



## RELEASE

### **PANARIAGROUP Industrie Ceramiche S.p.A.: today the Shareholder's Meeting approved the financial statements at 31 December 2014**

The Ordinary Shareholders' Meeting of Panariagroup Industrie Ceramiche S.p.A. – a group operating in the fields of production and distribution of ceramic material for flooring and facing for the high-end and luxury market – that was convened today in first call, approved the following items on the agenda:

#### **Approval of the financial statements at 31 December 2014**

The Shareholders' Meeting of Panariagroup approved the figures provided in 2014 financial statements.

Within a still unstable international economic context, for Panariagroup, 2014 was characterised by significant reversal in the trend of the previous two years, bringing 6.5% growth in revenue (+ € 17.7 million), compared to 2013, and distinct advances in terms of profitability.

On the financial statement and financial position front, further improvements may be noted with respect to 2013, culminating in a reduction in Net Working Capital and mostly in the Net Financial Position, which fell from € 90.9 to € 80.2 million (- € 10.7 million).

In 2014, the internationalization strategy of Panariagroup, targeting extra-European markets, led, in regard to these areas, to a 45% portion of Group revenue. This situation enables greater diversification of risks and increased competitiveness within all markets challenged.

#### **MAIN CONSOLIDATED ECONOMIC INDICATORS**

(€ 0/000)

Nature	31/12/2014	31/12/2013	change €
Revenue from sales and services	290,679	272,971	17,708
Value of production	298,247	270,463	27,784
EBITDA	21,038	14,044	6,994
EBIT	1,920	(6,845)	8,765
Consolidated Net Profit (Loss)	(1,841)	(7,851)	6,010

Concerning the Italian parent company, Panariagroup Industrie Ceramiche S.p.A., which recorded an operating loss of € 2,520,381, the Shareholders' Meeting approved the proposal of the Board of Directors that the operating loss be carried forward.

**Report on Remuneration; resolutions pursuant to art. 123-ter, par. 6, of Legislative Decree no. 58 of 24 February 1998.**

Furthermore, pursuant to art. 123-ter, par. 6, of Legislative Decree no. 58 of 24/2/1998, the meeting voted in favour of the first section of the Report on Remuneration outlining corporate policy in regard to remuneration of the members of the administrative bodies, general managers and executives with strategic responsibilities. The Report on Remuneration may be accessed on the company's web site ([www.panariagroup.it](http://www.panariagroup.it)) and on the IInfo authorised storage mechanism [www.linfo.it](http://www.linfo.it))

**Determination of remuneration for the members of the Board of Directors**

During the aforesaid Shareholders' Meeting, the shareholders of Panariagroup also placed a ceiling on the gross yearly sum to be made over to the Board of Directors of € 655,000, for the fixed portion of the amount to be made over to the Board of Directors. By way of emoluments for FY2015, until, in any case, approval of the financial statements as of 31 December 2015, the shareholders also placed a gross € 250,000 yearly ceiling on variable emoluments to be allocated to directors with executive duties for 2015.

**Renewal of authorisation for acquisition and sale of treasury shares**

Lastly, the Shareholders' Meeting of Panariagroup renewed authorisation for acquisition and sale, on the part of the Board of Directors, of the company's treasury shares for up to 4,535,529 shares, in any case in accordance with legal provisions, these shares being the company's treasury ordinary shares with a par value of € 0.50 each, corresponding to a maximum counter-value no greater than the reserves available as recorded in the most recent financial statements duly approved; and, up to the date of approval of the financial statements as of 31 December 2015, authorisation regarded the company's treasury shares that are, in all, not in excess of 20% of the share capital at any time.

At present the company itself holds 432,234 treasury shares (0.953% of the share capital). The companies' subsidiaries do not hold shares in the parent company. Acquisition, if carried out, is to take place within the marketplace. If carried out for the purpose of implementing stock option plans, acquisition is to take place at a price not exceeding the stock reference price during the Stock Exchange session prior to each such operation, and at a price that is no less than 20% the stock price recorded during the session prior to each such operation. In regard to other acquisitions, the price must be neither 20% above or below the official price posted during the session prior to each such operation. The potential maximum outlay for acquisition must not be greater than the reserves available as specified in the most recent financial statements duly approved.

The maximum quantity of treasury shares that may be acquired per day must not exceed 25% of the mean daily volume of "Panaria" shares traded on the market. Pursuant to article 5 of EC Regulation no. 2273/2003, this limit may be exceeded in cases of extremely low market liquidity, in accordance with the conditions specified therein. In any case, the maximum number of treasury shares that may be acquired per day shall not exceed 50% of the mean daily volume. Authorisation was renewed in order to further, in the interest of the company, the ends permitted by the current applicable rules, such as: promoting incentives to, and loyalty among, partners, employees and directors of the company and/or of subsidiaries; meeting obligations deriving from debt instruments convertible or

exchangeable with equity-based instruments; engaging in extraordinary or strategic operations for the company entailing exchange or payment of the price in shares; engaging in subsequent acquisition and sale operations, within the limitations applied as per permitted market practices, including operations for sustaining market liquidity in order to encourage regular transactions outside the normal changes associated with market trends; or engaging in sale, exchange, or contribution operations or other act of disposal of the company's treasury shares to acquire equity investments and/or real estate assets, and/or entering into agreements (including commercial agreements) with strategic partners, and/or implementing industrial projects or extraordinary finance operations in line with the expansion objectives of the company and of the Panaria group.

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Please note, furthermore, that, at the meeting of the Board of Directors held immediately after the Shareholders' Meeting, implementation was approved on this day of a programme for acquisition of treasury shares the reasons, duration and counter-value for which, and maximum quantity involved, were set forth in the aforesaid shareholders' meeting authorisation resolution. Lastly, the Board of Directors decided that the maximum number of shares that may be acquired in one day shall be set in accordance with art. 5 of EC Regulation no. 2273/2003.

[The said Board, for FY2015, and in any case until approval of the financial statements as of 31 December 2015, confirmed the appointments of Emilio Mussini as Chairman of the Board of Directors, Giuliano Mussini and Giovanna Mussini as Deputy Chairpersons, Giuliano Pini as Managing Director and General Manager, and Paolo Mussini as Managing Director of the Cotto d'Este/Blustyle division. The Panaria, Lea, Fiordo and Panariatrade brands remain under the direct charge of the Chairman, Emilio Mussini.

For FY2015, and in any case until approval of the financial statements as of 31 December 2015, pending the opinion of the Board of Auditors, the Board of Directors confirmed once more Mr Damiano Quarta in his role as executive in charge to draft corporate accounting documents.

In accordance with the recommendation of the Committee for Corporate Governance in regard to requisites of independence of directors, pursuant to Legislative Decree no. 58 of 24 February 1998 and in accordance with the self-discipline code for listed companies promoted by Borsa Italiana S.p.A., the company's Board of Directors held that the board members Roberto Tunioli, Sonia Bonfiglioli, Enrico Palandri and Paolo Onofri meet the requisites regarding independence of board members.

In accordance with art. 154-bis, par. 2 of Legislative Decree no. 58 of 24 February 1998, the executive in charge of drafting corporate accounting documents of Panariagroup Industrie Ceramiche S.p.A., Mr Damiano Quarta, declared that the accounting notes herein contained tally with the accountancy documents, books and ledgers.

The Minutes of the Meeting shall be published in accordance with the provisions of current regulations.

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The Financial Statements at 31 December 2014 of Panariagroup Industrie Ceramiche S.p.A., and the Directors' Report, the Board of Statutory Auditors' Report and the Reports of the auditing company, the Consolidated Financial Statements at 31 December 2014 and the reports of the Board concerning the other items on the agenda are available at the company's registered office and at

Borsa Italiana S.p.A. ([www.borsaitaliana.com](http://www.borsaitaliana.com)), and can also be accessed on the company's Internet site [www.panariagroup.com](http://www.panariagroup.com) and on the IInfo authorised storage mechanism [www.linfo.it](http://www.linfo.it)) in accordance with the law.

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In accordance with the provisions of art. 125-*quater*, par. 2, of TUF (consolidated finance law) and of art. 77, para. 3 of the Issuers' Regulations, a summary account of voting, with the number of shares represented at the meeting and of the shares participating in the voting, the percentage of capital of said shares, the number of votes for or against resolutions, and the number of abstentions, shall be published on the company's site within five days of the date of the Meeting. The minutes of the meeting shall be published in the same manner within 30 days of the date of the Meeting.

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