

**[CONVENIENCE TRANSLATION]**

**COMMON CROSS-BORDER MERGER PROPOSAL**

of

Reply Deutschland AG  
*Merged Company*

into

Reply S.p.A.  
*Merging Company*

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## SUMMARY

Definitions  
Introduction  
Purposes

1. **Companies involved in the merger: legal form, name and registered office of the companies involved in the Merger**
2. **Article of association of the merging company**
3. **Transfer of assets by means of merger**
4. **Share exchange ratio and amount of the possible additional cash payment**
5. **The terms of the allotment of the shares and date from which the shares allotted in exchange will be entitled to dividends**
6. **Cash compensation**
7. **Legal merger effective date and merger accounting and tax effective date**
8. **Treatments or rights granted to special categories of shareholders and to holders of securities other than shares**
9. **Special benefits granted to members of the administrative or management bodies of the companies involved in the merger and special benefits granted to the experts examining the common merger proposal and to the supervisory bodies of the companies involved in the merger**
10. **Repercussions of the merger on employment**
11. **Information concerning the procedures for the involvement of employees**
12. **Information on the evaluation of the assets and liabilities**
13. **Reference date of the merging companies accounts used to define the condition of the merger**
14. **Effective date *vis-à-vis* third parties**
15. **Additional information**

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**Annex A – Article of association of Reply S.p.A. in Italian and in German language**

## DEFINITIONS

**Bank:** Deutsche Bank AG, Frankfurt / Main, Germany

**Common Management Report:** common report of the Common Merger Proposal provided for by the management bodies of the Merging Company and the Merged Company pursuant to Section 2501- *quinquies* of the Italian Civil Code, Section 122c and e of the UmwG, Section 7 of the Directive 2005/56/EC, Section 8 of the Legislative Decree 108/2008 and Section 70 of the Consob Regulation

**Common Merger Proposal:** this common cross-border merger proposal

**Consob Regulation:** Regulation implementing the Italian Legislative Decree No. 58 of the 24<sup>th</sup> of February 1998 concerning the discipline of issuers (issued by Consob under resolution No. 11971 of the 14<sup>th</sup> of May 1999 and subsequently amended)

**Directive 2005/56/EC:** Directive 2005/56/EC of the European Parliament and of the Council of the 26<sup>th</sup> of October 2005

**Exchange Ratio:** *ratio* applicable to the exchange of Reply Deutschland's shares with Reply's shares

**Exchanged Shares:** a maximum amount of No. 235,216 Reply's treasury ordinary shares, with par value of Euro 0.52 (zero/52) for each share, to be allotted in exchange to shareholders of Reply Deutschland AG (other than Reply) based on the Exchange Ratio

**Legal Merger Effective Date:** date of legal execution of the entry of the Merger Deed at the Companies Register of Turin, i.e. the date from which the Merger will be legally implemented.

**Legislative Decree 108/2008:** Italian Legislative Decree No. 108 of the 30<sup>th</sup> of May 2008

**Merger:** cross-border merger of Reply Deutschland AG into Reply S.p.A.

**Merger Accounting and Tax Effective Date:** the 1<sup>st</sup> of April 2013, date as of the Merger will be effective for tax and accounting purposes and effective date of the Merger (*Verschmelzungstichtag*) in accordance with Section 122c paragraph (2) No. 6 of the UmwG

**Merged Company:** Reply Deutschland AG

**Merging Company:** Reply S.p.A.

**Merger Deed:** the notarial deed from the entry of which the Merger will be legally implemented

**Reply Group:** group of companies in which Reply S.p.A. holds a majority participation

**Reply:** Reply S.p.A., a company incorporated under Italian law

**Reply Deutschland:** Reply Deutschland AG, a company incorporated under German law

**Reply Deutschland Group:** group of companies in which Reply Deutschland holds a majority participation

**UmwG:** the German Merger and Transformation Act (*Umwandlungsgesetz*)

## INTRODUCTION

The management bodies of Reply and Reply Deutschland drew up and approved this Common Merger Proposal concerning the merger by absorption of Reply Deutschland into Reply.

At the time of the drawing up of this Common Merger Proposal, approximately 81% of the share capital of Reply Deutschland is held by Reply.

The envisaged Merger will be governed by Section 2501 and subsequent of the Italian Civil Code and by the UmwG as well as the national applicable regulatory provisions. Both companies involved in the Merger are incorporated in accordance with the laws of - and have their registered offices, central administrations and principal places of business in - a Member State of the European Union. Therefore, the Merger is governed – a part of the domestic legislation of each participating company - by the law provisions set forth by Directive 2005/56/EC on cross-border mergers of companies, as respectively implemented in each Member State (in Italy with the Legislative Decree 108/2008 and, in Germany with the UmwG).

As a result of the Merger, Reply will acquire – by way of universal succession - the entirety of the manifest and not manifest rights, obligations, assets and liabilities of the Merged Company under dissolution of Reply Deutschland without liquidation.

A copy of this Common Merger Proposal will remain deposited at the registered offices or published on the web site of the Merging Company (within the 30 days preceding the resolution of the general meeting resolving on the Merger) according to Section 2501-*septies* of the Italian Civil Code and Consob Regulation No. 11971/1999 and of the Merged Company (one month preceding the resolution of the general meeting resolving on the Merger), according to Section 122d of the UmwG as well as made available to the public pursuant to the national applicable regulatory provisions.

## PURPOSES

The envisaged transaction, functional to the purposes of reinforcement of Reply Group *business* will allow to achieve economic benefits through the combination of operative structures currently separated.

The joining of the activities currently carried out by Reply and Reply Deutschland will allow creating strategic and industrial efficiencies enhancing the Reply Group positioning in a market of increasingly global and multinational dimensions.

The main purpose of the Merger is to rationalise the structure of Reply Group as well as to maximise the value for shareholders through the strengthening and the optimisation of the corporate structure also in terms of administrative, management, compliance and supervisory costs.

Economic and financial purposes of the Merger, according to which the Management boards of Reply and Reply Deutschland drew up the Common Merger Proposal, are better detailed in the Common Management Report drawn up by the respective management bodies.

The Common Management Report will be submitted to the attention of the shareholders in accordance with applicable regulatory requirements and will be made available at the registered offices of Reply and Reply Deutschland as well as made available to the public pursuant to the national applicable regulatory provisions.

**COMPANIES INVOLVED IN THE MERGER: LEGAL FORM, NAME AND REGISTERED OFFICE OF THE COMPANIES INVOLVED IN THE MERGER**

*Section 2501-ter, paragraph 1, point 1 ), of the Italian Civil Code , Section 5, letter (a), of the Directive 2005/56/EC; Section 6, letter a) of the Legislative Decree 108/2008 as well as Section 122c paragraph (2) no. 1 of the UmwG*

**Merging Company**

**Legal Form:** company incorporated by shares (S.p.A.)

**Name:** Reply S.p.A.

**Registered Office:** Corso Francia 110, 10143 - Turin

**Fiscal Code No.:** 97579210010

**VAT No.** 08013390011

**Companies Register No.:** 97579210010 of the Turin Companies Register

**Share Capital:** Euro 4,803,685.64

**Shares:** No. 9,237,857 of ordinary shares

**Par Value:** Euro 0.52 (zero/52) per share

**Date of incorporation:** 30/12/1997

**Date of deposit and filing in Companies Register of Turin:** 13/07/2000

**Law applicable to the Merging Company:** Italian law

**Additional Information:** Reply is a company whose shares are listed on the STAR segment [MTA, STAR: REY] of the Italian Telematic Market (*MTA - Mercato Telematico Azionario*) organised and managed by Borsa Italiana S.p.A..

Reply, the parent company of the Reply Group, which operates in the strategic, communication, process and technology consulting as well as in the field of System Integration and Application Management is specialised in the development and implementation of solutions based on media and digital channels of communication.

At the date of this Common Merger Proposal, Reply owns approximately 81% of the share capital of the Merged Company. Subsequently to the Merger, Reply will remain submitted to Italian law and will maintain its current legal form, company name, registered office and the governing and controlling bodies.

The Merging Company is not subjected to any insolvency or liquidation procedures.

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**Merged Company**

**Legal Form:** company incorporated by shares (AG)

**Name:** Reply Deutschland AG

**Registered Office:** Bartholomäusweg 26, D-33334 Gütersloh

**Fiscal Code:** 351 / 5774 / 0195

**VAT No.** DE 126795330

**Companies Register No.:** HRB 3943

**Share Capital:** Euro 4,750,561.00

**Shares No.:** 4,750,561 of ordinary non-par value bearer shares.

**Proportionate Value:** Euro 1 (one/00) per share

**Date of incorporation:** 31 March 2000

**Date of deposit and filing in the Companies Register:** 31 March 2000

**Law applicable to the Merged Company:** German law

**Additional Information:** Reply Deutschland Group offers consulting, system integration and managed services (i.e. external provision of services in relation to information

and communication systems) in relation to information technology (IT).  
At the date of this Common Merger Proposal approximately 81% of the share capital of Reply Deutschland is owned by Reply.  
The Merged Company is not subject to any insolvency or liquidation procedures.

**ARTICLE OF ASSOCIATION OF THE MERGING COMPANY**

*Section 2501-ter, paragraph 1, point 2), of the Italian Civil Code, - Section 5, point (i), Directive 2005/56/EC as well as Section 122c paragraph (2) no. 9 of the UmwG*

The shareholders of Reply Deutschland have the right to obtain the acquisition of their shares against cash compensation according to paragraph 6 below of this Common Merger Proposal. Therefore, it cannot be precisely established the number of the Exchanged Shares which have to be allotted to the Reply Deutschland shareholders in order to satisfy the Exchange Ratio.

Nevertheless, assuming that all Reply Deutschland shareholders will adhere to the Merger, in the light of the Exchange Ratio, the Exchanged Shares will be amount to maximum n. 235,216 Reply ordinary shares.

In this respect, the Exchange Ratio shall be entirely satisfied with treasury (ordinary) shares of Reply, at the date of this Common Merger Proposal equal to 235,813, with the consequence that Reply will not issue any new share for such purpose and, therefore, will not increase its share capital as a result of the Merger and the current version of the article of association of the Merging Company will not be modified.

As specified in paragraph 5 below, pursuant to Section 2504-ter of the Italian Civil Code, the shares of Reply Deutschland directly held by Reply will be cancelled.

The article of association of Reply, enclosed hereto under *Annex A*, will not be affected by the Merger.



**3**

**TRANSFER OF ASSETS BY MEANS OF MERGER**

*Section 2501 and subsequent of the Italian Civil Code - Section 122a and subsequent of the UmwG*

Reply Deutschland as the Merged Company will merge into Reply as the Merging Company pursuant to sections 122a et seq. UmwG and sections 2501 and subsequent of the Italian Civil Code. By way of this Merger, Reply Deutschland transfers, by way of universal succession, the entirety of its assets and liabilities together with all rights and duties, being dissolved without winding up, to Reply (Merger by absorption). Therefore, as of the Legal Merger Effective Date the entire assets and liabilities of Reply Deutschland will be transferred to Reply.

In the light of the above, the Merging Company will take over all assets and liabilities as well as the rights and obligations arising from the Merged Company at the Legal Merger Effective Date without prejudice to the accounting and tax effects referred to the Merger Accounting and Tax Effective Date.

**4**

**SHARE EXCHANGE RATIO AND AMOUNT OF THE POSSIBLE ADDITIONAL CASH PAYMENT**

*Section 2501-ter, paragraph 1, point 3), of the Italian Civil Code, Section 5, point (b), of the Directive 2005/56/EC and Section 122c paragraph (2) no. 2 of the UmwG*

As a consequence of the effectiveness of the Merger, Reply shall grant shareholders of Reply Deutschland for every No. 19 shares in Reply Deutschland No. 5 Reply ordinary shares. This does not apply to treasury shares held by Reply Deutschland, if any, or to shares held by Reply itself.

Reply Deutschland's shareholders who, as a consequence of the application of the Exchange Ratio, will not receive an even amount of Exchange Shares and a remainder occurs, will participate in the settlement procedure provided by the Bank by way of the aggregation of the remainders and subsequent centralized sale of the corresponding Exchanged Shares. This settlement procedure will be free of charge for Reply Deutschland's shareholders.

The Exchange Ratio has been determined on the basis of the respective enterprise values of Reply and Reply Deutschland in accordance with the statutory provisions under Italian Law and the UmwG.

No additional cash payment or adjustment is due.

In accordance with law provisions of the Italian Civil Code, of the Legislative Decree No. 108/2008 and of the UmwG as well as all other applicable German provisions the fairness of the Exchange Ratio will be certified by the auditing firm BDO AG Wirtschaftsprüfungsgesellschaft, Frankfurt, appointed as independent expert by the district court (*Landgericht*) of Dortmund on the 17<sup>th</sup> of April 2013 and by BDO S.p.A. appointed as independent expert by the Court of Turin on the 17<sup>th</sup> May 2013.

The report of the independent expert appointed by the Court of Turin in favour of the Merging Company, will be deposited at the registered offices of Reply in accordance with the Italian Civil Code and with Consob Regulation 11971/1999 within the 30 (thirty) days prior to the shareholders' meeting called to approve the Merger.

The report of the independent expert appointed by the Court of Dortmund in favour of the Merged Company will be deposited at the registered offices of Reply Deutschland in accordance with Section 122f of the UmwG within 1 month prior to the shareholders' meeting called to approve the Merger.

Reply Deutschland shall publish the audit report of the independent expert according to the statutory requirements.

**5**

**THE TERMS OF THE ALLOTMENT OF THE SHARES AND  
DATE FROM WHICH THE SHARES ALLOTTED IN EXCHANGE WILL BE ENTITLED TO  
DIVIDENDS**

*Section 2501-ter, paragraph 1, points 4) and 5) of the Italian Civil Code; Section 5, points (c) and (e) of the Directive 2005/56/EC and Section 122 paragraph (2) no. 3, 5 of the UmwG*

Pursuant to Section 2504-ter of the Italian Civil Code, the shares held by Reply (currently the majority shareholder of Reply Deutschland) in the Merged Company will be cancelled.

In execution of the Merger and pursuant to the Exchange Ratio, maximum No. 235,216 Reply (ordinary) treasury shares of a par value of 0.52 (zero/52) each will be allotted to the shareholders of Reply Deutschland (as Exchanged Shares).

No expense will be borne by the Merged Company's shareholders for the purposes of the exchange transaction.

The Exchanged Shares will all have standard dividend rights and will grant to the holders administrative and patrimonial rights equivalent to those granted to the shareholders of the Merging Company starting from the Legal Merger Effective Date.

In the light of the above, as of the Legal Merger Effective Date the holders of the Exchanged Shares shall be entitled to participate in profits and therefore will be entitled to dividends as shareholders of the Merging Company.

The Exchanged Shares will be therefore listed at the same par value of the ordinary shares of the Merging Company outstanding at the Legal Merger Effective Date.

The merging companies appointed the Bank as being in charge of all trustee and settlement duties relating to the exchange, through which ownership of the Exchanged Shares will be transferred.

Reply and the Bank executed a fiduciary agreement providing the obligation of the Bank to make use of the Exchanged Shares exclusively for the purposes concerning (i) the implementation of the Merger (ii) to communicate the receipt of the Exchanged Shares to the Companies Register of Reply Deutschland and (iii) to transfer the Exchanged Shares following the entry of the Merger in the Companies Register of Turin to the shareholders of Reply Deutschland, against receipt of their shares in Reply Deutschland considering the Exchange Ratio or respectively in case the Merger is not implemented to retransfer the Exchanged Shares to Reply.

**6**  
**CASH COMPENSATION**  
*Section 122i of the UmwG*

According to Section 122i of the *UmwG*, the shareholders of Reply Deutschland who give notice of contradiction to protocol in the shareholders' meeting (*Widerspruch zur Niederschrift*) are offered with the acquisition of their shares in Reply Deutschland by Reply Deutschland against cash compensation equal to Euro 10.95 per share.

Without prejudice for the provisions herein, the cash compensation due to the Reply Deutschland shareholders who give notice of contradiction to protocol in the shareholders' meeting shall be paid upon the execution of the entry of the Merger Deed in the Companies Register of Turin.

Furthermore, should valuation proceedings be initiated according to Section 122i *UmwG*, the time limit for the acceptance of the offer for payment of a cash compensation will expire, at the earliest, on the day falling two months after the day on which the final and unappealable decision of the competent court or a binding settlement has been duly published. During the applicable period, the current shareholders of Reply Deutschland may freely decide whether they wish to obtain the payment of a cash compensation or to become/remain shareholders of Reply.

The acceptance of the offer to acquire the shares of Reply Deutschland will be free of charge for the shareholders. This ensures that those shareholders willing to sell their shares will not be burdened with any expenses, commissions or other administration fees of the Bank and, accordingly, there will not be any deduction from the cash compensation.

The aforementioned will not affect, however, on any taxes on capital gains falling due for the account of an individual shareholder. Each shareholder shall pay such taxes.

The cash compensation has been determined on the basis of the evaluation of Reply and Reply Deutschland in accordance with the statutory provisions under Italian Law and the *UmwG*.

In accordance with law provisions of the Italian Civil Code, of the Legislative Decree No. 108/2008 and of the *UmwG* as well as all other applicable German regulations, the fairness of the cash compensation will be certified by the auditing firm BDO AG Wirtschaftsprüfungsgesellschaft, Frankfurt, appointed as independent expert by the district court (*Landgericht*) of Dortmund.

**7**

**LEGAL MERGER EFFECTIVE DATE  
AND**

**MERGER ACCOUNTING AND TAX EFFECTIVE DATE**

*Sections 2501-ter, paragraph 1, point 6) and 2504-bis of the Italian Civil Code - Section 5, points (f) of the Directive 2005/56/EC - Section 6, points (i) of the Legislative Decree 108/2008 - Section 122c paragraph (2) no. 6 of the UmwG*

The Merger will have legal effect as of the date of filing for entry of the Merger Deed in the Companies' Register of Turin, Legal Merger Effective Date.

The Merger Accounting and Tax Effective Date is the 1<sup>st</sup> of April 2013. As of this date, for accounting and tax purposes, all transactions of Reply Deutschland shall be considered as in the name and on behalf of Reply.

Without prejudice for the above, pursuant to Section 12 of the Directive 2005/56/EC, Section 12 of the Legislative Decree 108/2008 and Sections 2501-ter and 2504-bis of the Italian Civil Code and the Section 122c paragraph (2) No. 6 of the UmwG as well as all other applicable German regulations, the Merger will be for any legal purpose effective from the Legal Merger Effective Date (i.e. from the date of filing for entry of the Merger Deed in the Companies Register of Turin).

Upon the execution of the entry of the Merger Deed in the Companies Register of Turin, according to Section 2504-bis of the Italian Civil Code, the Merging Company will succeed, by means of universal succession, in all the assets and liabilities belonging to the Merged Company.

8

**TREATMENTS OR RIGHTS GRANTED TO SPECIAL CATEGORIES OF SHAREHOLDERS AND TO HOLDERS OF SECURITIES OTHER THAN SHARES**

*Section 2501-ter, paragraph 1, points 7, of the Italian Civil Code - Section 5, points (g) of the Directive 2005/56/EC – Section 6 point b) of the Legislative Decree 108/2008 as well as Section 122c paragraph (2) no. 7 of the UmwG*

No special treatments are reserved to special categories of shareholders nor specific procedures to participate in profits are provided.

The Merging Company and the Merged Company did not issue securities other than shares.

9

**SPECIAL BENEFITS GRANTED TO MEMBERS OF THE ADMINISTRATIVE OR  
MANAGEMENT BODIES OF THE COMPANIES INVOLVED IN THE MERGER  
AND**

**SPECIAL BENEFITS GRANTED TO THE EXPERTS EXAMINING THE COMMON  
MERGER PROPOSAL AND TO THE SUPERVISORY BODIES OF THE COMPANIES  
INVOLVED IN THE  
MERGER**

*Section 2501-ter, paragraph 1, point 8 of the Italian Civil Code - - Section 5, letter (h) of  
the Directive 2005/56/EC - Section 6, letter (c) of the Legislative Decree 108/2008 –  
Section 122c paragraph 2 n. 8 of the UmwG*

No special benefits are granted to members of the administrative, supervisory, controlling or management bodies of the companies involved in the Merger nor any special benefit is granted to the experts examining the Common Merger Proposal.

10

**REPERCUSSIONS OF THE MERGER  
ON EMPLOYMENT**

*Section 5, points (d) and , of the Directive 2005/56/EC- Section 6 point (e) of the Legislative Decree 108/2008 - Italian Law No. 428 of the 29<sup>th</sup> of December 1990 – Section 122c para. 2 Nr. 4 UmwG*

There are no repercussions of the Merger on employment of the Merging Company nor on the employment of the Merged Company.

With the main purpose to preserve the employment condition of Reply Deutschland, the Merged Company - in compliance with applicable regulations applicable in order to preserve workers – has assigned its whole business concern in favour of a sub-holding company controlled by the same Merged Company.

Therefore, at the date of drawing up of this Common Merger Proposal, Reply Deutschland does not have any employment contract in force. The informing and consulting procedure provided for by Section 47 of Italian Law No. 428 of the 29<sup>th</sup> of December 1990 on notices to workers' unions is not applicable.

From a different perspective, in accordance with Section 8 of Legislative Decree 108/2008, the Common Management Report drew up by the administrative bodies of the Merged Company and of the Merging Companies will be notified to workers' representatives at least 30 (thirty) days before the date of the Extraordinary Shareholders' Meeting and called to approve the Merger.

According to the applicable German Law, there are no employment matters which could be effected by the Merger. Hence, the informing and consulting procedures provided for by German Employment Law (e.g. Section 122a et subsequent of the UmwG, Section 613a German Civil Code, Sections 106 e 111 Works Constitution Act) do not apply.

From a different perspective, from the Legal Merger Effective Date, all rights granted to the special representatives (*Prokuristen*) appointed by Reply Deutschland will cease to be effective.



**INFORMATION CONCERNING THE PROCEDURES FOR THE INVOLVEMENT OF EMPLOYEES**

*Section 5, point (j), of the Directive 2005/56/EC, Section 6, point (d) and 19 of the Legislative Decree 108/2008 – MgVG as well as Section 122c paragraph (2) no. 4, 10 of the UmwG*

With reference to the Merger, no involvement procedures of employees in the definition of their rights to participate in the Merging Company are provided for.

The Merging Company as well as the Merged Company are not managed under an employee participation system. Therefore, the provisions of Section 19 of the Legislative Decree 108/2008 concerning the applicability of the provisions on employee participation in force in the Merging Company's legislative system are not applicable.

The application of the employee participation procedure under the German Act on Employee Participation in Cross-Border Mergers (*Gesetz über die Mitbestimmung der Arbeitnehmer bei einer grenzüberschreitenden Verschmelzung-MgVG*) do not apply.

**INFORMATION ON THE EVALUATION OF THE  
ASSETS AND LIABILITIES**

*Section 5, point (k) of the Directive 2005/56/EC - Section 6 point (f) of the Legislative  
Decree 108/2008 – Section 122c paragraph (2) no. 11 of the UmwG*

Assets and liabilities to be acquired by Reply as a result of the Merger are those indicated in the balance sheet of the Merged Company as of 31<sup>st</sup> March 2013, audited and approved by the Management and Supervisory Board of Reply Deutschland.

Assets and liabilities that will be transferred to the Merging Company, shown in the balance sheet of Reply Deutschland as of 31<sup>st</sup> of March 2013, have been evaluated in accordance to the Germans accounting principles.

**REFERENCE DATE OF THE MERGING COMPANIES ACCOUNTS USED TO DEFINE THE CONDITION OF THE MERGER**

*Section 2501-quater, of the Italian Civil Code - - Section 5, letter (l) of the Directive 2005/56/EC - Section 6, letter (g) of the Legislative Decree 108/2008 - Section 122c paragraph 2 no. 11 and 12 of the UmwG*

The Merger will take place on the basis of the financial statements of the Merging Company and the balance sheet of the Merged Company as of the 31<sup>st</sup> of March 2013, audited and approved by the respective management bodies.

The balance sheet of Reply Deutschland prepared as of the 31<sup>st</sup> of March 2013 is deemed to be the merger balance sheet of Reply Deutschland as well as the balance sheet of Reply prepared as of the 31<sup>st</sup> of March 2013 is deemed to be the merger balance sheet of Reply.

As between the Merged Company and the Merging Company, the Merger – from an accounting and tax prospective - will take effect on the 1<sup>st</sup> of April 2013 (except otherwise provided in paragraph 7 above), all actions and transactions of Reply Deutschland performed after that date will be deemed to have been performed from the Merging Company. The data regarding the asset, financial and earnings situation of Reply Deutschland will be reflected in the annual financial statements of the Merging Company.

As of the Merger Accounting and Tax Effective Date Reply will record for accounting purposes the assets and liabilities of Reply Deutschland in its accounts prepared for statutory purposes with the book values shown in the merger balance sheet of Reply Deutschland (Section 122c paragraph 2 No. 11 UmwG). The Merger Accounting and Tax Effective Date is the relevant date for the determination of the conditions of the Merger within the meaning of Section 122c paragraph 2 No. 12 of the UmwG.

**EFFECTIVE DATE VIS-À-VIS THIRD PARTIES**  
*Section 6, point (i), of the Legislative Decree 108/2008*

The Merger will be effective *vis-à-vis* third parties from the Legal Merger Effective Date as specified in the paragraph 7 above.

As anticipated, the accounting and tax effects of the Merger will be backdated to the Merger Accounting and Tax Effective Date as specified in the paragraph 7 above.

**ADDITIONAL INFORMATION**

*Section 6, point (h), of the Legislative Decree 108/2008 –  
Section 122J of the UmwG*

**(i) Rights of Creditors**

The creditors of the Merging Company whose credits predate the filing of the Common Merger Proposal in the Companies Register shall be entitled to file an appeal against the Merger pursuant to Section 2503 of the Italian Civil Code within the period of 60 (sixty) days from the entry provided for by Section 2502-bis of the Italian Civil Code.

The creditors of the Merged Company, according to Section 122j of the UmwG may claim collateral if they cannot claim fulfillment of their receivables – if they file their claim within two months as of publication of the Common Merger Proposal and state and provide evidence that the performance of the obligation is threatened - and as far as such claim was or is established fifteen day prior or after the publication of the Common Merger Proposal.

Additionally the creditors may claim security according to Section 22 of the UmwG if they cannot claim fulfillment of their receivables, if they file their claim within six months as of the entry of the Merger Deed in the Companies Register of Turin and state and provide evidence that the performance of the obligation is threatened.

**(ii) Information about the Merger**

Reply will make available to the public the Information Document provided under Section 70, sixth paragraph, of the Consob Regulation

**(iii) Further information concerning the Merger**

The current composition of the administrative bodies of the Merging Company will not be modified as a consequence of the Merger.

**(iv) Other Securities from Shares and Special Rights**

Reply Deutschland has neither issued any preference shares, shares granting multiple voting rights or other special rights within the meaning of Section 122c paragraph 2 No. 7 of the UmwG, nor do any other securities than shares exist within the meaning of this provision. There are no natural persons or legal entities holding special rights (such as, for example, a right to a share of the profit or a subscription right) other than a shareholder' s rights *vis-à-vis* Reply Deutschland, so that no rights or compensation within the meaning of the provisions referred to above must be granted.

**(v) Costs**

Reply and Reply Deutschland will each bear their own costs incurred in connection with the preparation and implementation of the Merger as well as the costs incurred for the draft of the relevant documentation.

The costs jointly caused will be borne by Reply.

**(vi) Evaluation Proceedings**

The German evaluation proceeding according to the German Act on Appraisal Proceedings is applicable for shareholders of Reply Deutschland. For this proceeding German courts have exclusive jurisdiction.

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Turin - Gütersloh

REPLY S.p.A.  
For the Board of Directors  
The Chairman

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\* \* \* \* \*

REPLY DEUTSCHLAND AG  
Executive Board

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