



Beni Stabili: Extraordinary General Meeting

Approval of the merger with Covivio by Beni Stabili shareholders

Milan: September 5th, 2018

The Shareholders' meeting, held today in extraordinary session, examined the joint cross-border merger plan of Beni Stabili S.p.A. SIQ into Foncière des Régions S.A. (who is expected to change its name in Covivio S.A.), and resolved, with the attendance of approximately 80.95% of the share capital and the favorable votes of approximately 99.94% of the share capital represented at the meeting, to approve the merger plan and to implement the merger by means of absorption of Beni Stabili S.p.A. SIQ into Foncière des Régions S.A., in accordance with the terms and conditions provided therein.

In particular, the Shareholders' meeting acknowledged the contents of the reports concerning the fairness of the exchange ratio (equal to 8.5 ordinary shares of the Transferee Company in exchange of 1,000 ordinary shares of the Transferor Company), drafted respectively by EY S.p.A., acting as Italian independent expert appointed by the Court of Rome in accordance with Article 2501-sexies of the Italian Civil Code and Article 9 of Decree 108/2008, as well as by Mr Michel Léger, acting as French independent expert appointed by the President of the Commercial Chamber of the Court of Metz, France, in accordance with the French Commercial Code.

The proposed merger represents a significant step towards the simplification of the Group to which Beni Stabili belongs and would increase ties between its different divisions and activities. In particular, the new Group is expected to achieve:

1. A unique exposure to European real estate, and to its most growing markets:
 - a. The combined entity would reach a portfolio¹ of around €23 billion (€15 billion in group share), with respect of current €4.4 billion (€3.6 billion in group share) real estate assets in Beni Stabili;
 - b. The Covivio Group operates already in the main European metropolitan areas (such as Paris and Berlin, besides Milan), and is present in different market segments such as offices, hotels

¹ As at 30/06/2018.

- and residential;
- c. In addition, the Group offers the exposure to over € 5 billion of development pipeline;
2. A strengthened capital market profile and visibility of the Group, through the growth of market capitalisation to over € 7 Bn post-merger from €1.7 Bn of Beni Stabili ⁽²⁾, the increase of free float and, more generally, the liquidity of the stock;
 3. A stronger credit profile, being Covivio rated BBB, positive outlook by Standard & Poor's and Beni Stabili BBB-, positive outlook by the same agency, thus benefiting directly from Covivio wider access to financial resources and to capital markets;
 4. A group with higher return: on the basis of the proposed merger terms, the contemplated transaction aims at generating overall positive economic impacts (with respect to 2017, dividend per share higher by approximately 16% than Beni Stabili 2017 dividend)³.

Post completion of the contemplated merger, which is envisaged by year end 2018, the combined entity would become even more active in Italy through a dedicated branch, with a view to accelerate the implementation of its portfolio rotation and real estate strategy, focusing on prime offices in Milan. The group would remain actively involved in the regeneration and development of new tertiary zones in Milan and in providing premium services to its tenants.

The Shareholders' meeting also resolved to grant the Board of Directors and, for it the Chief Executive Officer, with full powers to sub-delegate and appoint special attorneys for single acts or categories of acts, all suitable powers to implement the Merger and ensure the enforcement of the Shareholders' resolutions pursuant to the merger plan.

The Shareholders of Beni Stabili that did not contribute to the approval of the Merger⁴ shall have the right to withdraw from the Transferor Company no later than 15 (fifteen) days from the registration of the minutes of the general meeting in the Register of Companies of Rome, pursuant to Article 2437, paragraph 1, letter (c) of the Italian Civil Code and Article 5 of the Legislative Decree 108/2008. The redemption price payable to shareholders, calculated in accordance with the criteria set out in Article 2437-ter of the Italian Civil Code, is EUR 0.7281 for each share of the Transferor Company in relation to which the withdrawal rights will be exercised. The notice regarding the registration of said resolution shall be published in compliance with Italian law, including publication in a national newspaper, and, in any event, shall be made available on the www.benistabili.it website, "Governance – Documentation - Notices" section and "Investor Relations - Merger Project with Foncière des Régions" section. That notice will contain greater details on the modalities for exercising the withdrawal right by the entitled parties.

For the purposes of the above, the Shareholders' meeting also approved, as a resolution instrumental to the transaction, to authorize, to the extent necessary, the Board of Directors to purchase as many Beni Stabili shares of Shareholders who exercised a withdrawal right, for the abovementioned redemption price, as it will be deemed necessary or appropriate to allow the successful completion of the settlement procedure provided under Article 2437-quater of the Italian Civile Code, granting also the powers to sell the purchased shares, in one or more tranches and without any time restriction, also before completion of the share purchases above, within the terms and with the modalities that will be decided by the Board, in any event as it will be deemed

² As at the day before announcement (19 April 2018).

³ Based on 2017 dividends of €4.50 for Covivio shares and €0.033 for Beni Stabili shares.

⁴ i.e., the Shareholders that did not participate in the general meeting or that voted against the proposed resolution, or abstained from voting.

necessary or appropriate to allow the positive completion of the overall Transaction. For the sake of clarity, this authorisation is without prejudice to the former authorisation for the purchase and sale of treasury shares which was granted by the Shareholders' meeting of Beni Stabili held on 12 April 2018.

For the sake of completeness, the Foncière des Régions extraordinary Shareholders' meeting, which has been convened tomorrow, 6 September 2018, to approve the Merger Plan, will also resolve, among other things, upon the change of Foncière des Régions's legal name to "Covivio S.A.". This change, if approved by the Shareholders' meeting, will be applied regardless of the Transaction's completion. The same Foncière des Régions extraordinary Shareholders' meeting approving the Merger will also vote on the approval of the increase in the share capital up to a maximum of 9,478,728 shares, each with a par value of EUR 3.00, having the same characteristics of the outstanding ordinary shares, as consideration for the Merger.

For further information in relation to the merger, please see the information documents published by Beni Stabili in accordance with the applicable laws and regulations, including the Board of Directors' report pursuant to Article 2501-quinquies of the Italian Civil Code and Article 8 of the Legislative Decree 108/2008, and the information document pursuant to Article 70 of the CONSOB regulation no. 11971/99, which can be consulted in the "Governance – Shareholders' meetings – Extraordinary Shareholders' Meeting 5 September 2018" and the "Investor relations – Merger Project with Foncière des Régions" sections of the www.benistabili.it website.

A summary of the voting rights' exercise and the minutes of the extraordinary Shareholders' meeting of Beni Stabili will be made available within the terms and with the modalities provided for under the applicable laws and regulations.

For more information:

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Beni Stabili Siiq, a leading property company in the Italian real estate sector

Beni Stabili is the leading property player in the Italian real estate market with total assets of over 4bn euro. Our assets portfolio is sited in key locations of North and Central Italy's major cities and consist mainly of offices. We pursue the appreciation of our assets to increase profitability and create value for our clients, partners and shareholders.

As a major player in office investment and development, we foster pioneering solutions to improve the environmental performance of our buildings for the well-being of our clients' employees. With this in mind we are developing in Milan a new business area dedicated to smart working: Symbiosis.

Beni Stabili is listed on the Milan and Paris Stock Exchanges and operates through its main offices of Milan and Rome. Beni Stabili belongs to the Foncière des Régions group, a leading real estate player in Europe who owns and manage an 21bn euro portfolio located in the most attractive metropolitan cities of France, Germany and Italy.

