



CALTAGIRONE EDITORE S.P.A.
REGISTERED OFFICE - ROME - VIA BARBERINI N.28
SHARE CAPITAL EURO 125,000,000

SHAREHOLDERS' MEETING
OF
April 12, 2017

ILLUSTRATIVE REPORT AND PROPOSALS BY THE BOARD OF DIRECTORS ON THE
MATTERS ON THE AGENDA
(IN ACCORDANCE WITH ARTICLE 125.TER OF LEGS. DECREE NO. 58/93 OF FEBRUARY 24, 1998)



REPORT ON THE MATTERS ON THE AGENDA OF THE SHAREHOLDERS' MEETING

OF APRIL 12, 2017

IN ACCORDANCE WITH ARTICLE 125 *TER* OF LEGS. DECREE NO. 58 OF FEBRUARY 24, 1998

Dear Shareholders,

The Ordinary Shareholders' Meeting has been called in first call for April 12, 2017 at 12PM and in second call for May 3, 2017 at 12PM at the registered office to resolve upon the following

Agenda:

1. Presentation of the Separate and Consolidated Financial Statements for the year ended December 31, 2016, together with the Directors' Report, Board of Statutory Auditors' Report and the Independent Auditors' Report; resolutions thereon;
2. Appointment of a member of the Board of Directors. Resolutions thereon.
3. Resolutions on the sale and purchase of treasury shares in accordance with Article 2357 of the Civil Code;
4. Remuneration Report in accordance with Article 123-*ter* paragraph 6 of Legislative Decree 58/98; resolutions thereon;

In accordance with Art.125 *ter* of Legislative Decree No.58 of February 24, 1998, the illustrative report of the Board of Directors on the matters of the agenda follows.



1) Presentation of the Separate and Consolidated Financial Statements for the year ended December 31, 2016, together with the Directors' Report, Board of Statutory Auditors' Report and the Independent Auditors' Report; resolutions thereon.

Dear Shareholders,

The Board of Directors proposes to you the approval of the Financial Statements at December 31, 2016 of Caltagirone Editore S.p.A., consisting of the Balance Sheet, Income Statement, Comprehensive Income Statement, Statement of Changes in Shareholders' Equity, the Cash Flow Statement, as well as the relative attachments and the Directors' Report.

The Board of Directors proposes to carry forward the loss of Caltagirone Editore Spa of Euro 23,906,890.

Reference is made to the corresponding documentation concerning the 2016 financial statements prepared by the Board of Directors, made available to the public at Borsa Italiana S.p.A., at www.emarketstorage.com (storage mechanism managed by Spafid Connect S.p.A. authorised by CONSOB) and at the registered office and published on the internet site of the Company at www.caltagironeeditore.com, according to the terms and conditions established by the applicable regulation.

Considering that stated above, we present the following proposals:

“The Shareholders Meeting of Caltagirone Editore S.p.A.:

- a) examined the financial statements of the Company and the consolidated financial statements of the group at December 31, 2016;
- b) noted the Directors' Report;



- c) noted the Board of Statutory Auditors' report to the Shareholders' Meeting as per Art. 153 of Legislative Decree 58/1998 (CFA);
- d) noted the Directors' Report concerning the parent company financial statements and consolidated financial statements for 2016;

resolves

- a) to approve the 2016 Separate Annual Accounts together with the relative reports;
- b) carry forward the loss of Caltagirone Editore SpA of Euro Euro 23,906,890;



2. Appointment of a member of the Board of Directors. Resolutions thereon.

Dear Shareholders,

the Board of Directors recalls that on May 21, 2016 Mr. Gaetano Caltagirone passed away and a replacement has not yet been appointed.

We therefore invite you to appoint a Director to supplement the current Board of Directors comprising ten members, as approved by the Shareholders' Meeting of April 22, 2015. The appointed Director will remain in office for the entire mandate of the current Board (i.e. until the Shareholders' Meeting called for approval of the 2017 Annual Accounts) and shall be granted the same remuneration as the other sitting Directors.

As per Article 14 of the By-Laws, for the appointment of directors other than the renewal of the entire Board of Directors, the shareholders' meeting approves through statutory majority, ensuring the gender quota established under the applicable law and regulations has been met and therefore through a majority approved motion on the basis of proposals presented by the Shareholders.

Although there are no legal or statutory deadlines for the presentation of proposals, entitled parties who wish to propose at the Shareholders' Meeting candidates for the office of Director may file such the company's registered office (Via Barberini, 28 – 00187 Rome, between Monday and Friday and the hours of 9AM and 5PM) or by fax to +39 0645412299 or certified e-mail to caltagironeeditore@legalmail.it, together with personal details of the presenting Shareholders and a copy of an identity document, with indication of the overall percentage holding held (together with appropriate proof of the shareholding at the "record date" indicated in the Shareholders' Meeting call notice, or the communication indicating the right to attend the Shareholders' Meeting issued by an authorised intermediary).



Together with each proposed candidacy for the position of Director, the following documentation should be filed: (i) a curriculum vitae containing an exhaustive description of the personal and professional characteristics of each candidate; (ii) the declaration by which the candidate accepts their candidature and declares in good faith the inexistence of causes for ineligibility and fulfilment of the legal and By-Law requirements for the undertaking of the position of Director, in addition to any independence requirements established by Article 148, paragraph 3 of the Consolidated Finance Act.

Based on that above, the Board of Directors, in accordance with the By-Laws and statutory provisions concerning the appointment of Directors, invites the Shareholders' Meeting to draw up your proposals for the appointment of a member of the Board of Directors.



3) Resolutions on the sale and purchase of treasury shares in accordance with Article 2357 of the Civil Code

Dear Shareholders,

The Board of Directors submits for your approval the authorisation proposal concerning the purchase and sale of treasury shares in accordance with Article 2357 of the Civil Code and applicable regulations following revocation of the Shareholders' Meeting resolution of April 19, 2016 which authorised treasury shares operations up to a maximum of 3,750,000 shares for a value of Euro 5,000,000, with a validity of 18 months from shareholders' meeting approval and therefore expiring on October 18, 2017.

The maximum number to be purchased is 3% of the share capital, therefore 3,750,000 shares, taking account of treasury shares already held by the Company, for a maximum amount of Euro 5,000,000.00, including the cost of shares previously acquired.

Authorisation is requested to carry out share buy-back operations for a maximum duration of 18 months from shareholders' meeting approval, while an unlimited period is requested to carry out utilisation operations of shares which will be bought back.

In relation to the conditions and manner under which the Company will carry out the purchase and utilisation of treasury shares in accordance with Articles 2357 and 2357-ter of the Civil Code, reference should be made to the report prepared in accordance with applicable provisions, which will be made available to the public at the registered offices and at the market management company.

Considering that stated above, we present the following proposal:

“The Shareholders' Meeting of Caltagirone Editore S.p.A., having considered the proposal and the Board of Directors' report, in accordance with Article 2357 and subsequent of the Civil Code and the Consob regulation,



resolves

- a) to revoke the Shareholders' Meeting resolution of April 19, 2016 and to authorise for a maximum duration of 18 months from the shareholders' meeting resolution, in accordance with Article 2357 of the Civil Code, to purchase ordinary Company shares which, taking account of the treasury shares already held, should not exceed 3% of the share capital and therefore 3,750,000 shares, for a maximum amount of Euro 5,000,000.00, including the cost of shares already acquired, under the terms and manners included in the report prepared by the Board of Directors in accordance with Article 73 of the Consob Issuers' Regulation No. 11971/99, as subsequently amended;
- b) to authorise the sale of company treasury shares which will be bought back, without time limits;
- c) to confer to the Board of Directors of all powers necessary to implement the authorisation resolution in accordance with the applicable regulation".



4) Remuneration Report in accordance with Article 123-ter paragraph 6 of Legislative Decree 58/98; resolutions thereon.

Dear Shareholders,

the Board of Directors proposes for your approval, in accordance with Article 123 *ter*, paragraph 6 of Legislative Decree 58/98, Section I of the Remuneration Report in which the Company policy in relation to the remuneration of the Board of Directors is presented.

Reference is made to the corresponding documentation prepared by the Board of Directors and made available to the public at the registered office, at www.emarketstorage.com (storage mechanism managed by Spafid Connect S.p.A. authorised by CONSOB) and published on the internet site of the Company at www.caltagironeeditore.com, according to the manners, terms and conditions established by the applicable regulation.

Considering that stated above, we present the following proposals:

“The Shareholders’ Meeting of Caltagirone Editore S.p.A., in accordance with Article 123-*ter* paragraph 6 of Legislative Decree 58/98, examined the Remuneration Report, approving Section I regarding the Company policy adopted in this respect”.

Rome, March 8, 2017

for the Board of Directors
THE CHAIRMAN
MR. FRANCESCO GAETANO CALTAGIRONE