

Report of the Board of Directors of Nice S.p.A. prepared pursuant to article 125-ter of Legislative Decree 58/1998 and articles 84-ter and 73 of the regulation adopted by Consob resolution No. 11971 of 1999, for the purposes of the ordinary shareholders' meeting, called at the company's registered offices in Oderzo (TV), Via Callalta 1 for 26 April 2017 at 11.00 on first call and for 27 April 2017 at the same time and place on second call

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ORDINARY SECTION

- (1) ***Financial Statements as at 31 December 2016, Directors' Report on Operations, Board of Statutory Auditors' Report and Independent Auditors' Report; related and resulting resolutions.***

Dear Shareholders,

the draft financial statements as at 31 December 2016, which we submit for your approval, show a net income of € 12,355, allowing us to propose the distribution of a dividend of Euro 0.1 for each of the 110,664,000 ordinary shares outstanding as at 31 December 2016 (net of treasury shares held by Nice S.p.A. at 31 December 2016), for a total amount of Euro 11,066 thousand. The ex date will be 29 May 2016 and the dividend will be paid as from 31 May 2016. The record date will be 30 May 2016.

We also submit for your inspection the consolidated financial statements of Nice as at 31 December 2016 which, while not subject to approval by the Shareholders Meeting, is part of the additional information provided with the financial statements of Nice S.p.A..

In that regard, we are pleased to inform you that, as commented in the Report on Operations, the consolidated revenues of 2016 are Euro 309,062 thousand, compared to Euro 287,761 thousand in 2015, an increase of 7.4%.

Therefore, and for broader disclosure, referring also to the financial statements at 31 December 2016 and its Report on Operations that you are called to approve, we submit for your approval the following

draft resolution

"The Shareholders' Meeting of Nice S.p.A., having noted the Report on Operations of the Board of Directors, the Board of Statutory Auditors' Report and the Independent Auditors Report and having reviewed the Financial Statements as at 31 December 2016,

resolves

- (1) to approve the financial statements as at 31 December 2016, which recorded a net income of Euro 12,355, as presented by the Board of Directors, both taken as a whole and with regard to individual items, as well as the associated Report on Operations prepared by the Board of Directors;
- (2) to allocate the net income for the year of Euro 12,355 as follows:
 - a dividend to Shareholders equal to Euro 0.1 for each of the 110,664,000 outstanding shares (net of the treasury shares held by Nice as at 31 December 2016), for a total amount of Euro 11,066 thousand;
 - an amount of Euro 1,227 thousand to the reserve for unrealized exchange gains;
 - the remaining amount of Euro 61 thousand to an Extraordinary Reserve;

- (3) proceed to the payment of the dividend of Euro 0.1, gross of any withholding tax, for each of the 110,664,000 ordinary shares outstanding at 31 December 2016. The ex date will be 29 May 2016 and the dividend will be paid as from 31 May 2016. The record date will be 30 May 2016. The payment will be made through the authorised intermediaries with which the shares are registered in the Monte Titoli system;
- (4) to authorise the Chairman of the Board of Directors, should the number of treasury shares change before the ex-dividend date:
 - to allocate the dividend amount of any shares purchased to the "Extraordinary Reserve";
 - to reduce the Extraordinary Reserve item by the dividend amount from any treasury shares sold.

* * *

- (2) ***Resolution on the first section of the report on remuneration pursuant to article 123-ter, paragraph six, of Legislative Decree no. 58 of 24 February 1998, as subsequently amended and supplemented.***

Dear Shareholders,

We submit for your inspection the Annual Report on Remuneration, prepared pursuant to art. 123-ter of the Italian Consolidated Law on Finance and 84-c of the Issuers' Regulations. Note that the Annual Report on Remuneration is divided into two sections, which respectively describe: (i) the company's policy on remuneration of members of the Board of Directors and directors with strategic responsibilities for at least the next year, and the procedures used for the adoption and implementation of this policy; and (ii) each of the items that make up the remuneration of the members of the administrative and control bodies and of directors with strategic responsibilities, as well as the remuneration paid to them in any capacity in the reporting period.

Therefore, and referring to the Annual Report on Remuneration for broader disclosure, we submit, in line with the provisions of art. 123-ter, paragraph six, of the Consolidated Law on Finance, for your approval the following

draft resolution

"The Shareholders' Meeting of Nice SpA,

- having noted the Annual Report on Remuneration prepared by the Board of Directors and drawn up pursuant to art. 123-ter of the Consolidated Law on Finance and 84-c of the Issuers' Regulations,
- having examined in particular the "first section" on the company's policy on remuneration of members of the Board of Directors and directors with strategic responsibilities, and on procedures used for the adoption and implementation of this policy,

- having regard to the Corporate Governance Code for listed companies, to which the company subscribes,

resolves

favourably on the first section of the Annual Report on Remuneration , drawn up pursuant to art. 123-ter of the Italian Consolidated Law on Finance and 84-c of the Issuers' Regulations.

- (3) *Authorisation to purchase and dispose of treasury shares, subject to revocation of the resolution adopted by the Shareholders' Meeting on 22 April 2016, as not used; related and resulting resolutions.*

(Report pursuant to article. 73 of the regulation adopted by Consob resolution 11971 of 1999)

Dear Shareholders,

the Shareholders' Meeting of 22 April 2016 had authorised the company to buy treasury shares for a period of 18 months from the date of the resolution, as well as to arrange their disposal without time limits.

During the financial year 2016 and until today, the company has not undertaken to purchase the treasury shares. Therefore, the Company at present owns 5,336,000 treasury shares, representing 4.6% of Company share capital.

Since the term of validity of the above authorisation will expire on 22 October 2017, we propose, in order to avoid convening a special shareholders' meeting near the deadline and considering that the proposal is in line with the practice of most listed companies, the usefulness of proceeding to a new authorisation for the purchase and disposal of treasury shares pursuant to articles 2357 and following of the Italian Civil Code, subject to the revocation of the authorisation passed by the previous resolution of shareholders' meeting, as not used.

The following are the reasons and methods of purchase and disposal of treasury shares for which we ask request authorisation.

- (A) **Reasons why authorisation is required for the purchase and disposal of treasury shares**

Authorisation is required, in line with the objectives laid down in article 5, paragraph 2, of Regulation (EU) No. 596/2014 of the European Parliament of 16 April 2014, to avail of treasury shares to be used in the context of future stock option plans for executive directors and/or employees, including managers and partners of the company and its subsidiaries, or to service any bond issues convertible into Company shares.

Authorisation shall likewise be required to take action to stabilise the company's share price in the face of market contingencies, in compliance with the provisions of article 5, paragraph 4, of Regulation (EU) No. 596/2014 of the European Parliament of 16

April 2014. The purchase of treasury shares may also be used for efficient use of company liquidity.

It is also proposed to the Shareholders' Meeting that the Board of Directors be authorised also to avail of shares eventually acquired since this facility is deemed an important tool for management and strategic flexibility.

(B) Maximum number and par value of shares subject to authorisation

The purchase for which authorisation is requested refers to the ordinary shares of the company whose maximum number, within the limits laid down in article 2357, paragraph 3 of the Italian Civil Code, shall not have a total par value, including any shares held to date by the Company and its subsidiaries, amounting to more than one fifth of the total share capital. Subsidiaries of Nice will be given instructions for the timely communication of any purchases of Nice shares so as to ensure compliance with the above limit of 20% of the total share capital of the Company.

The fee paid or received for the buying and selling of treasury shares will be recognised directly in equity on the basis of international accounting standard "IAS 32" and this recognition will in any case take place in the forms provided for by regulations from time to time in force.

(C) Duration of the authorisation

The proposal provides that the shares may be purchased within a period of 18 months from the date on which the Shareholders' Meeting has adopted the related resolution, while authorisation for disposal is requested without time limits.

(D) Fee for purchase and disposal of shares

The shares may be purchased at a price that shall not be more than 20% lower or higher than the closing price per share for the previous day for any individual purchase transaction and in any case at a price no more than the higher of the price of the last independent trade and the highest current independent bid price in the trading venue where the purchase is carried out, even when the shares are traded on different trading venues.

The shares can be sold at a price that shall not be 20% lower or higher than the closing price per share for the previous day for each single transaction. These price limits shall not apply if the sale of shares is to employees, including managers, executive directors and partners of Nice and its subsidiaries, within the scope of the stock option plans as incentives specifically targeting them.

(E) Methods for carrying out the purchase and disposal of shares

The purchase of treasury shares shall take place in compliance with current provisions of law for listed companies, and therefore in accordance with the provisions of articles 144-bis of the Issuers' Regulation, 132 of the Italian Consolidated Law on Finance and in accordance with the methods established by the Italian Stock Market Regulation and any other applicable laws, including the rules under Regulation (EU) No. 596/2014 of the European Parliament of 16 April 2014 and the relevant European and national implementation rules and, therefore, with the following methods:

- (i) takeover bid or public exchange offer;
- (ii) on regulated markets under the operating methods established in the organisation and management rules of such markets, which do not permit the direct matching of proposals to buy with predetermined proposals to sell;
- (iii) purchase and sale of derivative instruments traded on regulated markets that involve the physical delivery of the underlying shares, provided that the organisation and management rules of the market provide for procedures that comply with those set forth in article 144-bis, paragraph 1, letter c) of the Issuers' Regulation;
- (iv) granting to shareholders, in proportion to the shares held, of a put option to be exercised within the period of time established in the shareholders' meeting resolution authorising the buyback programme.

The shares may be sold, even before the completion of purchases, where permitted by the applicable European and national provisions, on one or more occasions, in regulated and/or unregulated markets, i.e. out of the market, including through public and/or shareholder offers, institutional placement, placement of purchase bonuses and/or warrants or as payment for acquisitions or public exchange offers.

The resolution for the purchase and disposal of treasury shares, taken by the ordinary Shareholders' Meeting of 22 April 2016, shall be deemed correspondingly revoked for the unused portion, as from the date of the Shareholders' Meeting.

Therefore, we submit for your approval the following

draft resolution

"The Shareholders' Meeting of Nice SpA, having noted the proposal of the Board of Directors and taking into account the provisions of Articles 2357 and following of the Italian Civil Code,

resolves

1. to revoke approval for the part not executed, as from the date of this Shareholders' Meeting, of the resolution on the authorisation to acquire and dispose of treasury shares adopted by the Ordinary Shareholders Meeting of 22 April 2016;
2. to authorise the Board of Directors, pursuant to article 2357 of the Italian Civil Code, to purchase treasury shares of the Company based on the quantity, price, terms and methods described below:
 - the purchase may take place on one or more occasions, within 18 months from the date of the Shareholders' Meeting resolution, and within the limits of available reserves and distributable income as resulting from the last approved financial statements. They will be recognised in accordance with the provisions of the law and applicable accounting standards;

- the purchase price of each share shall be no more than 20% lower or higher than the closing price per share for the previous day for any individual transaction and in any case must not exceed the higher price between the last independent trade and the offer price of the highest current independent bid price in the trading venue where the purchase is made, even when the shares are traded in different trading venues;
 - the maximum number of shares purchased may not have a total par value, including any shares owned by subsidiaries, in excess of one fifth of the share capital, taking into account also the shares held by subsidiaries;
 - the purchase of treasury shares shall take place in compliance with current provisions of the law for listed companies, and therefore in accordance with the provisions of articles 144-bis of the Issuers' Regulation, 132 of the Italian Consolidated Law on Finance and in accordance with the methods set out by Italian Stock Market Regulation and any other applicable laws, including Regulation (EU) No. 596/2014 of the European Parliament of 16 April 2014 and the relevant European and national implementation rules and, therefore, through the following methods:
 - (i) takeover bid or public exchange offer;
 - (ii) on regulated markets under the operating methods established in the organisation and management rules of such markets, which do not permit the direct matching of proposals to buy with predetermined proposals to sell;
 - (iii) purchase and sale of derivative instruments traded on regulated markets that involve the physical delivery of the underlying shares, provided that the organisation and management rules of the market provide for procedures that comply with those set forth in article 144-bis, paragraph 1, letter c), of the Issuers' Regulation;
 - (iv) granting to shareholders, in proportion to the shares held, of a put option to be exercised within the period of time established in the Shareholders' Meeting resolution authorising the buyback programme;
3. to authorise the Board of Directors, in accordance with article 2357-ter, paragraph 1, of the Civil code, to dispose of all and/or part of the treasury shares purchased, with no time constraints, even before having completed purchases, where allowed by European and national provisions. The shares may be sold on one or more occasions, including by means of public and/or Shareholder offer, on the regulated and/or unregulated markets, or out of the market, including by means of public and/or Shareholder offer, institutional placement, placement of purchase bonuses and/or warrants, or as payment for acquisitions or public exchange offers at a price that shall not be 20% lower than the closing price per share in the day preceding each single transaction. These price limits shall not apply if the sale of shares takes place to employees, including managers, executive directors and partners of Nice and its subsidiaries, within the scope of the stock option plans as incentives specifically targeting them;

4. to authorise the Board of Directors to make, pursuant to article 2357-ter, paragraph 3, of the Italian Civil Code, all accounting entries necessary or appropriate, relating to transactions involving treasury shares, in accordance with current law and applicable accounting standards;
5. the Board of Directors, and therefore its Chief Executive Officer, shall have all the powers required to carry out the purchases and sales, and in any case to implement the resolutions above, including through attorneys appointed as needed, in compliance with any requirements of the relevant authorities.”

* * *

Oderzo, 24 March 2017

Chairman of the Board of Directors

Lauro Buoro