



**Explanatory report by the Board of Directors  
pursuant to articles 73 and 93 of annexe 3A to  
CONSOB resolution 11971/99 (with subsequent  
amendments and additions) on the proposal to  
purchase and dispose of the company's own  
shares under the terms of articles 2357 and  
2357-*ter* of the civil code, for the Ordinary  
Shareholders' Meeting of  
20-21 April 2010**



Dear Shareholders,

A proposal will be submitted for approval to the Ordinary Shareholders' Meeting of the company of 20 – 21 April 2010 on the issue of a new authorisation for the purchase and disposal of the company's own shares under the terms of articles 2357 and 2357-ter of the civil code. The new request for authorisation is based on the need to renew the authorisation issued on 17<sup>th</sup> November 2008, which expires on 16<sup>th</sup> May 2010.

There therefore follows a brief explanation of the reasons and the methods for the purchase and disposal of the company's own shares for which the board proposes that authorisation be obtained.

## 1. Reasons for the request

We ask the meeting to authorise the purchase and disposal of the company's own shares with a view to providing the company with a significant tool of strategic and operating flexibility which will enable it to dispose of the shares acquired, along with those already in its possession, in relation to:

- ✓ the acquisition or takeover of shareholdings,
- ✓ the stabilisation of the stock quotations,
- ✓ backup for any stock option plans,
- ✓ trading operations on the company's own shares, pursuant to the new version of article 2357, paragraph 1, of the civil code, by means of subsequent purchases and sales of the company's own shares.

## 2. Maximum number of shares available for purchase

On the date of the shareholders' meeting, the company capital of Exprivia SpA is € 26,712,118.16 (twenty six million seven hundred and twelve thousand one hundred and eighteen euros and 16 cents), made up of 51,369,458 (fifty one million three hundred and sixty nine thousand four hundred and fifty eight) ordinary shares, each with a face value of € 0.52 (zero point five two euros).

The purchase for which we seek authorisation, which may take place in one or more stages, regards the ordinary shares of the company.

In accordance with the regulations in force, the authorisation is sought for a maximum number of shares whose face value does not exceed one tenth of the company capital, taking into account the shares already in the possession of the company and any that might be held by controlled companies. On the date of the meeting, the maximum number of shares available for purchase will therefore not exceed 5,136,945 (five million one hundred and thirty six thousand nine hundred and forty five), minus the shares held on that date by the group leader Exprivia SpA.

In any case, number of shares available for purchase will not exceed those which can be acquired using the reserves available for the purpose in the most recent financial statement

approved. Consequently, the number of shares which may be purchased will also depend on the purchase price. The methods for the determination of this are explained in detail below.

### 3. Further useful information for a full assessment of compliance with the terms of article 2357, paragraph 3, of the civil code

Pursuant to the terms of article 2357, paragraph 1, of the civil code, the maximum number of the company's own shares that may be purchased has to be payable using the profits available for distribution and the reserves available, as set out in the most recent approved financial statement of the company. Please note that the following items are entered in the statement of assets of the draft financial statement for the financial year ended 31<sup>st</sup> December 2009, which was approved by the Board of Directors on 11<sup>th</sup> March 2010 and is submitted to the Shareholders' Meeting for approval today (the "2009 financial statement"):

- ✓ share surcharge reserve of € 17,645,059
- ✓ other reserves of € 3,105,075

The use of these reserves for the purchase of own shares will take place in accordance with the regulatory provisions which apply.

In addition, the board should point out that it will be necessary to set up an unavailable reserve at the time of the share purchase, for an amount equivalent to the own shares entered in the assets section of the financial statement, pursuant to the terms of article 2357-ter, paragraph 3, of the civil code (the "Reserve for Own Shares in Portfolio"), with the funds to be withdrawn from the reserves available. In the event of subsequent transfer, exchange, conferral, annulment or writing down of the charge value of the own shares purchased, the equivalent charge value of the own shares transferred, exchanged, conferred, annulled or written down will be transferred to the available reserves from the Reserve for Own Shares in Portfolio. The board wishes to make it clear that the above operating method will have to be followed up to the expiry of the deadline to be specified by the shareholders' meeting for the purchase and sale of the company's own shares.

### 4. Duration of the authorisation

The authorisation to purchase is sought for a period of 18 months following the date of the resolution passed by the meeting. The first purchase may take place as of 17<sup>th</sup> May 2010, which is the day after the expiry of the authorisation previously resolved by the shareholders' meeting of 17<sup>th</sup> November 2008, which remains fully effective.

The authorisation to transfer is sought without time limits.

### 5. Minimum purchase price

The minimum purchase price will be no less than 20% of the mean reference price of the stock in the three Stock Exchange sessions prior to each single purchase operation.

## 6. Maximum purchase price

The maximum purchase price will be no greater than 20% of the mean reference price of the stock in the three Stock Exchange sessions prior to each single purchase operation.

## 7. Transfer price

The transfer operations to be carried out on the Borsa Italiana share market will take place at the market quotation price for the day when the operation is carried out.

The transfer operations to be carried out outside the Borsa Italiana share market may take place at a price no less than 20% of the mean official price of the Exprivia stock on the reference market in the 90 days prior to the date of transfer.

The transfer operations as backup for stock option plans will be carried out under the conditions set out in the Stock Option Plan approved by the Shareholders' Meeting.

## 8. Purchase and transfer methods

The own share purchase operations will be carried out by means of operating methods specified in the regulations for the organisation and management of the markets, pursuant to article 132 of legislative decree no. 58 of 24<sup>th</sup> February 1998 and article 144-*bis*, paragraph 1 b) and c) of the regulations on issuers laid down by CONSOB by means of its resolution no. 11971 of 14<sup>th</sup> May 1999 and subsequent amendments, to ensure equality of treatment for all the shareholders.

Consequently, the purchases, which may take place in a number of stages, will only be carried out on markets regulated, organised and managed by Borsa Italiana S.p.A., by means of the operating procedures established by this latter which do not permit the direct combination of purchase negotiation proposals with predetermined sales negotiation proposals.

The shares purchased in implementation of the authorisation granted by the shareholders' meeting may be subject to deeds of disposal, in relation to which they may be transferred even before the quantities referred to in this authorisation have been completed, in one or more stages, with no time limits, and in the ways deemed most appropriate in the interests of the company. The methods may include transfers within and/or outside the stock exchange, transfers on the block market, with institutional placement, with the placement of structured stocks of any kind or nature, or as the price for the purchase of company shareholdings and/or goods and/or assets.

In the case of transfers to back up stock option plans, the operation will be carried out as specified in the Stock Option Plan approved by the Shareholders' Meeting.

Molfetta, 12<sup>th</sup> March 2010

Domenico Favuzzi  
*Chairman and Managing Director*  
For the Board of Directors

*This Report is available from the registered office of the company at Viale Adriano Olivetti, Molfetta (BA), from the offices of Borsa Italiana S.p.A. at Piazza Affari 6, Milan, and on the Exprivia website at [www.exprivia.it](http://www.exprivia.it).*