishers.

Under her management, the Group reacted extremely effectively, distinguishing itself on the Italian publishing scene for its positive financial results that were always positive, for its digital development initiatives, which made it market leader in the sector, and for the huge merger deal with ITEDI, which gave rise to the number one Italian group in daily and multimedia news, and one of the most significant players in Europe.

He says that he understands and agrees with the decision of Ms Mondardini to end her mandate as Chief Executive Officer of GEDI while continuing to focus on her role as Chief Executive Officer of the CIR Group and Deputy Chairman of GEDI, saying that he is convinced that this decision will enable CIR to see her managerial talent fully focused on the development of the Group.

He expresses his satisfaction with the progress made so far by the CIR Group over the years and says that he is convinced that, together with Monica Mondardini, they will continue to create value in the three subsidiaries and to further develop the Group with new initiatives and new projects.

He reminds everyone that the proposed allocation of the result for the year 2017, including the dividend distribution, is on page 142 of the booklet and asks the Chairman of the Board of Statutory Auditors, Mr Riccardo Zingales, if he wishes to read out the Report of the Board of

Statutory Auditors on page 203 onwards. With the unanimous consent of the Meeting the reading of the Report of the Board of Statutory Auditors is waived.

The Chairman then opens the debate.

As nobody has asked for the floor, he announces that there have not been any changes in the number of presences and thus puts to the vote the Financial Statements for the year ended December 31 2017 of COFIDE S.p.A..

He duly acknowledges that the Designated Representative has received instructions for:

- a vote in favour by Shareholder Stefano Bandieramonte with a total of 6,409,648 votes;
- a vote in favour by Shareholder Paola Laurenza with a total of 15,535,516 votes;
- a vote in favour by Shareholder ARTIENE INVESTIMENTI S.R.L. with a total of 7,925,240 votes.

The Financial Statements for the year ended December 31 2017 are approved with a majority vote with the abstention of 942,987 votes of certain funds represented by Adriana Romito and with the votes in favour of all the other Shareholders, as can be seen from the list attached under the letter B.

He then puts to the vote the following proposal reproduced on page 142 of the booklet distributed at the entrance to the meeting room:

“Shareholders,

The separate financial statements for the year ended 31 December 2017, which we submit for your approval, closed with net income of €14,155,343.18 which we propose should be allocated as follows:

- €707,767.1 to the legal reserve;
- the difference of €13,447,576.02 as a dividend of €0.014 per share, with dividend rights from 1 January 2018 (with the exclusion of treasury shares held in portfolio) with the balance going to "Retained earnings".

Note that the actual amounts to be allocated to dividends and to retained earnings will take into account the treasury shares in the portfolio and the ordinary shares outstanding at the date of the Shareholders' Meeting, based on possible further purchases of treasury shares.

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He duly acknowledges that the Designated Representative has received instructions for:

- a vote in favour by Shareholder Stefano Bandieramonte with a total of 6,409,648 votes;
- a vote in favour by Shareholder Paola Laurenza with a total of 15,535,516 votes;



- a vote in favour by Shareholder ARTIENE INVESTIMENTI S.R.L. with a total of 7,925,240 votes.

The proposed allocation of the result for the year 2017 as above is approved by a majority of the votes, with the abstention of 942,987 votes of certain funds represented by Adriana Romito and with votes in favour by all the other Shareholders, as can be seen from the list attached under the letter B.

The Chairman thanks everyone and informs them that the dividend of euro 0.014 will be paid out on June 13 2018 with detachment of the coupon in the Stock Exchange on June 11 2018 and record date June 12 2018.

Moving on to deal with the **second item on the Agenda**, reminding those present that on page 11 onwards of the booklet with a blue cover that they were given 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 the one adopted last year as it has a duration of 18 months and is put forward each year at the Annual General Meeting:

“The Annual General Meeting of the Shareholders of COFIDE – Gruppo De Benedetti S.p.A.:

- Having acknowledged the proposals of the Board of Directors
- Being aware of the rules contained in Articles 2357 and following articles of the Civil Code, in Art. 132 of D.Lgs no. 58/98, in Art. 144-*bis* of Consob resolution 11971/1999, in EU Regulation 596/2014 and in EU Delegated Regulation no. 2016/1052,

#### RESOLVES

1. To cancel for the part not utilized and for the period between the day after this Meeting and the natural expiry date, the resolution authorizing the buyback of own shares adopted by the Ordinary Annual General Meeting of the Shareholders on April 28 2017 and, as a consequence of the above, the related authorization to dispose of the same;
2. To authorize the Board of Directors, and for the Board the Chairman, with the right to sub-delegate, to buy back COFIDE S.p.A. shares as per the terms and as an effect of Art. 2357 of the Civil Code, as from the day after this AGM and for a period of eighteen months. The buyback shall be effected as follows:
  - A maximum of 70,000,000 shares each with a nominal value of euro 0.5 may be bought back taking into account that, including in the calculation the own shares already held even through subsidiaries, the nominal value of the shares bought back must not in any case exceed one fifth of the share capital of COFIDE S.p.A.;
  - The unit price of each individual share buyback transaction must not be more than 10% higher or lower than the benchmark price recorded by the shares in the Stock Exchange trading session prior to each individual buyback deal or the date on which

the price is fixed. When the shares are bought back in the regulated market, the price must not be higher than the higher of the price of the last independent transaction and the highest current independent bid price on the same market;

- The buyback must take place in the market in accordance with what is laid down in Art. 132 of D.Lgs no. 58/98 and in the rules of law or of regulations in force at the moment of the transaction and more precisely:
  - a) through a public offer to buy or exchange shares;
  - b) on regulated markets following operating procedures set out in the rules for organizing and managing the same markets, which do not allow bid prices to be matched directly with predetermined offer prices;
  - c) through pro-rata assignation to the Shareholders of put options to be assigned within 15 months of the date of the AGM resolution authorizing it and exercisable within 18 months of the same date;
  - d) through the purchase and sale of derivative instruments traded on regulated markets that involve the physical delivery of the underlying shares in accordance with the further provisions contained in Art. 144-bis of the Rules for Issuers published by Consob and with the terms of Articles 5 and 13 of EU Regulation 596/2014.

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 Chairman, with the right to sub-delegate, 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 or than the current price quoted on the Stock Exchange, with a specific exception for directors and employees of the Company and/or of its subsidiaries 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 compensation plans based on the shares of the Company;

4. To authorize the Board of Directors again, and for the Board the Chairman, with the power to sub-delegate, in accordance with and as an effect of the terms of Art. 2357-ter of the Civil Code, to arrange, without any time limit or constraint, 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), to fulfil any requirements that could derive from debt instruments convertible into or exchangeable with equity instruments, and also for assigning to employees and Directors of the Company and its

subsidiaries, in relation to the execution of stock option plans, at a price no lower than the nominal value;

5. To give the Board of Directors, and for the Board the Chairman, a mandate to see that the appropriate accounting entries are made to the “reserve for own shares held”, after transactions involving the purchase, sale or exchange of own shares, in compliance with the rules of law and with the accounting principles applicable at any one time, withdrawing from and crediting the available reserves used for own share transactions as appropriate.”

The Chairman then opens the debate and as nobody has asked for the floor, he notes that there have not been any changes in the number of presences and puts to the vote the proposed resolution reproduced above.

He duly acknowledges that the Designated Representative has received instructions for:

- a vote in favour by Shareholder Stefano Bandieramonte with a total of 6,409,648 votes;
- a vote in favour by Shareholder Paola Laurenza with a total of 15,535,516 votes;
- a vote in favour by Shareholder ARTIENE INVESTIMENTI S.R.L. with a total of 7,925,240 votes.

The above proposal is approved by a majority of votes, with 13,580,407 votes against by certain funds represented by Adriana Romito and with the vote 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 **third item on the Agenda**, the Chairman reminds those present that in the booklet with a blue cover that they were given at the entrance to the hall they will find the Compensation Report and on page 33 the following proposed resolution:

" The Annual General Meeting of the Shareholders of COFIDE – Gruppo De Benedetti S.p.A.

- Having seen the terms of current regulations
- Acknowledging that the Compensation Report has been filed and made available within the time limits required 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 12 2018.”

The Chairman reminds those present that the meeting is called upon to express its vote on the first Section of the Report and that the vote expressed will not be binding.

He then opens the debate and as nobody has asked for the floor, noting that there have not been any changes in the number of presences, he puts to the vote the proposed resolution as above.

He acknowledges that the Designated Representative has received instructions for:

- a vote in favour by Shareholder Stefano Bandieramonte with a total of 6,409,648 votes;
- a vote in favour by Shareholder Paola Laurenza with a total of 15,535,516 votes;

- a vote in favour by Shareholder ARTIENE INVESTIMENTI S.R.L. with a total of 7,925,240 votes.

The proposal is approved by a majority of the votes with 532,822 votes against by certain funds represented by Adriana Romito and with votes in favour by all the other Shareholders, as can be seen from the list attached under the letter B.

After which, there being nothing else requiring a vote in the ordinary part, at 4.30 p.m. the extraordinary part of the meeting begins and the minutes of this part are the subject of separate minutes drawn up by the Notary.

THE CHAIRMAN  
(Rodolfo De Benedetti)

THE SECRETARY  
(Francesca Gasparro)