

## ENGLISH COURTESY TRANSLATION

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### NOTICE OF THE ISSUER

*Pursuant to article 103, paragraph 3, of the Legislative Decree of February 24, 1998, no. 58, as subsequently amended and supplemented, and article 39 of the CONSOB regulation adopted with resolution no. 11971 of May 14, 1999, as subsequently amended and supplemented*

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*Press release of the Board of Directors of Mittel S.p.A. on the public tender offer promoted pursuant to articles 102, 106, paragraph 1, and 109 of the Legislative Decree of February 24, 1998, no. 58, as subsequently amended and supplemented, by Progetto Co-Val S.p.A. in concert with Seconda Navigazione S.r.l., Fondazione di Cassa di Risparmio di Trento e Rovereto, Franco Stocchi and Blue Fashion Group S.p.A. and having as a subject maximum no. 51,535,674 ordinary shares of Mittel S.p.A.*

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Milan, September 14, 2018

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**DEFINITIONS**

Below is a list of the main terms used in the present Issuer's Notice. These terms, unless otherwise specified, have the meaning indicated below. Where the context requires it, the terms defined in the singular maintain the same meaning also in the plural and vice versa.

<b>Other Countries</b>	The United States of America, Canada, Japan, Australia, as well as any other country other than Italy, where the Offer is not permitted without authorisation from the competent authorities and / or other obligations from the Offeror.
<b>Administrators</b>	Jointly, Rosario Bifulco, Marco Colacicco, Michele Iori, Anna Francesca Maria Cremascoli, Valentina Dragoni, Giovanni Raimondi and Patrizia Galvagni, members, as of the Issue Date of the Notice, of the Issuer's Board of Directors.
<b>Independent Administrators</b>	Jointly, Anna Francesca Maria Cremascoli, Valentina Dragoni, Giovanni Raimondi and Patrizia Galvagni, non-executive and non-related administrators of the Offeror, for the purposes of article 39- <i>bis</i> , paragraph 2, of the Issuers' Regulation.
<b>Share or Shares</b>	Each of the (one or more, according to the context, all or part of the) maximum no. 87,907,017 ordinary shares of Mittel, with a nominal value of EUR 1.00 each, regular and fully subscribed, listed on the Mercato Telematico Azionario, representing 100% of the Issuer's share capital on the Issuer's Issue Date.
<b>Shares Subject to the Offer</b>	Each of the (one or more, according to the context, all or part of the) maximum n. 51,535,674 Shares, representing 58.625% of the Issuer's share capital on the Issuer's Issue Date.
<b>Own Shares</b>	The no. 6,559,649 of the Issuer's own shares, representing 7.462% of the share capital on the Issuer's Issue Date.
<b>Blue Fashion Group or BFG</b>	Blue Fashion Group S.p.A., with registered office in Milan, Piazza Armando Diaz, n. 6, VAT number, Fiscal Code and registration number Milan Business Register 02137490419, with share capital of € 31,440,000.00, fully paid up, sole shareholder of Second Navigation, in turn owner of 70.955% of the capital of the Offeror ..
<b>Italian Civil Code</b>	The Italian Civil Code, approved by Royal Decree no. 262 of March 16, 1942, as subsequently supplemented and amended.
<b>Code of Conduct</b>	The Code of Conduct for Listed Companies prepared by the Corporate Governance Committee of Borsa Italiana.

<b>Issuer's Control Body</b>	The Issuer's control body, appointed pursuant to article 31 of the Issuer's By-Laws.
<b>Issuer's Notice</b>	This notice of the Issuer's Board of Directors, drawn up pursuant to the combined provisions of article 103, paragraph 3, of the TUF and article 39 of the Issuers' Regulation .
<b>Offeror's Notice</b>	The Offeror's Notice provided for in articles 102, paragraph 1, of the TUF and 37, paragraph 1, of the Issuers' Regulation, issued on 17 July 2018.
<b>Contributions</b>	Jointly, the Fondazione CARITRO Contribution and the Seconda Navigazione Contribution.
<b>Fondazione CARITRO Contribution</b>	The transaction, completed on the Implementation Date, July 17, 2018, pursuant to the provisions contained in the Investment Contract, concerning the transfer of the Fondazione CARITRO Contribution to Progetto Co-Val.
<b>Seconda Navigazione Contribution</b>	The transaction, completed on the Implementation Date, July 17, 2018, pursuant to the provisions of the Investment Contract, concerning the transfer of the Seconda Navigazione Share to Progetto Co-Val.
<b>Issuer's Board of Directors</b>	The Issuer's Board of Directors, appointed pursuant to Article 15 of the Issuer's Bylaws.
<b>CONSOB</b>	The National Commission for Companies and the Stock Exchange, based in Rome, via G.B. Martini n. 3.
<b>Investment Contract</b>	The investment contract stipulated by Fondazione CARITRO and Seconda Navigazione on the Implementation Date and concerning, <i>inter alia</i> , the implementation of the Contributions, as briefly described in the Paragraph 1.1 of the Premises.
<b>Remuneration or Consideration</b>	The remuneration offered by the Offeror for each Share brought into acceptance of the Offer and purchased by the Offeror, amounts to EUR 1,750 as well as possibly reduced by the amount of any gross dividend per Share whose distribution is approved by the competent corporate bodies of the Issuer and which is actually paid before each applicable payment date (settlement).
<b>Issuer's Notice Date</b>	The date of approval by the Issuer's Board of Directors of this Issuer's Notice or September 14, 2018.

<b>Implementation Date</b>	On July 17, 2018 the Investment Contract was signed, the Contributions were implemented and the Offeror communicated to CONSOB and the market - pursuant to Article 102, paragraph 1, of the TUF and Article 37, paragraph 1, of the Issuer Regulations - the obligation to promote the Offer arises.
<b>Offer Document</b>	The offer document relating to the Offer, pursuant to art. 102 of the TUF and 38 of the Issuers' Regulation.
<b>Issuer or Company or Mittel</b>	Mittel S.p.A., with registered office in Milan, Piazza Armando Diaz, n. 7, VAT number, Fiscal Code and registration number, the Milan Register of Companies 00742640154, with share capital of EUR 87,907,017.00, fully paid up.
<b>Independent Expert or Lazard</b>	Lazard S.r.l., with registered office in Milan, via dell'Orso, n. 2, VAT number, Fiscal Code and registration number, the Milan Register of Companies 12912780157, with a share capital of EUR 5,000,000.00, fully paid up.
<b>Fondazione CARITRO</b>	Fondazione Cassa di Risparmio di Trento, a non-profit private legal entity, with full statutory and management autonomy pursuant to Article 2, paragraph 1, of the Legislative Decree of May 17, 1999, no. 153, with registered office in Trento, via Calepina, n. 1, Tax Code 96025320225, holder of 29.045% of the Offeror's share capital.
<b>Franco Stocchi or FS</b>	Mr. Franco Stocchi, indirect shareholder of the Offeror, through Blue Fashion Group, owner of 100% of Seconda Navigazione, which in turn holds 70.955% of the Offeror's share capital.
<b>Mercato Telematico Azionario or MTA</b>	The Mercato Telematico Azionario organised and managed by Borsa Italiana.
<b>Offeror or Progetto Co-Val</b>	Progetto Co-Val S.p.A. with registered office in Milan, Via del Lauro, n. 7, VAT number, Fiscal Code and registration number, the Milan Register of Companies 10412790965, with share capital of EUR 22,950,687.00, of which 10,972,088.00 subscribed and paid, as designated party, in the of the Investment Contract, to the promotion of the Offer also on behalf of the Persons Acting in Concert.
<b>Offer</b>	The takeover bid addressed to all security holders for the totality of the securities admitted for trading on a regulated market in their possession pursuant to articles 102, 106, paragraph 1, and 109 of the Consolidated Law on Finance, as well as the applicable implementation provisions contained in the Issuers' Regulations, by Progetto Co-Val SpA in agreement with Seconda Navigazione S.r.l., Fondazione CARITRO, Franco Stocchi and Blue Fashion Group SpA, as better described in the Offer Document.

<b>Opinion of the Independent Administrators</b>	The reasoned opinion containing the assessments on the Offer and the appropriateness of the Consideration issued by the Independent Directors on September 13, 2018, pursuant to article 39- <i>bis</i> of the Issuers' Regulation, attached to the present Issuer's Notice under <u>Attachment A</u> .
<b>Opinion of the Independent Expert</b>	The fairness opinion issued by the Independent Expert on September 13, 2018 is attached to the opinion of the Independent Directors.
<b>Fondazione CARITRO Share</b>	The no. 10,884,388 Shares, representing 12.382% of the share capital of Mittel, assigned, in implementation of the provisions of the Investment Agreement, from the Fondazione CARITRO to the Offeror against the subscription and release of a capital increase by the latter approved .
<b>Initial Shareholding</b>	The no. 34,154,098 Shares, representing 38.853% of the share capital of Mittel owned by the Offeror following the completion of the Contributions as of the Implementation Date.
<b>Seconda Navigazione Share</b>	The no. 23,269,710 Shares, representing 26.471% of the share capital of Mittel, transferred, in implementation of the provisions of the Investment Agreement, from Seconda Navigazione to the Offeror against the subscription and release of a capital increase by the latter approved.
<b>Shareholders' Agreement</b>	The shareholders' agreement, signed on July 17, 2018, and subsequently amended and supplemented following the signing of an addendum dated July 27, 2018, between Fondazione CARITRO and Seconda Navigazione, and deposited and published for an extract pursuant to Article 122 of the TUF and Article 130 of the Issuers Regulation, and the essential information of which can be found on the CONSOB website at <a href="http://www.consob.it">www.consob.it</a> as well as on the Issuer's website at <a href="http://www.mittel.it">www.mittel.it</a> .
<b>Stock Exchange Regulation</b>	The Regulations for the Organised Markets and Managed by Borsa Italiana, in force at the Issuer's Issue Date.
<b>Issuers' Regulation</b>	The Regulation implementing the TUF, concerning the regulation of issuers, approved by CONSOB resolution on May 14, 1999, no. 11971, as subsequently amended and supplemented.
<b>Half-year Financial Report</b>	The half-year financial report as of June 30, 2018 approved by the Issuer's Board of Directors on the Issuer's Issue Date (i.e. September 14, 2018).
<b>Seconda Navigazione</b>	Seconda Navigazione S.r.l., with registered office in Milan, Piazza Armando Diaz, no. 6, VAT number, Fiscal Code and registration number, the Milan Register of Companies 08769750962, with a share capital of EUR 10,000.00, fully paid up, holder of 70.955% of the Offeror's share capital.
<b>Testo Unico della Finanza or TUF</b>	The Legislative Decree of February 24, 1998, no. 58, as subsequently amended and integrated.



## 1. PREMISES

### 1.1. The Offer

The transaction consists of a takeover bid addressed to all security holders for the totality of the securities admitted for trading on a regulated market in their possession, pursuant to and for the purposes of articles 102, 106, paragraph 1, and 109 of the TUF, as well as the applicable implementation provisions contained in the Issuers' Regulation (the "**Offer**"), from Progetto Co-Val S.p.A. (the "**Bidder**" or "**Co-Val Project**") in concert with Seconda Navigazione S.r.l. ("**Seconda Navigazione**"), Fondazione Cassa di Risparmio di Trento e Rovereto ("**Fondazione CARITRO**" or "**Fondazione**"), Franco Stocchi ("**FS**") and Blue Fashion Group S.p.A. ("**Blue Fashion Group**" or "**BFG**" and, jointly with Seconda Navigazione, Fondazione CARITRO and FS, "**People who Act Unanimously**") and concerning ordinary shares (the "**Shares**", and each of them, a "**Share**") of Mittel S.p.A. (the "**Issuer**" or the "**Company**" or "**Mittel**").

In particular, on July 17, 2018 (the "**Implementation Date**"), the Offeror disclosed to CONSOB and the market the existence of the legal conditions for the obligation to promote the Offer, through the disclosure, pursuant to article 102, paragraph 1, of the TUF and article 37, paragraph 1, of the Issuers' Regulation (the "**Offeror's Notice**").

With the Offer's Notice, Progetto Co-Val announced that the obligation to promote the Offer follows from the signing, on the Implementation Date, of the Investment Contract and the simultaneous completion of the operations contemplated therein, including inter alia: *(i)* the transfer, by Fondazione CARITRO to the Offeror, of the investment held by the former in Mittel and consisting of no. 10,884,388 Shares, representing 12.382% of the Issuer's share capital (the "**Fondazione CARITRO Share**") for the subscription and release of a capital increase in kind approved by Progetto Co-Val (the "**Fondazione CARITRO Contribution**"); and *(ii)* the transfer, by Seconda Navigazione to the Offeror, of the investment held by the former in Mittel and composed of no. 23,269,710 Shares, representing 26.471% of the Issuer's share capital (the "**Seconda Navigazione Share**") for the subscription and release of the same capital increase in kind referred to in point (ii) above (the "**Seconda Navigazione Contribution**" and, along with the "Fondazione CARITRO Contribution", the "**Contributions**").

As a result of the Contributions, on the Implementation Date, the Offeror became the holder of Fondazione CARITRO Share and of the Seconda Navigazione Share, thus coming to hold a total shareholding consisting of no. 34,154,098 Shares, representing 38.853% of Mittel's share capital (the "**Initial Shareholding**"). Still pursuant to the provisions contained in the Investment Contract, as of the Implementation Date, Fondazione CARITRO and Seconda Navigazione, as shareholders of the Offeror, signed a shareholders' agreement, subsequently amended as a result of the signing of an *addendum* on July 27, 2018, aimed at regulating the corporate governance of Progetto Co-Val and Mittel, as well as certain obligations and rights in relation to the circulation and transfer of the respective shares held in Progetto Co-Val (the "**Shareholders' Agreement**")<sup>1</sup>. As a result of the completion of the Contributions and the signing of the Shareholders' Agreement, the legal prerequisites for the promotion by Progetto Co-Val - also on behalf of People who Act Unanimously - were verified on the Implementation Date of the Offer.

As indicated in the *Premises* of the Offer Document, the Offeror, between the Implementation Date and August 30, 2018, purchased, at a unit price equal to the Consideration, a total of no. 2,111,914 Shares, representing 2.402% of the Issuer's share capital (these Shares, considered together with the Initial Shareholding, the "**Total Shareholding**", consisted of a total of no. 36,266,012 Shares, representing 41.25%

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<sup>1</sup> The Shareholders Agreement was filed and published for an extract pursuant to article 122 of the TUF and article 130 of the Issuers' Regulation. The essential information can be found on the CONSOB website at [www.consob.it](http://www.consob.it) as well as on the Issuer's website at [www.mittel.it](http://www.mittel.it).



of the Issuer's capital).

As also indicated in the Offer Document and, specifically, in the *Premises* and in *Section C*, the Offer is promoted exclusively in Italy and concerns a maximum of no. 51,535,674 Shares, representing 58.625% of the Issuer's share capital (the "**Shares Subject to the Offer**").

Therefore, the Shares Subject to the Offer correspond to all the Shares issued by the Issuer, including no. 6,559,649 of the Issuers' own shares, representing 7.462% of the share capital, after deducting the total no. 36,371,343 Shares, representing 41.25% of the Issuer's capital, held directly and indirectly by the Offeror and by Persons who Act Unanimously, in particular: **(i)** no. 36,266,012 Shares, representing 41.25% of the Issuer's capital, owned by the Offeror at the date of publication of the Offer Document and constituting the Total Shareholding; **(ii)** no. 64,596 Shares, representing 0.073% of the Issuer's capital owned by Blue Fashion Group at the date of publication of the Offer Document; and **(iii)** no. 40,735 Shares, representing 0.046% of the Issuer's capital owned by FS at the date of publication of the Offer Document.

As indicated in the Offer Document and, specifically, in *Section G*, the Offeror gave to Intermonte SIM S.p.A. a mandate to make, in the name and on behalf of the Offeror, purchases of Shares - at the unit price of EUR 1,750 thousand (equal to the Consideration, as defined below) - both before and after the publication of the Offer Document. Therefore, the number of Shares held by Progetto Co-Val during the Offer may increase by an amount equal to purchases made outside the Offer itself. Purchases made after the publication of the Offer Document will be communicated by the Offeror, pursuant to article 41, paragraph 2, letter c) of the Issuers' Regulation.

The Offer, mandatory pursuant to article 106, paragraph 1, of the TUF, is not subject to any condition of effectiveness and is addressed, without distinction and on equal terms, to all Shareholders. Furthermore, there are no conditions for the effectiveness of the Offer provided for by the law. The Offer is not subject to authorisation by any authority.

The consideration offered by the Offeror is equal to EUR 1,750 thousand for each Share brought in (the "**Consideration**") as well as possibly reduced by the amount of any gross dividend per Share whose distribution is approved by the competent corporate bodies of the Issuer and must actually be paid before each applicable payment date (settlement). In the event of full acceptance by the Offeror, the total maximum counter-value of the Offer (the maximum outflow), calculated on the basis of the Price and number of Shares Subject to the Offer at the date of publication of the Offer Document, will be equal to EUR 90,187,429.50.<sup>2</sup>

The Consideration was established in accordance with the provisions of article 106, paragraph 2, of the TUF, and corresponds to the highest price paid by the Offeror and People who Act Unanimously for the purchase of Shares in the last twelve months<sup>3</sup>. These purchases refer to those made by Fondazione CARITRO for the purchase of Shares in the relevant financial period, at a unit price of EUR 1,750.

The Offer, as can be seen from the reasons for the transaction and the Offeror's developed programs, specified in the Offer Document in *Section G*, is aimed at fulfilling the obligations pursuant to article 106 of the TUF and follows from the underwriting and implementation of the Investment Contract. The Offer does not

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<sup>2</sup>As noted in the Offer Document, as indicated in the Offeror's Notice, as a result of purchases of Shares made by Progetto Co-Val prior to the publication of the Offer Document, the number of Shares Subject to the Offer is decreased from EUR 53,647,588, equal to 61.028% of the share capital of Mittel, to no. 51,535,674 Shares, representing 58.625%. Therefore, even the total maximum value of the Offer (i.e. maximum disbursement) is reduced from EUR 93,883,279.00 to EUR 90,187,429.50.

<sup>3</sup>As indicated in Section E, Paragraph E.1, of the Offer Document, it should be noted that the value attributed to each of the Shares subject to the Contributions was EUR 1,707 and, therefore, lower than the Consideration; this transfer value was determined in accordance with the provisions of Article 2343-ter, paragraph 1, of the Civil Code, ie a value equal to the weighted average price at which the Shares were traded in the 6 months prior to the Contributions.

have the purpose of obtaining the revocation of the Shares from the listing on the Mercato Telematico Azionario (the “**Delisting**”).

The Offer falls within the scope of application of article 39-*bis* of the Issuers' Regulation, with the consequent need to acquire a reasoned opinion containing the assessments on the Offer and on the adequacy of the Consideration issued by the Independent Administrators.

It should be noted that this Issuer's Notice is issued in relation to a public offer to buy that does not fall within the exemptions provided by article 101-*bis*, paragraph 3, of the TUF, and, therefore, articles 102, paragraph 2 and 5, 103, paragraph 3-*bis*, 104, 104-*bis* and 104-*ter*, of the TUF, apply. In this regard, the Issuer: **(i)** proceeded to carry out the disclosure obligations for its own employees and their representatives, provided for by the applicable laws and regulations; and **(ii)** here specifies that the potential success of the Offer will not have specific effects on the interests of the company, nor on employment or the location of the production sites. The Issuer's Board of Directors notes that it has not received, as of the Issuer's Notice Issue Date, any opinion from the employee representatives regarding the effects on employment.

The Issuer's Board of Directors, having acquired the Opinion of the Independent Administrators and the Opinion of the Independent Expert, met on September 14, 2018, at 3pm, to examine the Offer and the Opinion of the Independent Administrators, to hear the presentation of the Independent Expert and the illustration of the conclusions made by him in the aforementioned opinion, as well as to resolve on the approval of the Issuer's Statement, containing, among other things, the motivated assessment of the Issuer's Board of Directors on the Offer and on the adequacy of the Consideration, in accordance with the provisions of article 103, paragraph 3, of the TUF, and article 39 of the Issuers' Regulation.

## **1.2. The purposes of the Issuer's Notice**

The Issuer's Notice, approved by the Issuer's Board of Directors during the meeting on September 14, 2018, was prepared pursuant to and in accordance with the combined provisions of article 103, paragraph 3, of the TUF and of article 30 of the Issuers' Regulation, and illustrates, *inter alia*, any useful data for the appreciation of the Offer and the motivated assessment made by the Issuer's Board of Directors on the Offer and on the adequacy of the Consideration.

It should be noted that, for an accomplished and integral knowledge of the requirements, terms and conditions of the Offer, reference should be made exclusively to the Offer Document published and made available by Progetto Co-Val, pursuant to the applicable laws and regulations.

The Issuer's Notice does not in any way replace the Offer Document and in no way constitutes, nor can it be understood as, a recommendation to adhere or not to the Offer or substitute the judgment of each one of Mittel's shareholders, in relation to the Offer itself.

## **2. DESCRIPTION OF THE MEETING OF THE ISSUER'S BOARD OF DIRECTORS**

### **2.1. Participants of the Issuer's Board of Directors' meeting**

The Issuer's Board of Directors in office as of the Issuer's Press Release Date, is made up of 7 members and was appointed by the shareholders' meeting on January 27, 2017<sup>4</sup>, except for the co-opted administrators

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<sup>4</sup>It should be noted that, as indicated in Section B, Paragraph B.2.4 of the Offer Document, 6 of the 7 members of the Issuer's Board of Directors were taken from the list presented by Seconda Navigazione, pursuant to the provisions of the signed shareholders' agreement on December 29, 2016 (and effective for the exclusive meeting on January 27, 2017) between Seconda Navigazione and the other shareholders Franco Stocchi, Blue Fashion Group, Fondazione CARITRO, Rosario Bifulco and Bootes Srl. In particular, pursuant to the aforementioned shareholders' agreement - terminated on January 27, 2017 itself, for the achievement of the purposes set out therein - the partners have agreed on the composition of the list for the appointment of the Issuer's Board of Directors.

Valentina Dragoni and Patrizia Galvagni, pursuant to Article 2386, paragraph 1, of the Italian Civil Code, by the Issuer's Board of Directors, respectively, during the meetings on April 11, 2017 and July 6, 2017<sup>5</sup>.

At the Board of Directors' meeting on September 14, 2018, during which, among other things, the Offer was examined and the Issuer's present notice was approved, pursuant to article 103, paragraph 3, of the TUF and article 39 of the Issuers' Regulation, the following administrators participated:

<i>First and Last Name</i>	<i>Position</i>
Rosario Bifulco	President and CEO
Marco G. Colacicco	Vice-president
Michele Iori	Vice-president
Anna Francesca Maria Cremascoli <sup>(1)</sup>	Advisor
Giovanni Raimondi	Advisor
Valentina Dragoni	Advisor
Patrizia Galvagni	Advisor

(1) From January 2017, in accordance with the recommendations referred to in article 2.C.5 of the Corporate Governance Code, the Issuer's Board of Directors appointed Anna Francesca Maria Cremascoli as lead independent director.

The entire Issuer's Board of Statutory Auditors was present for the entire duration of the Issuer's Board Meeting. The president, Riccardo Massimo Perotta, and the mayors, Maria Teresa Bernelli and Fabrizio Natale Pietro Colombo.

Doctor Marco Samaja, CEO of Lazard Italia, representing Lazard, and Lawyer Vittoria Giustiniani, representing Bonelli Erede, a legal advisor indicated by the Issuer's Board of Directors, also participated, as guests, to the meeting, following the unanimous consent of the participants.

## **2.2. Specification of own or third party interests relating to the Offer**

With reference to the discussion of item 7 on the agenda (*"Public tender offer of Mittel shares promoted by Progetto Co-Val S.p.A.: an update. Examination of the opinion of the independent administrators, pursuant to article 39-bis of the Issuers' Regulation: related and consequent resolutions"*) of the Board Meeting on September 14, 2018, regarding the examination of the Offer and the approval of the Issuer's Notice, it should be noted that, during the meeting, certain members of the Issuer's Board of Directors, also pursuant to Article 2391 of the Italian Civil Code and article 39, paragraph 1, letter b) of the Issuers' Regulation, declared to be bearers of an interest of their own or of third parties in relation to the Offer, specifying its origin, terms and scope.

<sup>5</sup>It should be noted that these appointments, approved by the Issuer's Board of Directors pursuant to Article 2386, paragraph 1, of the Italian Civil Code, were subsequently followed by the resignation of the director Anna Maria Tarantola, respectively (with effect from April 7, 2017) and of the director Anna Gervasoni (with effect from June 26, 2017), and were subsequently confirmed by the shareholders' meeting of April 26, 2018.

In particular:

- Rosario Bifulco, Charman and Chief Executive Officer, stated that he holds a personal interest in the Offer, since he is both Chairman and CEO of Mittel and owner, directly and indirectly through Bootes S.r.l., of an investment consisting of no. 6,736,089 Shares, and representing 7.663% of the Issuer's share capital;
- The vice-president Marco G. Colacicco declared to be the bearer of a personal interest in the Offer, on the basis of the professional relationships existing with the Offeror and certain People who Act Unanimously, and as the holder of a share consisting of no. 68,777 Shares and representing 0.078% of the Issuer's share capital, of which no. 324 are held by his spouse<sup>6</sup>; and
- The vice-president Michele Iori declared to be the holder of an interest in the Offer on behalf of third parties, since he is also Mittel's vice-president, a member of the Board of Directors of the Offeror and chairman of the board of management of the Fondazione CARITRO, shareholder of Progetto Co-Val a Person who Acts Unanimously.

The Issuer's Board of Directors, having evaluated and acknowledged the aforementioned declarations, considered them for the purposes of its analysis regarding the Offer and the approval of the Issuer's Notice.

For information on the shares of the members of the Issuer's Board of Directors in the negotiations for the definition of the transaction, please refer to the following Paragraph 6.

### 2.3. Documentation examined

The Issuer's Board of Directors, in expressing its assessment of the Offer, and for the purposes of the Issuer's Notice, examined, in addition to the Group's annual financial report as of December 31, 2017, the following documentation:

- The half-year financial report as of June 30, 2018 (the "**Half-Year Financial Report**");
- The Offeror's Press Release, made public by Progetto Co-Val on July 17, 2018, through which the Offeror informed CONSOB and the market of the obligation to promote the Offer, pursuant to and for the purposes of articles 102 and 106, paragraph 1, of the TUF;
- The Offer Document, approved by CONSOB on September 4, 2018, with resolution no. 20569, and published on September 5, 2018;
- The Opinion of the Independent Administrators, issued on September 13, 2018; and
- The Opinion of the Independent Expert, released on September 13, 2018, by Lazard, an independent expert appointed pursuant to articles 39, paragraph 1, letter d) and article 39-*bis* of the Issuers' Regulation, and rendered for the benefit and support of the Board of Directors and the Independent Administrators.

### 2.4. Outcome of the Board of Directors' meeting

Following the discussion of the seventh item on the agenda (*"Public tender offer of Mittel shares promoted by Progetto*

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<sup>6</sup> Source: Offer Document

*Co-Val S.p.A.: an update. Examination of the opinion of the independent administrators, pursuant to article 39-bis of the Issuers' Regulation: related and consequent resolutions*") of the Board meeting on September 14, 2018, the Issuer's Board of Directors voted and unanimously approved the Issuer's Notice, with the abstention of Rosario Bifulco, Marco G. Colacicco and Michele Iori, conferring a mandate to the president and CEO, Rosario Bifulco, with the power to sub-delegate to third parties, also external to the Issuer's Board of Directors, to proceed with the publication of the Issuer's Notice and, if necessary, to make changes and additions requested by CONSOB or any other competent authority, or to make updates that, pursuant to article 39, paragraph 4, of the Issuers' Regulation, may become necessary due to the change in the information set out in this document or any change of a non-substantial nature that would be appropriate.

### **3. DATA AND ELEMENTS USEFUL FOR THE APPRECIATION OF THE OFFER**

For a complete and analytical knowledge of all the terms and conditions of the Offer, as well as information on the parties involved in the transaction, please refer to the contents of the Offer Document and additional documentation made available on the Mittel website, [www.mittel.it](http://www.mittel.it), and on the Offeror's website, [www.progettoco-val.it](http://www.progettoco-val.it).

- Section A ("*Warnings*")
- Section B, Paragraph B.1 ("*Information about the Offeror*");
- Section B, Paragraph B.2.5 ("*Recent trend and perspectives*");
- Section C, Paragraph C.1 ("*Category of financial instruments subject to the Offer and related quantities*");
- Section D, Paragraph D.1 ("*Number and category of financial instruments held by the Offeror and the People who Act Unanimously, with the specification of the ownership and voting rights*");
- Section E ("*Unit fee for financial instruments and its justification*");
- Section F ("*Terms and conditions for accepting the Offer, dates and payment methods for the remuneration and for the return of the Shares*");
- Section G ("*Methods of financing, guarantees of exact fulfilment and the Offeror's future plans*").

In addition, we invite you to properly read what is outlined in the Opinion of the Independent Administrators, attached to the Issuer's Notice under Attachment A, and in the Opinion of the Independent Expert attached thereto.

### **4. EVALUATIONS OF THE ISSUER'S BOARD OF DIRECTORS REGARDING THE OFFER**

#### **4.1. Reasons for the Offer**

The Issuer's Board of Directors acknowledges the reasons for the Offer, as described in *Section G, Paragraph G.2.1*, of the Offer Document. In particular, it is noted that the Offer is aimed at fulfilling the obligations set forth in article 106 of the TUF, since the obligation to promote the Offer arose as a result of the subscription and the simultaneous implementation of the Investment Contract. Indeed, it does not have the purpose of obtaining the Delisting of the Shares. Progetto Co-Val, as indicated in the aforementioned *Section G, Paragraph G.2.1*, of the Offer Document, intends to pursue the objective of increasing the value, in the medium-long term, of the Shares, contributing, through the stabilisation of its ownership, to the development of Mittel's activities, in its capacity as an investment holding company, through the growth, also using external lines, of

the current subsidiaries, as well as through the identification of new investment opportunities compatible with the growth strategies that will be developed by the Issuer's management.

The Issuer's Board of Directors also acknowledges that, in line with the reasons stated above, the Offeror stated that: **(i)** if the Offeror, also considering the ownership interests of the People who Act Unanimously, were to hold, following the Offer, as a result of the accessions and any purchases of Shares made by me and / or the People who Act Unanimously outside the Offer itself, after the Offeror's Statement and within the end of the subscription period to the Offer (and the eventual reopening of the terms), a shareholding of more than 90%, but less than 95% of Mittel's share capital, will - within 90 days - restore a free float to ensure the smooth progress of the negotiations<sup>7</sup>, not subsisting in this circumstance the purchase obligation pursuant to article 108, paragraph 2, of the TUF; and **(ii)** if the Offeror, also considering the shareholdings owned by the People who Act Unanimously, were to hold, following the Offer, as a result of the accessions and any purchases of Shares made by himself and / or by the People who Act Unanimously outside the Offer itself, after the Offeror's Statement and within the period of acceptance of the Offer (and the possible re-opening of the terms), a participation equal to or greater than 95%, will fulfil the obligation of purchase pursuant to article 108, paragraph 1, of the TUF, but will not make use of the purchase right pursuant to article 111 of the TUF. Consistent with the provisions of the hypothesis in which the Offeror obtains a shareholding from the Offeror of at least 95%, following the fulfilment of the purchase obligation pursuant to article 108, paragraph 1, of the TUF, the Offeror will proceed to restore the free float to ensure the regular course of trading.

It should be noted that, if for any reason, even if not attributable to the Offeror, the measures taken to restore the free float are not adequate and suitable to ensure the regular course of trading, Borsa Italiana may order the suspension and / or revocation of Shares from the listing, pursuant to article 2.5.1 of the Stock Exchange Regulations. In the event of a revocation from the listing, holders of Shares who have not joined the Offer will hold financial instruments not traded on any regulated market, with the consequent difficulty in liquidating their investment.

#### **4.2. Programs drawn up by the Offeror**

The Issuer's Board of Directors acknowledges what the Offeror pointed out in *Section G, Paragraphs G.2.2, G.2.3, G.2.4 and G.2.5* of the Offer Document in relation to: **(i)** programs related to the management of activities; **(ii)** future investments and sources of financing; **(iii)** any restructuring and / or reorganisation; and **(iv)** changes envisaged in the composition of the corporate bodies.

##### 4.2.1. Programs related to the management of activities

The Issuer's Board of Directors acknowledges the Offeror intends to ensure the stability of the shareholding structure and the managerial continuity necessary for the Issuer to pursue the objectives outlined in the strategic plan for the 2016-2019 financial period, presented on March 30, 2016 (the "**Strategic Plan**"). Indeed, the Issuer's Board of Directors notes that the "*asset management programs*" outlined by the Offeror, from what can be deduced from *Section G, Paragraph G.2.2* of the Offer Document, are placed in continuity with the strategic choices carried out by Mittel's management, even if no further details are provided in regards to the above. The pursuit of the objectives set out in the Strategic Plan will therefore be implemented therein (the "**Strategic Guidelines**"), including: **(i)** the rationalisation of the corporate structure and reduction of holding

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<sup>7</sup>As indicated in the Offer Document, in Section G, Paragraph G.3, "the restoration of the float may take place according to the procedures that will be deemed most appropriate in light of market needs. By way of example, these modalities may include, inter alia, the reallocation of the Shares through public offer of sale, the private placement or accelerated book building (ABB) or an increase in capital with partial or total exclusion of the option right. The concrete methods of restoring the float, also taking into account the results of the Offer, will be communicated to the market as soon as established by the Offeror and in any case within the 90 days provided for by Article 108, paragraph 2 of the TUF".

costs, with the aim of saving economic resources; **(ii)** the valuation of the portfolio of non-strategic equity investments related to the real estate sector, held through the subsidiary Mittel Investimenti Immobiliari, thanks to the exploitation of opportunities to sell to third parties through retail and / or block sales of such properties; and **(iii)** the recovery of financial receivables (loans to investee companies and other receivables) and the sale of other non-strategic assets (shares in investment funds and minority interests).

#### 4.2.2. Future investments and sources of financing

The Issuer's Board of Directors acknowledges that the Offeror believes that, through the implementation of the Strategic Plan, and in particular through the valuation of the portfolio of real estate assets, the recovery of financial receivables and the sale of other non-strategic assets currently in the portfolio, one can acquire financial resources that will support the future development of Mittel, while not excluding, however, the use of alternative sources of financing.

The Issuer's Board of Directors notes that, as of the date of the Offer Document, the Offeror has not made any specific decision regarding investments of particular relevance and / or additional to those required for the operational and ordinary management of Mittel.

#### 4.2.3. Possible renovations and / or reorganisations

The Issuer's Board of Directors acknowledges that the Offeror has not made any decisions with respect to possible mergers, demergers or reorganisations of the Issuer, nor in regards to any disposal operations of the investments currently in the portfolio.

#### 4.2.4. Changes envisaged in the composition of the corporate bodies

The Issuer's Board of Directors notes that, at of the date of the Offer Document, no decision was taken regarding proposals concerning the composition of the Issuer's administrative and control bodies, other than those resolved by the shareholders' during their meetings on January 27, 2017 and on April 26, 2018.

However, the Board of Directors highlights certain provisions of the Shareholders' Agreement concerning Mittel's corporate governance. In particular, Progetto Co-Val is expected to vote in favour of the appointment of an Issuer's Board of Directors consisting of a certain number of odd members, between 7 and 13. These commitments will become applicable from the date of the first Issuer's shareholders' meeting which will called to resolve, respectively: **(i)** on the appointment of the new Issuer's Board of Directors following its termination, both due to the expiry of the term of the related mandate and due to grounds for forfeiture; and / or **(ii)** on the appointment of the Issuer's Board of Statutory Auditors, following its termination, both due to the expiry of the term of the related mandate and due to grounds for forfeiture; and **(iii)** in regards to any other subsequent Shareholders' Meeting of Mittel that will be called for the appointment of the Issuer's Board of Directors and / or the Issuer's Board of Statutory Auditors during the period of the Shareholders' Agreement (for further information on the contractual provisions referred to in the Shareholders' Agreement, reference is made to the essential information published, pursuant to article 122 of the TUF and article 130 of the Issuers' Regulation, on the Issuer's website: [www.mittel.it](http://www.mittel.it)).

In this regard, it should be noted that, pursuant to the resolution of the Shareholders' Meeting on January 27, 2017, a part from the case of necessary revocation or the occurrence of grounds for revocation, the Issuer's Board of Directors will remain in office, in the current composition, until the date of the shareholders' meeting called to approve the financial statements as of December 31, 2019.

## **5. EVALUATIONS OF THE ISSUER'S BOARD OF DIRECTORS REGARDING THE ADEQUACY OF THE CONSIDERATION**

## 5.1. Opinion of the Independent Administrators

As anticipated in the Premise, the Offer falls within the scope of article 39-*bis* of the Issuers' Regulation. This leads to a need to acquire a reasoned opinion containing the assessments on the Offer and the adequacy of the Consideration issued by the Independent Administrators.

The Opinion of the Independent Administrators was issued on September 13, 2018 and is attached to this Issuer's Notice under [Attachment A](#).

The Opinion of the Independent Administrators:

- A. having examined the contents: *(i)* of the Offeror's Statement; *(ii)* of the Offer Document; and *(iii)* the Opinion of the Independent Expert;
- B. having evaluated the purposes of the Opinion of the Independent Administrators and that it was rendered pursuant to and for the purposes of article 39-*bis* of the Issuers' Regulation and, therefore, for the issuance of the Issuer's Statement by the Issuer's Board of Directors;
- C. having noted the opinions and considerations set out in the Opinion of the Independent Expert and the related conclusions;

concludes that the Consideration is not reasonable.

## 5.2. Opinion of the Independent Expert

### 5.2.1. The appointment

The Issuer's Board of Directors decided to avail itself of the same support advisor chosen by the Independent Administrators: Lazard - an independent expert, pursuant to article 39, paragraph 1, letter d), of the Issuers' Regulation.

Therefore, during the meeting on July 25, 2018, the Issuer's Board of Directors resolved to confer Lazard, in liaison with the Independent Administrators, with a specific task in order to provide the elements, data and useful references to support the evaluations on the congruity of the Consideration from a financial point of view. In execution of the aforementioned Board resolution, on July 31, 2018, the Issuer's Board of Directors and Independent Administrators jointly assigned Lazard the aforementioned position, pursuant to article 39, paragraph 1, letter d), and article 39-*bis* of the Issuers' Regulation.

Lazard carried out its analysis autonomously and rendered, on behalf of both the Board of Directors and the Independent Administrators, the Opinion of the Independent Expert on September 13, 2018.

A copy of the Opinion of the Independent Expert, to which reference should be made, is attached to the Opinion of the Independent Administrators of this Issuer's Notice under [Attachment A](#).

### 5.2.2. Evaluation methods adopted by the Independent Expert

In referring to the Opinion of the Independent Expert for a more detailed description of the methodologies used and of the analyses carried out within the application of each of them, we report below a summary of these methodologies and the results to which the Independent Expert arrived, following the analyses.

For the purpose of assessing the adequacy of the Consideration (as defined below), the Independent Expert used the Net Asset Value method (the "NAV"). This method, widely used in the valuation practice to determine the economic value of the holding companies (such as Mittel), is based on the analysis of the economic value of a company based on the book value of its assets and liabilities expressed at current levels,



and allows the separate and specific valuation of the various and different positive and negative components of value of a holding company.

In particular, for the purposes of determining Mittel's NAV, the Independent Expert:

- a) analysed the shares directly and indirectly held by the Company in Ceramica Cielo S.p.A., IMC S.p.A. and Gruppo Zaffiro S.r.l. (collectively, the “**Industrial Investments**”) with reference to **(i)** the analysis of the discounted cash flow, **(ii)** the analysis of the comparable companies, and **(iii)** the analysis of the previous transactions.

*i. Analysis of the Discounted Cash Flow*

Based on the Company management projections, the Independent Expert performed an analysis by discounting the cash flows of the explicit projection period and the terminal value (calculated according to the multiple exit and income methodologies) of each of the Industrial Investments at a rate equal to the WACC<sup>8</sup>.

*ii. Analysis of comparable companies*

The Independent Expert compared some financial information of the Industrial Investments with similar financial information of certain chosen companies that he deemed comparable to each of the Industrial Investments and whose shares are listed on regulated markets. Implied EV / EBITDS<sup>9</sup> multiples were calculated for 2018 and 2019 for the aforementioned companies and these multiples were applied to the relevant metrics of each of the Industrial Investments.

*iii. Analysis of previous operations*

The Independent Expert examined and analysed some public financial data relating to selected companies involved in recent acquisitions and mergers and operating in the reference sector of each of the Industrial Investments. In particular, the Independent Expert calculated the EV / EBITDA LTM multiple for the transactions selected and applied the resulting multiple to the relevant metrics of each of the Industrial Investments.

- b) considered the other assets and liabilities of the Company (including the net financial position) at their book value, as a result of the separate accounting situation of the Company as of June 30, 2018, except for some assets and liabilities, for which further information / events were considered;
- c) considered the estimated management costs of the Company and the estimated tax benefit arising from the intended use of certain tax losses carried forward, based on their net present value.

The table below summarises the results of the analyses previously described:

NAV per Shares (Euro)	
Min	Max

<sup>8</sup> *Weighted Average Cost of Capital* or weighted capital cost

<sup>9</sup> Relation between the Company's Enterprise Value and the Earnings Before Interest, Taxes, Depreciation and Amortisation.

i. Analysis of the <i>Discounted Cash Flow</i>	2.89	3.32
ii. Analysis of the comparable companies	2.62	3.01
iii. Analysis of previous operations	2.93	3.12

As a control method, the Independent Expert considered the Holding Company Discount<sup>10</sup> applicable to the NAV per Share. To this end, particularly the discount **(i)** applied by the financial analyst who monitors the Company, **(ii)** applied by a selection of recent research by financial analysts for the determination of the target price of other listed Italian holding companies, and **(iii)** implicit in the market price of such holdings, with respect to their estimated NAV, was considered.

The average NAV per share of the Company, derived by applying this Holding Company Discount is equal to EUR 2.20 - 2.52, EUR 1.99 - 2.29 and EUR 2.23 - 2.38, respectively based on the analysis of the discounted cash flow, of comparable companies and previous transactions, as described above.

For a purely informative purpose, moreover, the Independent Expert carried out the following analyses:

- Analysis of market prices: the historical performance of Mittel stock prices during a twelve month period immediately preceding July 17, 2018 (i.e. the date of the Offeror's Statement) was examined. The analysis led to a range of values per Mittel Share between EUR 1.64 and EUR 1.75. The historical performance of the Company's stock price was considered as a minor analysis, considering that the Company has **(i)** limited float and trading volume, **(ii)** poor coverage by research analysts and **(iii)** institutional investors representing only a limited part of its shareholder base;
- Analysis of the premiums paid: the premiums paid in previous public purchase offers launched on companies with shares listed on the Italian stock market were examined. These premiums were applied to the relative weighted average prices for traded volumes of Mittel prior to July 17, 2018. This analysis led to a range of values per Mittel Share between EUR 1.74 and EUR 2.10. Considering that the premiums in question are applied to market prices, in this specific case the significance of this analysis is influenced by the limited reliability of the underlying analysis to market prices, as described above.
- Analysis of the target price: the target price for the Mittel Shares issued by the sole research analyst Equita SIM S.p.A., which publishes reports in relation to the Company, was examined. This target price is equal to EUR 2.15 per Share, derived by applying a 20% Holding Company Discount to an estimated NAV per Share equal to EUR 2.70 per share, obtained by including the treasury shares held by Mittel (the target price would amount to EUR 2.20 per share and the estimated NAV per share would be EUR 2.75 per Share, excluding Mittel's own shares). The reliability of this methodology is compromised by the absence of a significant sample of financial analysts who monitor the Company.

### 5.3. Congruity of the Consideration and Opinion of the Independent Expert

In order to assess the adequacy of the Consideration, the Board of Directors analysed the contents and conclusions of the Opinion of the Independent Expert, sharing his method, assumptions and final

<sup>10</sup> Defined as the discount on the market price of a holding company's shares compared to its estimated NAV per share.

considerations. In particular, the Issuer's Board of Directors believes that the methodological approach followed is consistent with market practice and is suitable for conducting the required valuation activity.

## **6. INDICATION REGARDING THE PARTICIPATION OF THE MEMBERS OF THE ISSUER'S BOARD OF DIRECTORS IN THE NEGOTIATIONS FOR THE DEFINITION OF THE TRANSACTION**

The vice-president Michele Iori, as a member of the Board of Directors of the Offeror and chairman of the board of management of the Fondazione CARITRO, was aware of the negotiations that led to the signing and the simultaneous execution of the Investment Contract as well as taking part, in the aforesaid guise, to the related decision-making process.

The vice-president Marco G. Colacicco, as professional consultant of the Offeror was aware of the negotiations that led to the signing and the simultaneous implementation of the Investment Contract.

## **7. UPDATE ON THE INFORMATION AVAILABLE TO THE PUBLIC AND COMMUNICATION OF SIGNIFICANT EVENTS PURSUANT TO ARTICLE 39 OF THE ISSUER'S REGULATION**

### **7.1. Information on significant events following the approval of the latest financial statements or the latest published interim periodic financial statements**

As of today, the Board of Directors, before proceeding with the discussion of the item on the agenda related to the resolutions concerning this Issuer's Issue, has approved the Interim Financial Report as of June 30, 2018. The relative press release, published on today's date and bearing the information required by applicable law, is attached to this Issuer's Notice under Attachment B. Regarding the information provided therein, there are no significant events to report further than those indicated therein.

For further information, please refer to [www.mittel.it](http://www.mittel.it), the Half-Year Financial Report, which will be made available in accordance with the applicable legislation on the Issuer's website, at the address [www.mittel.it](http://www.mittel.it).

### **7.2. Recent performance and prospects of the Issuer, where not listed in the Offer Document**

For information on the recent performance and prospects of the Issuer, please refer to the relevant paragraphs of the press release, published today, with which the Issuer has made known to the market the approval of the Half-Year Financial Report, attached to this Issuer's Notice under Attachment B, as well as the Half-Year Financial Report which will be made available under the terms provided by the regulations on the Issuer's website, at the address [www.mittel.it](http://www.mittel.it)

## **8. CONCLUSIONS OF THE ISSUER'S BOARD OF DIRECTORS**

In reference to the Consideration, the Board of Directors of the Issuer, in light of its assessments, also taking into account the views expressed by the Independent Directors and in the opinion of the Independent Expert, believes that the same is not congruous from a financial point of view.

In addition to the foregoing, it is considered that each shareholder of the Offer, in order to carry out its assessments, should consider the following:

- A. The Offeror intends to pursue the objective of increasing the value, in the medium-long term, of the Shares, contributing, through the stabilisation of its ownership structure, to the development of Mittel's activities, in its capacity as investment holding company, through the growth, also by external lines, of the current subsidiaries, as well as the identification of new investment opportunities

compatible with the growth strategies that will be developed by the Issuer's management. In particular, Progetto Co-Val aims to ensure the stability of the shareholding structure and the managerial continuity necessary for Mittel to pursue the objectives outlined in the Strategic Plan, even if no further details are provided with respect to the above. The "programs relating to the management of the activities" as outlined by the Offeror, as far as possible to be deduced from Section G, Paragraph G.2.2 of the Offer Document, are, in fact, in continuity with the strategic choices made by Mittel's management. The pursuit of the objectives set out in the Strategic Plan will, therefore, be implemented through the implementation of the Strategic Guidelines, also considering the Offeror that, through the implementation of the same, and in particular through the valuation of the portfolio of real estate assets, the recovery of financial receivables and the disposal of other assets deemed non-core assets currently in the portfolio, financial resources can be acquired that will allow Mittel to develop its future development, although the use of alternative sources of finance cannot be ruled out;

- B. The Offer is not aimed at Delisting and the Shares will continue, upon completion of the Offer, to be listed on the MTA. Therefore, the oblates, in deciding whether or not to participate in the Offer, must also consider the possible future performance of the stock markets, the impact that the Offer may determine on the stock exchange price, the possible lack of exchanges that could characterise the title in the period following the conclusion of the Offer, also awaiting the termination of the Issuer's contestability if Progetto Co-Val, following the Offer, should control Mittel pursuant to art. 2359, paragraph 1, n. 1, of the Civil Code;
- C. as a result of the Offer, in order to restore a free float to ensure regular trading, the Offeror may have to reallocate Shares on the market, for example, through the public offer of sale, private placement or accelerated book building (ABB). Although the Offeror may take all appropriate precautions to carry out any sales transactions in such a way as to avoid any impact on the market price of the shares, it cannot be excluded that these transactions, due to their size and / or frequency, may affect the market value of the title;
- D. if at the outcome of the Offer a scarcity of the free float occurs, also taking into account the possible permanence in the shareholding of Mittel of shareholders holding a stake of more than 5% of the share capital, or if the measures taken by the Offeror for the purpose of the restoration of the free float is not adequate and suitable to ensure the regular stock market, trading performance, also for reasons not attributable to the Offeror, it can not be excluded that Borsa Italiana may order the suspension and / or revocation of Shares from listing on the Mercato Telematico Azionario, pursuant to Article 2.5.1 of the Stock Exchange Regulation. In the event of a revocation from listing, holders of Shares who have not joined the Offer will hold financial instruments not traded on any regulated market, with the consequent difficulty in liquidating their investment.

In reference to no. 6,559,649 Shares held by the Company on the date of this Issuer's Notice (the "Treasury Shares"), the Issuer's Board of Directors announces that, during the meeting of September 14, 2018, in light of the conclusions reached concerning the non-congruity of the Remuneration, voted unanimously and deliberated, with the abstention of the advisors Rosario Bifulco, Marco G. Colacicco and Michele Iori, not to bring the Own Shares to the Offer.

\* \* \*

It should be noted, in any case, that the economic convenience of accepting the Offer must be assessed by the individual shareholder at the time of accession, taking into account all of the foregoing, the opinion of the Independent Directors, the opinion of the Independent Expert, of the performance of the security and of the Issuer, of the Offeror's declarations and, in particular, of the information contained in the Offer Document.

This Issuer's Notice is published on the Issuer's website at [www.mittel.it](http://www.mittel.it).

**Attachment A** Opinion of the Independent Directors with the Independent Expert Opinion enclosed  
**Attachment B** – Press release approving the Half-Year Financial Report, published by the Issuer on September 14, 2018

\* \* \*

Milan, September 14, 2018

For the Issuer's Board of Directors

**Anna Francesca Maria Cremascoli**

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*(Lead independent director)*

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*This press release does not constitute, nor does it intend to constitute, an invitation or solicitation to buy or otherwise acquire, underwrite, sell or otherwise dispose of financial instruments. The Offer is made by publishing the relative offer document upon approval by CONSOB. The offer document contains the full description of the terms and conditions of the Offer, including the terms and conditions for membership.*

No copy of this notice or other documents relating to the Offer will be, or may be, sent by mail or otherwise transmitted or distributed in any or from any country where the provisions of local law may result in civil, criminal or regulatory risks where information concerning the Offer is transmitted or made available to shareholders of Mittel SpA in that country or other countries where such conduct would constitute an infringement of the law of that country and any person receiving such documents (including as custodians, trustees or trustee) is required not to send by post or otherwise transmit or distribute them to or from no such country.