

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

## **Report of the Board of Directors to the Shareholders' Meeting**

**Single Calling: April 27, 2015**

## NOTICE OF ORDINARY SHAREHOLDERS' MEETING

Parties entitled to vote at the Shareholders' Meeting of Cerved Information Solutions S.p.A. ("**CIS**" or the "**Company**") are invited to convene for an ordinary Shareholders' Meeting (the "**Meeting**") scheduled for April 27, 2015 at 11:30 AM at 1 Via San Vigilio, in Milan, on a single calling, to discuss and vote on the following

### AGENDA

1. Approval of the Statutory Financial Statements at December 31, 2014; related resolutions. Presentation of the Consolidated Financial Statements at December 31, 2014. Reports of the Board of Directors, the Board of statutory Auditors and the Independent Auditors;
2. Motion to distribute available reserves, subsequent to the establishment of a statutory reserve in an amount equal to one-fifth of the share capital; pertinent and related resolutions;
3. Compensation Report: compensation policy;
4. Authorization to purchase and dispose of treasury shares, subject to prior cancellation of the previous authorization approved by the Shareholders' Meeting on March 25, 2014; pertinent and related resolutions.

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### FOREWORD

Unless already required by other provisions of the applicable laws, pursuant to Article 125-ter, Section 1, of Legislative Decree No. 58 of February 24, 1998 (the "**TUF**"), within the same deadline as the one for the publication of the Notice of Shareholders' Meeting, for each item on the Meeting's agenda, the Board of Directors of a publicly traded company must make available to the public at its registered office, on its website and with the other modalities required pursuant the relevant Consob regulation, a report on each of the items on the Meeting's Agenda.

Consequently, this report (the "**Report**") will present an overview of the items included in the Agenda of the Meeting of Cerved Information Solutions S.p.A. ("**CIS**" or the "**Company**"), convened in ordinary session for April 27, 2015 at 11:30 AM, at 1 Via San Vigilio, in Milan, on a single calling (the "**Meeting**"), providing reference to the specific reports required pursuant to the laws and regulations currently in effect, which should be consulted for additional information.

With regard to the third item on the Agenda, which concerns the report on the compensation policy required by Article 123-ter of the TUF, please see the Compensation Report prepared in accordance with the abovementioned article of the TUF, Article 84-*quater* of the Issuers' Regulations and the related Annex 3A, Forms No. 7-*bis* and Form 7-*ter*, which will be made available to the public within the statutory deadline at the Company's registered office, through Borsa Italiana S.p.A. and on the Company website: <http://company.cerved.com>, governance page – Shareholders' Meeting.

The section of the Report concerning the motion, subject of Item 4 on the Agenda, to authorize the Board of Directors - subject to prior cancellation of the previous authorization approved by the

Shareholders' Meeting on March 25, 2014 - to purchase and dispose of treasury shares in accordance with the provisions of the laws currently in effect was also prepared pursuant to Article 73 of the regulations enacted by the Consob with Resolution No. 11971 of May 14, 1999, as integrated and amended (the "Issuers' Regulations"), and the related Annex 3A, Form No. 4.

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#### **ITEM 1) ON THE AGENDA**

**Approval of the Statutory Financial Statements at December 31, 2014; related resolutions. Presentation of the Consolidated Financial Statements at December 31, 2014. Reports of the Board of Directors, the Board of statutory Auditors and the Independent Auditors**

Dear Shareholders,

the year ended December 31, 2014 closed with a loss of Euro 1,964,300.00. Pointing out that the financial statement documents published and made available within the statutory deadline should be consulted for any detailed information, the Board of Directors recommends that you cover this loss by drawing an equal amount from additional paid-in capital.

Further to the remarks provided above, the Board of Directors submits for your approval the following motion:

*"The Ordinary Shareholders' Meeting:*

- *having reviewed the draft statutory financial statements at December 31, 2014, which end with a loss for the year of Euro 1,964,300.00;*
- *being cognizant of the reports of the Board of Statutory Auditors and the Independent Statutory Auditors PwC S.p.A.;*

*resolves*

*a) to approve the statutory financial statements of Cerved Information Solutions S.p.A. at December 31, 2014, which show a loss for the year of Euro 1,964,300.00;*

*b) to cover the loss for the year of Euro 1,964,300.00 by drawing an equal amount from additional paid-in capital;*

*c) to provide the Chairman and the Chief Executive Officer, acting severally, with the powers necessary, with the right to sub-delegate, to carry out all of the activities that are inherent to, resulting from or otherwise related to the implementation of the resolutions set forth in Items a) and b) above."*

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#### **ITEM 2) ON THE AGENDA**

**Motion to distribute available reserves, subsequent to the establishment of a statutory reserve in an amount equal to one-fifth of the share capital; pertinent and related resolutions.**

Dear Shareholders,

the Board of Directors recommends that you distribute the additional paid-in capital (totaling Euro 537,585,910 after coverage of the loss for the year reported by CIS), subsequent to the mandatory establishment of a statutory reserve in an amount equal to one-fifth of the share capital, as follows:

(i) by transferring to the statutory reserve, pursuant to Articles 2430 and 2431 of the Italian Civil Code, and amount equal to one-fifth of the share capital for a total of Euro 10,090,000 (thereby reducing the additional paid-in capital to Euro 527,495,910);

(ii) by distributing a portion of the additional paid-in capital amounting to Euro 39,975,000, corresponding to Euro 0.205 per common shares (thereby reducing the additional paid-in capital to Euro 487,520,910).

The dividend will be payable on May 13, 2015, with coupon tender date on May 11, 2015 and record date on May 12, 2015.

Further to the remarks provided above, the Board of Directors submits for your approval the following motion:

*"The Ordinary Shareholders' Meeting:*

- *having reviewed the motion submitted by the Board of Directors*
- *being cognizant of the reports of the Board of Statutory Auditors and the Independent Statutory Auditors PwC S.p.A.;*

*resolves*

*to distribute a portion of the additional paid-in capital—subsequent to the transfer to the statutory reserve, pursuant to Articles 2430 and 2431 of the Italian Civil Code, and amount equal to one-fifth of the share capital for a total of Euro 10,090,000 (thereby reducing the additional paid-in capital to Euro 527,495,910)—amounting to Euro 39,975,000, corresponding to Euro 0.205 per common shares (thereby reducing the additional paid-in capital to Euro 487,520,910)."*

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### **ITEM 3) ON THE AGENDA**

#### **Compensation Report: compensation policy.**

Dear Shareholders,

pursuant to Article 123-ter, Section Six, of the TUF, the Shareholders' Meeting convened each year to approve the statutory financial statements is also required to render an opinion regarding the section of the Compensation Report that deals with the Company policy concerning the compensation of members of the Board of Directors, general managers and executives with strategic responsibilities, and the procedures used to adopt and implement the abovementioned policy, in accordance with Article 123-ter, Section Three, of the TUF. Moreover, as expressly stated in Article 123-ter, Section Six, of the TUF, the resolutions that the Meeting will be required to adopt regarding the compensation policy for members of the Board of Directors, general managers and executives with strategic responsibilities and the corresponding adoption and implementation procedures will not be binding, being limited to expressing a favorable or unfavorable opinion with regard to the abovementioned policies and their adoption and implementation.

For more detailed information, please consult the Compensation Report prepared by the Board of Directors pursuant to Article 123-ter of the TUF and Article 84-quater of the Issuers' Regulations, as well as the corresponding Annex 3A, Forms 7-bis and Form 7-ter, which will be made available to the public with the modalities and within the deadline required by the laws and regulations currently in effect.

Further to the remarks provided above, the Board of Directors submits for your approval the following motion:

*“The Ordinary Shareholders’ Meeting of Cerved Information Solutions S.p.A., having reviewed the Compensation Report prepared by the Board of Directors in accordance with the laws and regulations currently in effect,*

*resolves*

*(a) to render a favorable opinion with regard to the compensation policies for members of the Board of Directors, general managers and executives with strategic responsibilities described in the specific section of the Compensation Report prepared pursuant to Article 123-ter of Legislative Decree No. 58 of February 24, 1998;*

*(b) to render a favorable opinion with regard to the procedures followed to adopt and implement the policies referred to in Item (a) of this resolution.”*

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#### **ITEM 4) ON THE AGENDA**

**Authorization to purchase and dispose of treasury shares, subject to prior cancellation of the previous authorization approved by the Shareholders’ Meeting on March 25, 2014; pertinent and related resolutions.**

Dear Shareholders,

We submit for your approval a recommendation to authorize the purchase and disposal of treasury shares—pursuant to Articles 2357 and 2357-ter of the Italian Civil Code, Article 132 of Legislative Decree No. 58 of February 24, 1998 and Article 144-bis of the Issuers’ Regulations enacted by the Consob with Resolution No. 11971 of May 14, 1999, as amended (the “**Issuers’ Regulations**”)—based on the rationale provided and in accordance with the conditions detailed below.

Please note that by a resolution adopted on March 25, 2014, the Shareholders’ Meeting of Cerved Information Solutions S.p.A. authorized the purchase and disposal of treasury shares. The purchase authorization was for a period of 18 months from the date of the abovementioned resolution (with effectiveness subject to the start of trading of the Company’s shares on the Online Stock Exchange) and, consequently, will expire in 2015, while the disposal authorization was granted without time limitation.

It seems appropriate to provide the Company with the option of carrying out purchases of treasury common shares beyond the abovementioned deadline, as the assumptions and reasons pursuant to which the Board of Directors requested and the Shareholders’ Meeting granted on March 25, 2014 the authorization to purchase treasury common shares continue to apply.

Therefore, the Shareholders are being asked to approve a new authorization to purchase and dispose of treasury shares, in accordance with the conditions detailed in this Report, subject to prior revocation of the resolution adopted in March 25, 2014.

#### **A. RATIONALE FOR REQUESTING THE AUTHORIZATION**

The assumptions underlying this request and the main objectives that the Board of Directors of Cerved Information Solutions S.p.A. (hereinafter “**CIS**” or the “**Company**”) intends to pursue by means of the transactions for which the authorization is being requested, in compliance with the legislation currently in effect, including the purposes reflected in the “market practices” allowed by the Consob in Resolution No. 16839 of March 19, 2009, pursuant to Article 180, Section 1, Letter c), of the TUF, and by EC Regulation No. 2273/2003 of December 22, 2003, include the following:

- to intervene, directly or through intermediaries, to contain anomalous fluctuations in stock prices and regularize trading trends and prices in response to excess volatility and/or insufficient trading liquidity;

- to establish an “inventory of treasury shares,” which could be used as consideration for extraordinary transactions, including swaps of equity investments, with other parties within the framework of transactions in the issuer’s interest;
- to fulfill obligations arising from programs (if approved) for the distribution, for consideration or free of charge, of stock options or shares to Directors, employees and associates of the issuer or to Directors, employees and associates of subsidiaries of the issuer and programs for the distribution of stock dividends to shareholders.

Specifically with regard to this request to authorize the purchase of treasury shares, please note that: (i) this request does not foreshadow any share capital reduction transaction; (ii) the treasury shares acquired by the Company may subsequently be cancelled, in accordance with the terms and modalities that may be approved later by the Shareholders’ Meeting, should the share no longer be needed for the purposes listed above.

#### **B. MAXIMUM NUMBER AND CATEGORY OF THE SHARES SUBJECT OF THE AUTHORIZATION**

Specifically, this request involves authorizing the Board of Directors to buy the Company’s common shares, in one or more installments, up to the maximum number allowed pursuant to law, counting also the treasury shares held directly and any treasury shares held by subsidiaries.

In any event, as required by Article 2357, Section 1, of the Italian Civil Code, purchases may not exceed the amount of the distributable earnings and unrestricted reserves shown in the Company’s latest duly approved financial statements.

Please note that, in connection with purchases and sales of treasury shares, the Company, in accordance with the provisions of the applicable laws and accounting principles, will record all necessary accounting entries. In the event of sales of treasury shares, additional buy transactions may be executed until the expiration of the authorization granted by the Shareholders’ Meeting, while continuing to comply with the statutory limits on quantities, including those concerning the number of treasury shares that the Company and its subsidiaries may hold from time to time and the conditions established by the Meeting

#### **C. USEFUL INFORMATION TO ASSESS COMPLIANCE WITH ARTICLE 2357, SECTION 3, OF THE ITALIAN CIVIL CODE**

The Company’s subscribed and paid-in share capital, which is comprised of 195,000,000 share without par value, amounts to a total of Euro 50,450,000. As of the date of this Report, the Company did not hold any treasury shares, either directly or indirectly.

Please note that the Company’s draft financial statements for the year ended December 31, 2014—as approved by the Board of Directors meeting on March 13, 2015 and submitted for approval to today’s Meeting convened, *inter alia*, for the purpose of voting on this motion to authorize the purchase and disposal of treasury shares—show the following unrestricted and freely distributable reserves:

- Retained earnings Euro 539,550,209;
- Other reserves Euro (26,373).

#### **D. DURATION OF THE AUTHORIZATION**

The Board of Directors recommends that the authorization to purchase treasury shares be granted for a period of 18 months from the date when the Meeting will adopt the corresponding resolution. The Board of Directors may execute the authorized transactions in one or more installments and at any time.

The abovementioned time limit of 18 month shall not apply to any sales transactions involving any of the treasury shares acquired by virtue of the Meeting’s authorization.



#### **E. MAXIMUM AND MINIMUM CONSIDERATION**

The purchase price of the shares will be determined on each occasion based on the modality selected to execute the transaction and in accordance with legislative and regulatory requirements or the operating conditions established by market practices applicable to purchases of treasury shares, as allowed by the Consob in Resolution No. 16839 of March 19, 2009, pursuant to Article 180, Section 1, Letter c), of the TUF, and by EC Regulation No. 2273/2003 of December 22, 2003, when applicable, and, specifically, at a price per share the minimum and maximum level of which may not be lower or higher by more than 20%, respectively, compared with the closing stock market price of the CIS stock for the trading session preceding each buy transaction.

Sales of treasury shares may be executed at a price that shall not be lower by more than 20% compared with the average for the closing prices recorded on the Online stock Exchange in the five days preceding the sale. This price limitation requirement may be waived for exchanges or disposals of treasury shares in connection with the implementation of industrial projects and/or commercial transactions and/or projects in the Company's interest, and cases involving the disposal of shares executed within the framework of incentive program and plans pursuant to Article 114-bis of the TUF.

#### **F. MODALITIES FOR IMPLEMENTATION OF THE TRANSACTIONS**

Given the different purpose that can be pursued by executing transactions involving treasury shares, the Board of Directors recommends that the authorization be granted for purchases of treasury shares executed with any of the modalities allowed pursuant to current laws, selected on each occasion at the discretion of the Board of Directors, which, at the present time, include the following:

- through a tender or exchange offer;
- with purchases executed on regulated markets, in accordance with the operational modalities required by Borsa Italiana S.p.A. that meet the requirements of Article 144-bis of the Issuers' Regulations;
- through purchases and sales of derivatives traded on regulated markets that require the physical delivery of the underlying shares and in accordance with the conditions required by Borsa Italiana S.p.A.
- through the proportional allotment to the shareholders of put options exercisable over the length of the authorization referred to in paragraph four above.

As for transactions involving sales of treasury shares, the Board of Directors recommends that they be executed, even before all purchases are completed, for all or part of the shares, on regulated and/or unregulated market, or in off-market transactions, including by means of offerings to the public and/or the shareholders, institutional placements, offerings of rights and/or warrants, or as consideration for acquisitions or public exchange offers.

Adequate disclosures shall be provided of transactions involving purchases and sales of treasury shares, as required by the applicable disclosure requirements.

Further to the remarks provided above, the Board of Directors submits for your approval the following motion:

*"The Ordinary Shareholders' Meeting:*

- *being cognizant of the motion by the Board of Directors;*
- *considering the provisions of Articles 2357 and 2357-ter of the Italian Civil Code, Article 132 of Legislative Decree No. 58 of February 24, 1998 and Article 144-bis of the Issuers' Regulations enacted by the Consob with Resolution No. 11971 of May 14, 1999, as amended, and the "market practices" allowed by the Consob in Resolution No. 16839*

of March 19, 2009, pursuant to Article 180, Section 1, Letter c), of the TUF, and by EC Regulation No. 2273/2003 of December 22, 2003;

- being cognizant of the fact that, at this point, the Company does not hold any treasury shares, either directly or indirectly;
  - having reviewed the financial statements for the year ended December 31, 2014;
  - having verifies the advisability of granting an authorization to execute purchases and sales of treasury shares, for the purposes and with the modalities detailed above;
- resolves
- a) to revoke the resolution authorizing purchases and sales of treasury shares adopted by the Shareholders' Meeting on March 25, 2014, effective as of the date of this resolution;
- b) to authorize the Company's Board of Directors to purchase treasury shares, within the limit allowed by Article 2357, Section 3, of the Italian Civil Code, it being understood that:
- purchases may be executed within 18 months from the date of this resolution, in one or more installments, with any of the modalities allowed by the combined provisions of Article 132 of Legislative Decree No. 58 of February 24, 1998 and Article 144-bis of the Issuers' Regulations enacted by the Consob with Resolution No. 11971 of May 14, 1999, as amended, and taking into account the specific exemption provided under Section 3 of the abovementioned Article 132 of Legislative Decree No. 58 of February 24, 1998 and, in any event, with any other modality allowed by any relevant national and E.U. laws and regulations in effect, and consistent with any other applicable statute, including the provisions of national and E.U. laws and regulations concerning market abuse;
  - adequate disclosures shall be provided of transactions involving purchases of treasury shares, as required by the applicable disclosure requirements;
  - the minimum and maximum level of the purchase price per share shall not be lower or higher by more than 20% (twenty percent), respectively, compared with the closing stock market price of the CIS stock for the trading session preceding each buy transaction;
  - purchases of treasury shares shall be executed using distributable earnings and unrestricted reserves shown in the Company's latest duly approved financial statements, as of the date when the transaction is executed, establishing a reserve for treasury stock and making all required accounting entries in the manners and within the limits required pursuant to law.
- c) to authorize, without timing restrictions, the sale of treasury shares; acquired pursuant to this resolution referred to in Item a) above, it being understood that these sales can be executed, even before all purchases are completed, for all or part of the shares, on regulated and/or unregulated market, or in off-market transactions, including by means of offerings to the public and/or the shareholders, institutional placements, offerings of rights and/or warrants, or as consideration for acquisitions or public exchange offers, at a price that shall not be lower by more than 20% (twenty percent) compared with the average for the closing prices recorded on the Online Stock Exchange in the five days preceding the sale. This price limitation requirement may be waived for exchanges or disposals of treasury shares in connection with the implementation of industrial projects and/or commercial transactions and/or projects in the Company's interest, and cases involving the disposal of shares executed within the framework of incentive program and plans pursuant to Article 114-bis of the TUF; adequate disclosures shall be provided of



*transactions involving sales of treasury shares, as required by the applicable disclosure requirements;*

- d) to record, also pursuant to Article 2357-ter, Section Three, of the Italian Civil Code, all necessary and/or appropriate accounting entries in connection with transactions involving treasury shares, in compliance with current laws and the applicable accounting principles;*
- e) to provide the Board of Directors, its Chairman and the Chief Executive Officer personally, acting severally, with the most ample powers necessary to execute purchases and sales of treasury shares, including through multiple related transactions, and otherwise implement the foregoing resolutions, using representatives if necessary, and complying with any obligations required by the relevant authorities. "*

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Milan, March 13, 2015

For the Board of Directors  
The Chairman, Fabio Cerchiai