

## **5) Request for authorisation to purchase and sell treasury shares.**

Shareholders,

You have been called in ordinary session to discuss and vote on the proposal to authorise the purchase and sale of treasury shares for the purposes and within the terms set out below.

Please note, first of all, that the authorisation to purchase and sell treasury shares, approved by the Shareholders' Meeting of 28 April 2017, will expire with the approval of the 2017 financial statements by the Shareholders' Meeting convened for 20 April 2018.

### **1. Reasons for which authorisation is sought**

The Board of Directors has once again decided to the request for authorisation to purchase and sell treasury shares submit to the Shareholders' Meeting as it is believed that this possibility constitutes a flexible and also strategic managerial tool which the Directors, in compliance with laws and regulations, must continue to have at their disposal in order to pursue the following objectives:

- fulfil the obligations arising from any stock option programs or other allocations of the Company's shares to employees or members of the Boards of Directors and Statutory Auditors of ASTM S.p.A. or of affiliated companies, as well as to fulfil any obligations arising from debt instruments convertible into or exchangeable with equity instruments;
- acquire a portfolio of treasury shares to have at their disposal in the context of any extraordinary operations, including the exchange of shares, with other parties as part of the operations of interest to the Company (so-called "treasury stock") or for other uses considered of financial, operational and/or strategic interest for the company;
- operate on the market, in compliance with the provisions in force, with a view to investing or otherwise seize opportunities to maximize the value of the stock that may result from market fluctuations;
- offer shareholders an additional means of monetizing their investment.

With particular reference to the request for authorisation to purchase treasury shares, it is pointed out that, at present, such a request is not intended to reduce the share capital by cancelling the treasury shares bought.

## **2. Indication of the maximum number of shares for which authorisation is sought**

The subscribed and paid up share capital of the Company is represented by 98,998,600 ordinary shares, without par value, for a total value of 49,499,300.00 Euros.

To date, the Company has in its portfolio a total of 6,577,706 treasury shares (equal to 6.64% of the share capital), of which 6,497,328 held directly and 80,378 held indirectly through the subsidiary Autostrada Albenga Garessio Ceva S.p.A. (58,878 shares ) and the subsidiary ATIVA S.p.A. (21,500 shares).

Bearing in mind the above, it is proposed to authorise the Board of Directors to purchase treasury shares of the Company, on one or more occasions, to an extent freely determined by the Board, up to the maximum of 19,799,720 ordinary shares, having regard to the treasury shares held directly by the Company and those held by its subsidiaries.

Purchases will be made, in accordance with Article 2357, paragraph 1, of the Italian Civil Code, within the limits of the distributable profits and available reserves resulting from the last approved financial statements.

## **3. Useful information for assessment of compliance with the provisions of Article 2357, paragraph 3, of the Italian Civil Code**

The number of shares for which authorisation to purchase is sought will under no circumstances exceed one fifth of the share capital, taking into account for this purpose also any shares that might be purchased by subsidiaries.

Subsidiaries will be given specific instructions to promptly report any purchase of shares made in accordance with Article 2359 of the Italian Civil Code, as well as their sale.

## **4. Duration for which authorisation is sought**

The authorisation to purchase of treasury shares is sought until approval of the financial statements at 31 December 2018 and, nevertheless, for a maximum period of 18 months from the date on which the Shareholders' Meeting adopts the corresponding resolution, while the duration of authorisation to sell treasury shares is sought without time limits.

The Board of Directors may proceed with the transactions authorised on one or more occasions and at any time.

#### **5. Minimum and maximum prices**

The purchase price of the shares shall be identified case by case, having regard to the set procedures for the transaction and in compliance with any statutory or regulatory requirements, as well as accepted market practices. In any case, the purchase price shall not be more than 10% below, at the minimum, and not be more than 10% above, at the maximum, the reference price recorded on the trading day prior to each single purchase transaction or the date on which the price is fixed and, in any case, where purchases are carried out on the regulated market, the price cannot be greater than the highest between the price of the last independent transaction and the highest current independent purchase offer price on the same market, in accordance with the provisions of Art. 3 of Delegated Regulation EU No. 2016/1052.

For the sale and/or use of treasury shares, the Board must establish case by case the pricing criteria and/or procedures, terms and conditions of use of treasury shares, having regard to the implementation procedures to be used in practice, as well as the development of the share prices in the period preceding the transaction and in the best interests of the Company, in any case in compliance with statutory or regulatory requirements and accepted market practices, and this also with reference to treasury shares as of today's resolution.

#### **6. Procedures by which purchases and sales of treasury shares shall be carried out**

In view of the different purposes which may be pursued with transactions involving treasury shares, the Board of Directors proposes that the authorisation be granted for purchases according to any of the procedures allowed by statutory or regulatory requirements as well as by accepted market practices, to be identified case by case at the discretion of the Board itself, and therefore, currently:

- through a takeover bid or exchange;
- with made on regulated markets, under the procedures established by Borsa Italiana S.p.A. and having the characteristics referred to in Article 144-bis of Consob Regulation no. 11971 of 14 May 1999;
- through the purchase and sale of derivative instruments traded on regulated markets which involve the physical delivery of the underlying shares and provided that the market organisation and management regulations establish procedures for trading the aforementioned instruments in compliance with the provisions of Article 144-bis of the Consob Regulation no. 11971 of 14 May 1999;
- through proportional assignment to shareholders of put options to be exercised within the period of validity of the authorisation referred to in paragraph 4 above.

With regard to sales transactions, the Board of Directors proposes that the authorisation allows the adoption of any procedures deemed appropriate to meet the objectives pursued, to be carried out either directly or through intermediaries, in compliance with both national and EU laws and regulations in force. In particular, the sale of treasury shares may take place on one or more occasions and at any time, also with a public offer, to shareholders, on the market or in the context of extraordinary operations. The shares may also be sold in combination with bonds or warrants for exercise of the same and, in any case, in the manner permitted by the applicable legislation and regulations, at the discretion of the Board of Directors.

Purchase and sale transactions of treasury shares for which authorisation is sought shall be performed in compliance with applicable legislation and, in particular, in compliance with national and EU laws and regulations, also with regard to market abuse.

Adequate notice in compliance with applicable disclosure requirements shall be provided with regard to the purchase and sale of treasury shares.

## **7. Possible cancellation of treasury shares purchased**

The purchase of treasury shares is not intended to reduce share capital by cancelling the treasury shares purchased.

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In relation to the above, we invite you to approve the following:

*"The Ordinary Shareholders' Meeting of ASTM S.p.A.,*

- *having taken note of the "Explanatory Report of the Board of Directors" and of the proposals contained therein,*

RESOLVES

- 1) *to authorise the Board of Directors to purchase treasury shares, with no par value, up to the maximum of quantity of 19,799,720 ordinary shares, representing 20% of the company's share capital, having regard to the treasury shares held directly by the Company and those held by its subsidiaries, establishing that:*
  - a) *the purchase may be made on one or more occasions until the date of the shareholders' meeting to approve the 2018 financial statements and for a period not exceeding 18 months from the date of this resolution;*
  - b) *the purchase may be made with any of the procedures allowed by current legislation and regulations as well as by accepted market practices, to be identified case by case at the discretion of the Board, and therefore, currently:*
    - (i) *through a takeover bid or exchange;*
    - (ii) *with made on regulated markets, under the procedures established by Borsa Italiana S.p.A. and having the characteristics referred to in Article 144-bis of Consob Regulation no. 11971 of 14 May 1999;*
    - (iii) *through the purchase and sale of derivative instruments traded on regulated markets which involve the physical delivery of the underlying shares and*

*provided that the market organisation and management regulations establish procedures for trading the aforementioned instruments in compliance with the provisions of Article 144-bis of the Consob Regulation no. 11971 of 14 May 1999;*

*(iv) through proportional assignment to shareholders of put options to be exercised within the period of validity of the authorisation referred to in point a);*

*c) adequate notice in compliance with applicable disclosure requirements shall be provided with regard to the purchase and sale of treasury shares.*

*d) the purchase price of the shares shall be identified case by case, having regard to the set procedures for the transaction and in compliance with any statutory or regulatory requirements, as well as accepted market practices. In any case, the purchase price shall not be more than 10% below, at the minimum, and not be more than 10% above, at the maximum, the reference price recorded on the trading day prior to each single purchase transaction or the date on which the price is fixed and, in any case, where purchases are carried out on the regulated market, the price cannot be greater than the highest between the price of the last independent transaction and the highest current independent purchase offer price on the same market, in accordance with the provisions of Art. 3 of Delegated Regulation EU No. 2016/1052.*

*e) the purchase shall be made by using distributable profits and available reserves resulting from the last approved financial statements at the time of the transaction, proceeding with the necessary accounting entries as prescribed by and within the limits of the law;*

*2) to authorise the Board of Directors to sell, in whole or in part, either directly or through intermediaries, and with no time limits, the treasury shares pursuant to the resolution of point 1) even before having fully exercised the authorisation to purchase treasury shares, with the broadest powers to determine the pricing criteria and/or procedures,*

*terms and conditions of use of treasury shares, having regard to the implementation procedures to be used in practice, as well as the development of the shares prices in the period preceding the transaction and in the best interests of the Company, in any case in compliance with statutory and regulatory provisions, as well as accepted market practices.*

*The sale of treasury shares may take place on one or more occasions and at any time, also with a public offer, to shareholders, on the market or in the context of extraordinary operations. The shares may also be sold in combination with bonds or warrants for exercise of the same and, in any case, in the manner permitted by the applicable legislation and regulations, at the discretion of the Board of Directors.*

- 3) *to confer on the Board of Directors - and on its behalf the Chief Executive Officer - the broadest possible powers to carry out, in accordance with Article 2357-ter, paragraph 3, of the Italian Civil Code, any accounting entries necessary or appropriate, in connection with transactions involving treasury shares, in accordance with current legislation and applicable accounting standards;*
- 4) *to confer on the Board of Directors - and on its behalf the Chief Executive Officer - the broadest possible powers for the purchase, sale, use, or deployment of treasury shares, also through successive transactions between the same, and in any case in order to implement the above resolutions, also by means of attorneys, complying with any requests of the competent authorities."*

Tortona, 14 March 2018

for the Board of Directors

The Chairperson

(Prof. Gian Maria Gros-Pietro)