

## **BIESSE S.P.A.**

**DIRECTORS' REPORT FOR THE ORDINARY MEETING OF SHAREHOLDERS OF BIESSE S.P.A. OF 28 AND 29 APRIL 2016, PREPARED IN ACCORDANCE WITH ARTICLE 125-TER OF LEGISLATIVE DECREE OF 24 FEBRUARY 1998 N. 58 ( CONSOLIDATED FINANCIAL LAW -"TUF") AND ARTICLE 84-TER OF THE ISSUERS' REGULATIONS RATIFIED BY CONSOB REGULATION NO. 11971 OF 14 MAY 1999, AND SUBSEQUENT AMENDMENTS (THE "ISSUERS' REGULATION").**

11 MARCH 2016

Dear Shareholders,

with the notice of convocation to be published in Il Giornale newspaper of 29 March 2016 and on the website of Biesse S.p.A. (the "**Company**" or "**Biesse**") on the same date [www.biessegroup.com](http://www.biessegroup.com), the Meeting of Shareholders of the Company has been called in ordinary session, for the 28 and 29 April 2016, in first and second convocation respectively, at the registered offices of the Company in Pesaro, Via della Meccanica, 16 at 09.30, to discuss and approve the following:

### **Agenda**

1. Approval of the Financial Statements for the year to 31 December 2015; the Directors' report on operations, the report of the Board of Statutory Auditors and the Independent Auditors' report on the Financial Statements for the year to 31 December 2015; and to discuss all matters arising therefrom. Presentation of the Consolidated Financial statements for the year to 31 December 2015.
2. Allocation of the results of Biesse S.p.A. for the financial year 2015.
3. Approval of the remuneration policy of Biesse Group.

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- 1. APPROVAL OF THE FINANCIAL STATEMENTS FOR THE YEAR TO 31 DECEMBER 2015; DIRECTORS' REPORT ON OPERATIONS; REPORT OF THE STATUTORY AUDITORS AND THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS FOR THE YEAR TO 31 DECEMBER 2015; ALL MATTERS ARISING THEREFROM. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR TO 31 DECEMBER 2015.**

Dear Shareholders,

The Shareholders' Meeting called for 28 and 29 April 2016 has been called to approve the Company's Financial Statements for the year to 31 December 2015. Biesse will make available to shareholders, in the manner required by law, the Company's Annual Financial Report (including the Preliminary Financial Statements for the year to 31 December 2015, the Consolidated Financial Statements, the Directors' Report on Operations and the certification required by article 154-bis of the Consolidated Financial Law "TUF") by 30 March 2016, together with the report of the Independent Auditors on the aforementioned Parent Company and Consolidated Financial Statements and the report required by article 153 of the Consolidated Financial Law "TUF". Please refer to these documents for further information on the first item on the agenda for the Shareholders' Meeting.

The Board of Directors, therefore, submit for the approval of the Shareholders' Meeting the following proposal regarding the first item on the agenda of the Ordinary Meeting of Shareholders:

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

*- taking note of the Directors' Report on Operations,*

*- taking note of the Statutory Auditors' Report and the Independent Auditors' Report,*

- having examined the Preliminary Financial Statements of Biesse S.p.A. for the year 31 December 2015,

## RESOLVES

(a) the approval of the Financial Statements of Biesse S.p.A. for the year to 31 December 2015, the Board of Directors' Report on Operations, the Report of the Board of Statutory Auditors and the Independent Auditors' Report, which shows a profit of Euro 13,978,026.33

(b) allocation of the residual profit to the Extraordinary Reserve of Biesse S.p.A..

(c) to make note of the presentation of the Consolidated Financial Statements for the year ended 31 December 2015.

*The said proposals put forward for approval*

*Are therefore put to the vote and are declared approved with [●] votes in favour. As detailed in the appendices."*

### **2. ALLOCATION OF THE RESULT FOR 2015 OF BIESSE S.P.A.;**

Dear Shareholders,

The Shareholders' Meeting called for 28 and 29 April 2016 is also called to approve the allocation of the result for the financial year ended 31 December 2015. The Board of Directors' Meeting of 11 March 2016, agreed to propose to the Shareholders Meeting the distribution of a dividend of Euro 0.36 per share, gross of taxes.

The dividend as approved by the Shareholders' Meeting will be paid, in accordance with the law and relevant regulations, on 11 May 2016 with the date of detachment of coupon no. 12 on 9 May 2016. In accordance with article 83-terdecies of the Consolidated Financial Law – "TUF", those legally entitled to receive the dividend must be shareholders who appear on the register as reported at the end of the accounting day of 10 May 2016 (record date).

For the proposal submitted to the Shareholders' Meeting regarding the second item on the agenda of the Ordinary Meeting of Shareholders, please see point (b) of the proposal regarding the first item on the agenda of the Ordinary Meeting of Shareholders.

### **3. APPROVAL OF THE REMUNERATION POLICY OF BIESSE GROUP**

Dear Shareholders,

you are called to grant your approval, in accordance with article 123-ter paragraph 6, Consolidated Financial Law – "TUF" to the section of the remuneration report defined in article 123-ter, paragraph 3,

Consolidated Financial Law – “TUF”, which is to say the section regarding the company's policy regarding the remuneration of the members of its administrative bodies, General Directors and managers with strategic responsibility, and the procedures employed for the adoption and implementation of this policy.

The remuneration report of Biesse Group provided by article 123-ter of the Consolidated Financial Law – “TUF”, containing the relevant policy and the procedures for its adoption and implementation, will be made publicly available in accordance with the relevant law and regulations.

In view of the above, following proposal relating to item three on the agenda for the Ordinary Meeting of Shareholders is therefore submitted for the approval of the Meeting:

*"The Shareholders' Meeting, taking note of the matters illustrated by the Chairman and the supporting documentation,*

### **RESOLVES**

*To approve, in accordance with and by effect of article 123-ter, paragraph 6, of Legislative Decree 58/98 the section of the report on remuneration referred to in article 123-ter, paragraph 3 of Legislative Decree 58/98.*

*The said proposals put forward for approval*

*are hereby put to the vote and declared approved with [●] votes in favour. As detailed in the appendices."*

Pesaro, 11 March 2016

The Chairman of the Board of Directors