



**Cerved Information Solutions S.p.A**

Registered office Milan, Via San Vigilio , no. 1

share capital euro 50,450,000 fully paid up

Registration number on the Milan Company Register, fiscal code and VAT no.: 08587760961 –  
REA no. MI-2035639

Company *internet* site: <http://company.cerved.com>

Report by the Board of Directors of Cerved Information Solutions S.p.A.  
on the third agenda item of the Extraordinary part  
of the combined Ordinary and Extraordinary Shareholders' Meeting  
called for 14 December 2015.

## AGENDA ITEM NO. 3 OF THE EXTRAORDINARY PART

***PROPOSAL TO AUTHORIZE THE BOARD OF DIRECTORS, PURSUANT TO SECTION 2443 OF THE CIVIL CODE, FOR A PERIOD OF THIRTY MONTHS FROM THE DATE OF THE RESOLUTION, TO INCREASE THE SHARE CAPITAL, IN A SEVERABLE WAY AND FOR CONSIDERATION, BY PAYMENT EVEN IN SEVERAL TRANCHEs WITH THE EXCLUSION OF OPTION RIGHTS, PURSUANT TO AND IN COMPLIANCE WITH SECTION 2441, PARAGRAPH 4, SENTENCE TWO, OF THE CIVIL CODE; CONSEQUENT AMENDMENT TO SECTION 5 OF THE COMPANY ARTICLE OF ASSOCIATIONS. INHERENT AND CONTINGENT RESOLUTIONS.***

Dear Shareholders,

This Report has been drawn up by the Board of Directors of your Company to explain the reasons behind the proposal to authorise the Board, pursuant to section 2443 of the Italian Civil Code, to increase the share capital by payment, in one or more tranches, excluding option rights, as set forth by and in compliance with section 2441, paragraph 4, sentence two, of the Civil Code (the “**Authorisation**”).

### **1. Subject matter of the Authorisation**

Section 5.1, last section of the current Company Article of Associations provides that *“In the case of resolutions for paid in capital increases, the option rights may be excluded for up to a maximum of 10% of the existing share capital, provided the issue price corresponds to the market value of the shares, and this is confirmed by a report of the statutory or independent auditors”*.

Pursuant to section 2443 of the Civil Code, the authority to the directors to increase the share capital in one or more tranches for up to a specific amount and for a period of no more than five years from the date of the resolution as set forth by paragraph 4 of section 2441 of the Civil Code may also be granted by amending the Article of Associations (namely by specific resolution of the Extraordinary Shareholders’ Meeting).

For the reasons and targets described by this Report, the Authorisation that we are proposing you grant to the Board of Directors involves the increase of the share capital pursuant to section 2441, paragraph 4, sentence two <sup>1</sup>, of the Civil Code. In particular, given that shares of Cerved Information Solutions S.p.A. do not have a nominal value, the same includes the power to increase the share capital in one or more tranches, in a severable way and for consideration, and by issuing, even in several *tranches*, a number of ordinary shares in any case not exceeding 10% of the total number of Cerved Information Solutions S.p.A. shares outstanding on the date the authorisation is enforced, excluding the option right and with the right to determine the share premium, if any, within no more than thirty months from the date of the resolution granting the Authorisation. The new issue shares may be offered for subscription to Italian and/or foreign corporate and/or qualified investors or to strategic and industrial *partners* of the Company, also within the context of acquisitions.

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<sup>1</sup> Section 2441, paragraph 4, sentence two, of the Civil Code sets forth: *“[...] In the case of companies with shares listed on regulated markets, the Article of Associations may also exclude the option right within the limit of ten per cent of the existing share capital, provided the issue price corresponds to the market value of the shares and this is confirmed in a report by statutory or independent auditors”*.

## **2. Reasons for the Authorisation and criteria for enforcement thereof**

Cerved Information Solutions S.p.A. (“**CIS**”) intends to continue its growth strategy in a sustainable manner both in the main existing *business* areas and adjacent fields of activity as already indicated by the Prospectus for admission of the Company to trading on the “Mercato Telematico Azionario” (MTA) organised and managed by Borsa Italiana S.p.A. This growth may be organic or external, even through acquisitions.

To support this growth strategy, that aims at creating greater value for its shareholders, it is considered appropriate for the Company to be able to obtain the funds required to promptly seize opportunities on the market, in a faster and more flexible manner with respect to the time required by resolution of shareholders' meetings, reducing moreover the risk of stock market price fluctuations between the time of the announcement and the date of completion of the transaction that would elapse if this were decided by the shareholders' meeting.

In compliance with the *guidelines* of the Company relevant to the objectives of financial leverage and the payment of dividends to Shareholders, the Authorisation would make it possible to have an additional instrument to procure the financial resources required to attain the strategic targets, should the recourse of financial indebtedness alone lead to a situation which is not in line with the company's guidelines regarding leverage and dividend payment.

## **3. Criteria for determining the issue price**

The new shares, which will have regular dividend rights, will be offered at a price decided from time to time by the Board of Directors, including the share premium, if any.

In this regard, it should be noted that section 2441, paragraph 4, sentence two, of the Italian Civil Code, even in consideration of the provisions of section 2436, par. 3 of the Italian Civil Code, sets forth - as condition for enforcing the right of option for no more than 10% of the total number of outstanding shares (without nominal value) - that the issue price must correspond to the market value of such shares and that this should be confirmed in a report by statutory or independent auditors.

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## **4. Duration of the Authorisation and enforcement times**

The intention is to propose that the duration of the Authorisation should be equal to thirty months as from the date of the resolution, and to establish that it may be enforced in one or several tranches. In other words, if approved by the Shareholders' Meeting, the Authorisation should however be enforced no later than the final term of 14 June 2018, after which the same will automatically expire.

Without prejudice to the above, the enforcement terms of the Authorisation, as set forth by section 2443 of the Civil Code, and the terms and conditions of any issues will depend on the concrete opportunities there may be and will be promptly be disclosed to the market as set forth by applicable laws and regulations, as soon as the same are decided by the Board of Directors.

In enforcing the Authorisation, the Board of Directors of the Company will evaluate, if necessary, whether or not to grant a mandate to one or more leading financial institutions to cre-

ate an underwriting syndicate for the transaction described by this Report, and even for individual *tranches* of the capital. If an underwriting syndicate is created, the market should be informed immediately, providing appropriate information.

**5. Amount of the authorisation**

The total capital increase that may be authorised to enforce the Authorisation may not exceed the nominal amount of 5,045,000 Euro and shall not include the issue of a number of ordinary shares exceeding 10% of the total number of CIS shares outstanding on the date the Authorisation is enforced and in any case exceeding 19,500,000 shares, without prejudice to the Board of Directors' right to establish the share premium, if any.

**6. Amendment of clause 5 of the Company Article of Associations**

As a result of the proposed resolution submitted for your approval, it will be necessary to amend Clause 5 of the current Company Article of Associations by inserting a clause relevant to the resolution of the shareholders' meeting for assignment of the Authorisation in question.

It should be noted that the proposed amendment to the Article of Associations does not grant the right of withdrawal to shareholders who do not approve the same, given that this does not constitute any of the cases of termination set forth by section 2437 of the Italian Civil Code.

The current text of Clause 5 is indicated below comparing the same with the new version of the text that the Board of Directors proposes you adopt (by inserting a new last paragraph to the second paragraph of the same):

<b>Text after the resolution as per items one and two on the agenda of the Extraordinary Session of the Shareholders' Meeting <sup>(1)</sup></b>	<b>Proposed text</b>
<b>–Clause 5</b>	<b>–Clause 5</b>
5.1 The share capital is 50,450,000 Euro, represented by 195,000,000 ordinary shares without nominal value. The share capital may be increased by resolution of the shareholders' meeting even through the issue of shares with different rights with respect to those of ordinary shares and with contributions other than cash, within the limits permitted by law. In the case of resolutions for paid in capital increases, the option right may be excluded for up to a maximum of 10% of the existing share capital, provided the issue price corresponds to the market value of the shares	Unchanged

<p>and this is confirmed by a report of statutory or independent auditors.</p>	
<p>5.2 The shareholders' meeting may grant to the Board of Directors the power to increase the share capital once or several times.</p>	<p>5.2 The Shareholders' Meeting may grant to the Board of Directors the power to increase the share capital once o several times.</p>
	<p><b>The Directors shall have the authority for thirty months as from 14 December 2015 to increase the share capital by payment for a maximum nominal amount of 5,045,000 Euro through the issue of a number of new ordinary shares without indicating the nominal value, with regular dividend rights, not exceeding 10% of the total number of outstanding shares on the date of enforcement of the authorization, and in any case, not exceeding 19,500,000 shares that will be reserved for subscription to professional Italian and foreign investors or to strategic partners of the Company, excluding the right of option, pursuant to and in compliance with section 2441, paragraph 4, sentence two of the Italian Civil Code, in accordance with the procedure and terms set forth therein, and with the right of the Board to decide, from time to time, in compliance with the provisions of section 2441, paragraph 4, sentence two, of the Italian Civil Code, the price for the issue of new shares.</b></p>
<p>5.3 The allocation of profits and/or retained earnings to employees of the Company or its subsidiaries, through the issue of shares pursuant to paragraph one of section 2349 of the Civil Code, is permitted as set forth by law.</p>	<p>Unchanged</p>
<p>For five years as from 14 December 2015 the Directors may increase the share capital in order to implement the Incentive and Loyalty Plan called "<i>Performance Share Plan 2019 – 2021</i>", for a maximum amount of 756,750.00 Euro (allocated to the capital in full) for a maximum number 2,925,000 of ordinary new shares without nominal value, having the same characteristics as the outstanding shares, regular dividend rights, through the allocation of the corresponding max-</p>	

<p>imum amount of profits and/or retained earnings as per the last financial statements approved from time to time pursuant to section 2349 of the Civil Code, at the terms, conditions and in the manner set forth by the Plan.</p> <p>5.4 The shares are registered and may be freely transferred; each share gives the right to one vote. The issue and negotiation of shares are subject to applicable laws.</p> <p>5.5 The status of shareholder constitutes, in itself, acceptance of these Article of Associations.</p> <p><i>(1) It should be noted that the text of Clause 5 of the Article of Associations shown under this column includes the proposed amendments to the Article of Associations relevant to the introduction of the power to allocate the profits and/or retained earnings as set forth by section 2349 of the Civil Code as indicated by item one on the agenda of the Extraordinary Session of the Shareholders' Meeting and the relevant authorisation to the Board of Directors pursuant to section 2443 of the Civil Code as indicated by item two on the agenda of the Extraordinary Session of the Shareholders' Meeting.</i></p>	<p>Unchanged</p> <p>Unchanged</p>
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## 7. Economic and financial effects of the transaction, effects on the unit value of the shares and dilution

In enforcing the Authorisation, the Board of Directors will provide adequate information to the market as regards the economic and financial effects of the relevant transaction, as well as of the effects on the unit value of the shares and the dilution resulting from the transaction.

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In consideration of the foregoing, the Board of Directors submits the following **proposed resolution** for your approval:

*"The extraordinary session of the Shareholders Meeting of Cerved Information Solutions S.p.A., having examined the "Explanatory Report of the Board of Directors" and the proposals contained therein,*

***hereby passes resolution***

- 1. to grant to the Board of Directors, pursuant to section 2443 of the Italian Civil Code, for a period of thirty months from the date of this resolution, the power to increase the share capital for considera-*

tion, even in several tranches, for a maximum nominal amount of 5,045,000 Euro (five million and forty-five thousand), with the issue of a number of ordinary new Cerved Information Solutions S.p.A. shares without indicating the nominal value, having the same characteristics of the outstanding shares, with regular dividend rights, not exceeding 10% (ten percent) of the total number of shares outstanding on the date of enforcement of the authorisation – and, in any case, not exceeding 19,500,000 new shares, reserved for subscription to Italian and/or foreign corporate and/or qualified investors or to the strategic and/or industrial partners of the Company in acquisition transactions, excluding the option right pursuant to and as set forth by section 2441, paragraph 4, sentence two, of the Civil Code, in accordance with the procedure and terms set forth therein and thus with the authority of the Board to decide, from time to time, and in compliance with the provisions of section 2441, paragraph 4, sentence two of the Italian Civil Code, the price for issue of the new shares (deciding the portion to allocate to the capital and the portion to allocate to the share premium);

2. to amend **Clause 5** (five) of the Company Article of Associations by introducing a new last paragraph to paragraph two having the following content:

*“The Directors are granted the authority for a period of thirty months as from 14 December 2015 to increase the share capital by payment for a maximum nominal amount of 5,045,000 Euro by issuing a number of ordinary new shares without indicating the nominal value, with regular dividend rights, not exceeding 10% of the total number of shares outstanding on the date the authorisation is enforced and in any case not exceeding 19,500,000 shares, reserved for subscription to professional Italian and foreign investors or strategic partners of the Company in acquisition transactions, excluding the option right, pursuant to and in accordance with section 2441, paragraph 4, sentence two of the Italian Civil Code, in accordance with the procedure and terms set forth therein and the authority of the Board to decide, from time to time, in accordance with the provisions of section 2441, paragraph 4, sentence two of the Italian Civil Code, the issue price of the new shares”.*

3. to grant to the Board of Directors, and for the same to the pro tempore legal representatives, even severally, all encompassing powers to introduce from time to time to clause 5 (five) of the Company Article of Associations any amendments introduced by resolutions, for the share capital increases delegated, fulfilling all and any obligations and publications set forth by law, and any other formalities that may be required to record such resolutions in the relevant Business and Trade Registry, inserting in such resolutions any amendments or additions that may be necessary or requested by the competent authorities, and fulfilling all and any regulatory obligations pursuant to the resolutions adopted”.

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Milan, 12 November 2015

for the Board of Directors  
Chairman  
(Fabio Cerchiai)