

MAIRE TECNIMONT S.P.A.  
Registered office: Rome, Viale Castello della Magliana, 27  
Operative office: Milan, Via Gaetano De Castilia, 6A  
Share capital Euro 19,689,550.00, fully subscribed and paid-in  
TAX ID VAT and registration Rome Companies Register 07673571001  
R.E.A. (Economic Administrative Index) 1048169

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS OF MAIRE TECNIMONT S.P.A. ON THE PROPOSALS CONCERNING ITEM 4 ON THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING OF MAIRE TECNIMONT S.P.A. CONVENED FOR 26 APRIL 2017, FIRST CALL, AND FOR 27 APRIL 2017, SECOND CALL.**

**Item 4 on the agenda – Authorization to purchase and dispose of treasury shares, subject to revocation of the authorization resolved by the ordinary Shareholders' Meeting of 15 December 2015; relevant and consequent resolutions.**

Dear Shareholders,

this Report has been drafted pursuant to article 125-ter of Legislative Decree no. 58 of 24 February 1998, as subsequently amended (“**CFA**”) and article 73 of the Issuers' Regulation adopted by resolution no. 11971 of 14 May 1999, as subsequently amended (“**Issuers' Regulation**”), and in accordance with Annex 3A - Scheme no. 4 to the same Issuers' Regulation.

This Report is made available to the public, in accordance with law and regulations, at the registered office and the operative offices of the Company, on the website of the Company ([www.mairetecnimont.com](http://www.mairetecnimont.com)), and on the authorized storage mechanism Info ([www.info.it](http://www.info.it)).

Providing that by means of resolution passed on 15 December 2015, the Shareholders' Meeting of Maire Tecnimont S.p.A. (“**Maire Tecnimont**” or the **Company**”) had authorized the purchase of ordinary shares of Maire Tecnimont up to a maximum of 10,000,000 ordinary shares, without prejudice, in any case, to the limit of 20% of the total number of shares outstanding, for a period of 18 months from the date of the resolution and that therefore, this authorization will expire on 15 June 2017, the Board of Directors has convened in ordinary session for 26 April 2017 and, if necessary, on second call for 27 April 2017, to submit for your approval, pursuant to articles 2357 and 2357-ter, of the Italian Civil Code, 132 of the CFA and article 144-bis of the Issuers' Regulation, a new proposal to authorize the purchase and disposal of treasury shares by the Company under the terms and conditions described in this Report, after revocation of the authorization resolved on 15 December 2015.

It is notified that to this day, the Company does not hold any treasury shares, not even through subsidiaries, trust companies or third parties.

**1. Reasons for which authorization is requested for the purchase and disposal of treasury shares**

The request for authorization for the purchase and disposal of treasury shares, as proposed by the Board of Directors of the Company, aims to allow the Company to acquire and dispose of ordinary shares, in full compliance with EU and national regulations in force (including EU Regulation 596/2014 and EU Delegated Regulation 1052/2016) and market practices permitted by Consob pursuant to article 180, paragraph 1, letter c) of the CFA and considering no. 76 of EU Regulation 596/2014, as identified by Consob Resolution no. 16839 of 19 March 2009 (“**Permitted Practices**”), for the following purposes:

- (a) acquire treasury shares to be intended, if necessary, for equity incentive plans, also long-term ones, for the directors and/or employees and/or collaborators of the Company, the parent company or subsidiaries of Maire Tecnimont or for extraordinary capital or financing transactions that involve the allocation or disposal of treasury shares;
- (b) fulfil the obligations arising from debt instruments that are convertible into equity instruments;

- (c) intervene, in compliance with applicable regulations and through intermediaries, in order to support, for a set period of time, on the market the liquidity of the equity so as to facilitate the regular conduct of negotiations and avoid price changes not in line with the market trend;
- (d) acquire treasury shares to be used, in accordance with current provisions, as payment in extraordinary transactions, including equity swaps, with other parties in transactions of interest to the Company.

It is pointed out that the request for authorization to purchase treasury shares is not aimed at the reduction of capital by cancelling the treasury shares purchased.

## **2. Maximum number, type and par value of the shares to which the authorization refers**

The Board of Directors requests authorization for a plan for the purchase of the Company's ordinary shares, also in one or more instalments, to an extent to be freely determined by the Board of Directors, up to a maximum amount of 20,000,000 ordinary shares, without par value, representing 6.54% of currently outstanding shares, provided that the above maximum amount shall not in any case exceed 20% of the total number of outstanding shares, also with regard to the ordinary treasury shares held by the Company at the date of initiation of the program either directly or through its subsidiaries.

In accordance with EU Delegated Regulation 1052/2016, moreover, purchases of treasury shares must be effected on any trading day for a volume not exceeding 25% of the average daily volume of shares at the trading venue where the purchase is carried out.

In accordance with art. 2357, paragraph 1, of the Italian Civil Code, purchases of treasury shares must however be within the limits of distributable profits and available reserves from the last approved financial statements at the time of each transaction.

Only fully freed up shares may be purchased.

The authorization also includes the right of the Board of Directors to dispose of shares in the portfolio.

## **3. Information useful for the evaluation of the maximum limit to which the authorization refers**

At the date of this Report, the subscribed and paid-up share capital of the Company amounts to Euro 19,689,550.00 and is divided into 305,527,500 ordinary shares without indication of the par value.

The amount of available reserves and distributable profits, as well as verification of information for the evaluation of compliance with the maximum limit of purchase, to which the authorization refers, will be analyzed at the time of each transaction.

On the occasion of each purchase or disposal of treasury shares, the Company will proceed with the necessary accounting recordings, in compliance with art. 2357-ter, last paragraph, of the Italian Civil Code and the applicable accounting standards.

## **4. Duration of the authorization**

It is proposed that the duration of the authorization to purchase be established according to the maximum term provided by applicable regulations, currently set by art. 2357, paragraph 2, of the Italian Civil Code at 18 months from the date of the Shareholders' Meeting resolution of approval of this proposal.

Within the period of duration of the authorization possibly granted, the Board of Directors may then purchase shares in one or more occasions and at any time, within the extent and time frames freely determined, in accordance with the applicable rules, in a gradual manner deemed appropriate in the interest of the Company. The authorization to dispose of any treasury shares purchased is however requested with no time limit because of the absence of time limits under the existing provisions and the opportunity to allow the Board of Directors to exercise the utmost flexibility, also in terms of time, to carry out acts of disposal of the shares.

## **5. Minimum and maximum price**

The Board of Directors proposes that purchases of treasury shares be carried out, in compliance with the terms and conditions established by the applicable regulations and in particular, by EU Regulation 596/2014, by EU Delegated Regulation 1052/2016 and by Permitted Practices, where applicable.

In this regard, it is proposed that the unit price for the purchase of the shares be determined from time to time for each individual transaction, provided that purchases of shares may be made at a price not exceeding the higher of the price of the last independent transaction and the price of the highest current independent purchase offer at the trading venue where the purchase is made, and provided that the above unit price may not be less than the minimum of 10% and higher by more than 10% of the reference price of the security on the stock exchange session prior to each individual transaction.

The disposal of treasury shares can be at the price or, in any case according to criteria and conditions determined by the Board of Directors, having regard to the implementation methods used, the performance of stock prices in the period preceding the transaction and in the best interests of the Company, provided that, if the program is implemented in view of the purposes referred to in letter (c) of paragraph 1 of this report, the price of the negotiation proposals entered by the sales side shall not exceed the lower price between the price of the last independent transaction and the current price of the proposed independent purchase in the market in which the proposals are made.

## **6. Methods for purchases and disposals**

In view of the various purposes that can be pursued through transactions involving treasury shares, the Board of Directors proposes that the authorization be granted for purchases, so as to ensure equal treatment of shareholders, made in accordance with any of the methods permitted by the regulations in force (also through subsidiaries), to be identified, from time to time, at the discretion of the Board of Directors, and therefore currently:

- a) through a public offer to purchase or exchange;
- b) with purchases made on the market, according to the operating procedures established by Borsa Italiana S.p.A. (Italian Stock Exchange), which do not allow direct matching of purchase trading orders with predetermined sale trading proposals;
- c) through purchase and sale of derivative instruments traded on the market that provide for the physical delivery of the underlying shares and the conditions laid down by Borsa Italiana S.p.A. (Italian Stock Exchange);
- d) through the attribution to shareholders, proportionally to the shares held by them, of a sale put option to be exercised within the term of duration of the authorization.

With regard to disposal transactions, the Board of Directors proposes that the authorization allow the adoption of any manner deemed suitable to meet the objectives pursued - including the use of treasury shares for equity incentive plans and/or the sale of rights *in rem* and/or personal rights and/or securities lending - to be carried out either directly or through intermediaries, in compliance with the related laws and regulations in force.

**7. Additional information, if the purchase is instrumental to the reduction of the share capital through cancellation of the treasury shares purchased**

It is confirmed that the purchase of treasury shares is not instrumental to the reduction of the share capital, without prejudice for the Company, if a reduction in the share capital is approved by the Shareholders' Meeting in the future, to the right to carry it out, even through the cancellation of treasury shares held in the portfolio.

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Dear Shareholders,

In light of the above, we hereby submit the following proposed resolution:

*“The Ordinary Shareholders’ Meeting of Maire Tecnimont S.p.A.,*

- *having examined the Report of the Board of Directors drafted in accordance with article 125-ter of the CFA and article 73 of the Issuers' Regulation and in accordance with Annex 3A - scheme no. 4 of the same Issuers' Regulation;*
- *having acknowledged the proposed resolutions submitted;*

***resolved***

1. *to revoke the authorization for the purchase and disposal of treasury shares resolved on 15 December 2015 by the ordinary Shareholders Meeting' of Maire Tecnimont S.p.A.;*
2. *to authorize the Board of Directors, pursuant to and for the effects of article 2357 of the Italian Civil Code, the purchase, in one or more instalments, of 20,000,000 ordinary shares, provided that the number of treasury shares purchased may not exceed 20% of the total number of shares outstanding at the time of the transaction, taking into account the treasury shares already held by the Company and those possibly held by subsidiaries and, in any case, within the limits of the law, for the pursuit of the purposes set out in the Report of the Board of Directors and under the following terms and conditions:*
  - (a) *the purchase may be made in one or more instalments within 18 months from the date of this resolution;*
  - (b) *the purchase can be carried out as permitted by EU Regulation 596/2014, EU Delegated Regulation 1052/2016, art. 132 of the CFA and article 144-bis of the Issuers' Regulation, therefore in respect of equal treatment of shareholders, and in any case in the manner permitted by related applicable national and EU laws and regulations;*

- (c) *provided that purchases of treasury shares may be made at a price not exceeding the higher of the price of the last independent transaction and the price of the highest current independent purchase offer at the trading venue where the purchase is made, the purchase price of each share must not be less than the minimum of 10% and must not be higher by more than 10% of the reference price of the security on the stock exchange session on the day prior to each individual transaction;*
3. *to authorize the Board of Directors so that, pursuant to art. 2357 ter of the Italian Civil Code, it may dispose of, in whole or in part, in one or more instalments, the treasury shares purchased, for the pursuit of the purposes set out in the Report of the Board of Directors and under the following terms and conditions:*
- (a) *the shares may be sold or otherwise disposed of at any time and without time limits;*
- (b) *the unit price for the disposal of shares and/or the criteria, procedures, terms and conditions of use of all the portfolio treasury shares that are appropriate to meet the objectives pursued may be established by the Board of Directors, provided that, if the program is implemented in view of the purposes referred to in letter (c) of paragraph 1 of this report, the price of the negotiation proposals entered by the sales side shall not exceed the lower price between the price of the last independent transaction and the current price of the proposed independent purchase in the market in which the proposals are made;*
4. *to confer to the Board of Directors - and for it to the Chairman of the Board of Directors and to the Chief Executive Officer, also separately and with the power to sub-delegate for individual acts or categories of acts - the widest powers necessary, none excluded or excepted (including the possible conferment of assignments to intermediaries authorized in accordance with the law and with the power to appoint special proxies) to carry out the sales/disposals of the treasury shares above, also through proxies, complying with any requests from competent authorities.*

Rome, 15 March 2017

On behalf of the Board of Directors  
The Chairman  
(Fabrizio Di Amato)