



TECHNOGYM S.P.A.  
REGISTERED OFFICE IN CESENA, VIA CALCINARO, 2861  
SHARE CAPITAL EURO 10,000,000.00 FULLY SUBSCRIBED AND PAID IN  
REGISTRATION WITH THE FORLÌ-CESENA COMPANIES' REGISTER NO. 315187 - TAX CODE 06250230965

**EXPLANATORY REPORT BY THE BOARD OF DIRECTORS ON THE PROPOSAL SET OUT IN POINT 2  
OF THE ORDINARY SECTION OF THE AGENDA OF THE SHAREHOLDERS' MEETING OF  
TECHNOGYM S.P.A. CALLED FOR APRIL 21, 2017 IN SINGLE CALL**

## 2. Allocation of the profit for the year and dividend distribution proposal. Related resolutions.

Dear Shareholders,

the Separate Financial Statements at December 31, 2016 closed with a net profit of Euro 45,525,041.47.

The Board of Directors proposes to resolve upon the distribution of a dividend of Euro 0.065 per ordinary share out of the net profit for the 2016 financial year. Considering that, at present, the outstanding shares of the Company are 200,000,000, the total amount of the distribution would be equal to Euro 13 million. Considering the 2017 calendar approved by Borsa Italian S.p.A., we recommend that you set the payment of the dividend for May 17, 2017, the dividend record date and the ex-dividend date being May 16, 2017 and May 15, 2017 respectively.

Following the appropriation of profit towards dividends and considering that it is no longer necessary to credit part of the net profit for the year to “Legal Reserve” being such a reserve already equal to one-fifth of the share capital, as prescribed by art. 2430 of the Italian Civil Code, we recommend that the remainder of the net profit for the 2016 financial year be allocated as follows:

- (i) Euro 3,272,728.20 to the exchange rate reserve;
- (ii) Euro 790,217.07 to the First Time Adoption (FTA) reserve;
- (iii) Euro 28,462,096.20 to Retained earnings.

Therefore, by virtue of the above, we recommend that you pass the following resolution:

*“The Shareholders’ Meeting of Technogym S.p.A.,*

- *having examined the Separate Financial Statements at December 31, 2016 that closed with a net profit of Euro 45,525,041.47;*
- *having examined the Explanatory Report of the Board of Directors,*

### ***resolves***

- *to allocate the net profit for the year of Technogym S.p.A. of Euro 45,525,041.47 as follows:*
  - (i) *to the shareholders, as dividend, Euro 0.065 per ordinary share entitled to a dividend for a total of Euro 13,000,000;*
  - (ii) *Euro 3,272,728.20 to the exchange rate reserve;*
  - (iii) *Euro 790,217.07 to the First Time Adoption (FTA) reserve;*
  - (iv) *Euro 28,462,096.20 to Retained earnings.*
- *that the dividend be paid on May 17, 2017, the dividend record date and ex-dividend date being May 16, 2017 and May 15, 2017 respectively”.*

on behalf of the Board of Directors  
The Chairman  
Nerio Alessandri