

## OTHER INFORMATION

### RELATED PARTY TRANSACTIONS

Information on the most important economic transactions and balances with related parties is provided in the explanatory and supplementary notes to the consolidated financial statements, in the section entitled “Related Party Transactions”, as well as in the explanatory and supplementary notes to the statutory financial statements.

Dealings between Group companies are conducted at arm’s length, taking into account the quality and type of services rendered.

We point out that no transactions have been carried out with related parties or with entities or individuals other than related parties that, according to the definition used by Consob, are atypical or unusual, do not relate to the normal business activity or have a significant impact on the Group's results, balance and financial position.

In 2010, in accordance with Consob Resolution no. 17221 of March 12, 2010 and subsequent amendments, the Company’s Board of Directors appointed the Related Party Transactions Committee, establishing that the members are to be the same as those of the Control and Risks Committee and approved the Discipline on related-party transactions, which had previously received a favourable opinion of the Control and Risks Committee. The purpose of this Discipline is to establish the principles of conduct that the Company is bound to observe to guarantee the correct management of related-party transactions. This Discipline is available on the Company's website at [www.sogefigroup.com](http://www.sogefigroup.com), in the “Investor – Corporate Governance” section.

In accordance with art. 2497-bis of the Italian Civil Code, we point out that Sogefi S.p.A. is subject to policy guidance and coordination by its parent company CIR S.p.A..

### CORPORATE GOVERNANCE

Note that the “Annual Report on Corporate Governance” for 2015 was approved at the meeting of the Board of Directors that was called to approve the draft financial statements for the year ended December 31, 2015 and is made available to Shareholders as provided for by the law. The Report will also be available on the Company's website at [www.sogefigroup.com](http://www.sogefigroup.com), in the “Investor – Corporate Governance” section.

The Report also contains the information prescribed by art. 123-*bis* of the Consolidated Law on Financial, including information on ownership structures and compliance with the codes of conduct that the Company has adopted. Generally speaking, the Company's Corporate Governance is in line with the recommendations and rules contained in the Code of Conduct.

As regards Legislative Decree 231/2001, which brings domestic regulations on administrative liability of legal entities into line with the international conventions signed by Italy, in February 2003 the Board of Directors adopted a Code of Ethics for the Sogefi Group. The Code clearly defines the values that the Group believes in as the

basis on which to achieve its objectives. It lays down rules of conduct which are binding on directors, employees and others who have ongoing relations with the Group.

On February 26, 2004 the Company also adopted an "Organization, Management and Control Model as per Legislative Decree no. 231 of June 8, 2001" following the guidelines of the decree, with a view to ensuring conditions of fairness and transparency in the carrying on of the company's affairs and business activities.

A Supervisory Body was also set up with the task of monitoring the functioning, effectiveness and observance of the Model, as laid down in the decree.

## TREASURY SHARES

As of December 31, 2015, the Holding Company has 3,252,144 treasury shares in its portfolio, corresponding to 2.74% of capital, at an average price of Euro 2.28 each. In 2015, treasury shares decreased after they were assigned to beneficiaries of stock-based compensation plans.

## DECLARATIONS PURSUANT TO ARTICLES 36 AND 37 OF CONSOB REGULATION 16191 OF OCTOBER 29, 2007

In accordance with the obligations set forth in article 2.6.2. of the Regulations of Borsa Italiana, and with reference to the requirements referred to in articles 36 and 37 of Consob Resolution 16191 of October 29, 2007 and subsequent amendments, it is hereby stated that there are no circumstances such as to prevent the listing of Sogefi stock on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. insofar as: Sogefi S.p.A. (the "Company") has obtained the articles of association and the composition and powers of the related control bodies from foreign subsidiaries based in countries that are not part of the European Union and are of material significance to the Company; the same foreign subsidiaries provide the Company's auditor with information necessary to perform annual and interim audits of Sogefi and use an administrative/accounting system appropriate for regular reporting to the Management and to the auditors of the Company of the income statement, balance and financial data necessary for the preparation of the consolidated financial statements.

Sogefi S.p.A. will also publish the financial statements of foreign subsidiaries (based in non-European countries and with material significance to the Company), prepared for the purpose of the consolidated financial statements as of December 31, 2015, in accordance with the procedures indicated in the Consob regulation.

In consideration of the fact that Sogefi is subject to policy guidance and coordination by its parent company CIR – Compagnie Industriali Riunite S.p.A., it is also hereby stated that there are no circumstances such as to prevent the listing of Sogefi stock on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. insofar as the Company has fulfilled its publication obligations pursuant to article 2497-bis of the Italian Civil Code; has independent decision-making powers in relations with customers and suppliers; does not hold a cash pooling system with CIR. The Company has a cash pooling system with subsidiaries that satisfies the interest of the company. This situation enables the Group's finances to be centralised, thus reducing the need to

utilise funding from banks, and therefore minimising financial charges.

On April 18, 2000, the Company set up a Control and Risks Committee and an Appointments and Remuneration Committee that at present are fully made up by independent administrators.

Lastly, it is hereby stated that as of December 31, 2015, the Company's Board of Directors comprised 10 members, 6 of which meet the independence criteria, and therefore a sufficient number to guarantee that their contribution has an adequate weight when taking board decisions.

#### **EXEMPTION FROM THE OBLIGATION TO PUBLISH INFORMATION DOCUMENTS UNDER ARTICLE 70, PARAGRAPH 8 AND ARTICLE 71, PARAGRAPH 1-BIS OF THE RULES FOR ISSUERS**

In relation to art. 70, paragraph 8 and art. 71, paragraph 1-bis of Consob Regulation no. 11971/99, as amended by Consob Resolution no. 11971/99, on October 23, 2012, the Board of Directors resolved to make use – effective today – of the exemption from the obligation to publish the information documents required for significant transactions consisting in mergers, spin-offs, capital increases by means of the conferral of assets in kind, takeovers and transfers.

#### **OTHER**

SOGEFI S.p.A. has its registered office in Via Ulisse Barbieri 2, Mantova and its operating offices in Via Flavio Gioia 8, Milano and in Avenue du 8 Mai 1945 n. 7, Guyancourt.

The Sogefi stock has been listed on the Milano Stock Exchange since 1986 and has been traded on the STAR segment since January 2004.

This report, which relates to the period January 1 to December 31, 2015, was approved by the Board of Directors on February 29, 2016.

#### **SIGNIFICANT SUBSEQUENT EVENTS**

No significant events occurred after the end of the reporting period.

## **PROPOSED ALLOCATION OF NET PROFIT FOR THE YEAR**

The statutory financial statements as of December 31, 2015 that we submit for your approval show a net loss of Euro 6,781,187.01, which we propose to cover entirely using “Retained earnings”.

Milan, February 29, 2016

THE BOARD OF DIRECTORS