

CEMENTIR HOLDING S.p.A.

**Rome, Corso di Francia 200
Tax ID no. 00725950638 – VAT no. 02158501003**

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REPORT OF THE BOARD OF AUDITORS TO THE SHAREHOLDERS' MEETING PURSUANT TO ART. 153 OF LEGISLATIVE DECREE 58/98 AND ART. 2429(3) OF THE CIVIL CODE

During 2013 we performed the supervisory functions required by the law, and in particular Legislative Decree 58 of 24 February 1998, as auditing activities are performed by KPMG S.p.A., which was engaged by the Shareholders' Meeting of 18 April 2012 for nine financial years as from 2012, with whom we maintained constant contact, as discussed more specifically below.

As regards our activities during the year, we report the following:

- we monitored compliance with the law and the bylaws;
- we received from the directors information on operations and on the most financially significant transactions carried out by Cementir and its subsidiaries during the year. Based on the information provided to us, we can reasonably conclude that these operations comply with the law and the bylaws and that they were not manifestly imprudent, risky, in potential conflict of interest or in contrast with the resolutions of the Shareholders' Meeting or otherwise prejudicial to the integrity of the Company's assets. Based on information obtained during meetings of the Board of Directors, no director engaged in a transaction that posed a potential conflict of interest;
- we acquired information and monitored, within the scope of our duties, the adequacy of the Company's organizational structure, compliance with the principles of sound administration and the appropriateness of the instructions issued by Cementir Holding S.p.A. to its subsidiaries pursuant to Article 114(2) of Legislative Decree 58/98, gathering information from the relevant department heads;

- we examined and monitored the appropriateness of the internal control system, as well as the administrative and accounting system and its reliability in representing operational events accurately. For this purpose, we regularly met with the manager responsible for preparing the company's financial reports, provided for by Art. 16 of the bylaws, and with the head of the Internal Auditing unit and the manager responsible for corporate legal affairs. No significant concerns arose during the course of these meetings;
- we examined and obtained information on organizational and procedural activities relating to Legislative Decree 231/2001. The Chairman of the Board of Auditors attended the meetings of the Supervisory Body to the extent possible, reporting on its proceedings to the other members of the Board of Auditors. The Supervisory Body was also invited to participate in the meetings of the Board of Auditors, with the presence of all control managers;
- we monitored the work of the Control and Risks Committee, whose meetings were attended by the Chairman of the Board of Auditors, who also followed the work of the Appointment and Remuneration Committee;
- we verified and confirmed that this Board meets the independence requirements as indicated in the Consob Issuers' Regulation and the Corporate Governance Code.
- pursuant to Art. 150 (2) of Legislative Decree 58/98, we met regularly with the independent auditors, KPMG S.p.A., to exchange information and opinions. No significant information or circumstances were found that would require mention in this report;
- we did not find any atypical or unusual transactions with Group companies, third parties or related parties. For transactions with such parties, the Company has adopted a specific procedure approved by the Board of Directors. In the notes to the financial statements, the directors provide information on those transactions, reporting that all transactions with subsidiaries, associates, the controlling shareholder, whether of a financial or commercial nature, took place in the ordinary course of business under normal market terms and conditions;

- we verified that no omissions, irregularities or other censurable facts occurred, nor did we encounter any significant facts needing to be reported either to control bodies or in this report during the course of our supervisory activity; no reports or complaints of any kind were filed with the Board;
- as regards the results reported in the financial statements for the year ended 31 December 2013, we held specific meetings with representatives of KPMG S.p.A. to review, within the scope of our respective duties, the most important items contained in the document. There is nothing significant to report;
- we also verified, through meetings with the head of Administration, Finance and Control, Mr. Massimo Sala, the completeness of the information contained in the Report on Operations. We reached the conclusion that the Report on Operations complies with the law and the relevant accounting standards. KPMG S.p.A. was also obviously involved in the discussion, particularly concerning the consistency of the Report on Operations with the related financial statements;
- in 2013 the audit firm was engaged to perform the following statutory audits of:
 - the separate financial statements (EUR 32,384.00);
 - the consolidated financial statements (EUR 25,300.00).

As part of our supervisory activities, the Board of Auditors met six times, including via tele-conferencing. We attended six meetings of the Board of Directors and attended the Ordinary Shareholders' Meeting to approve the financial statements for the year ended 31 December 2012.

Based on the activity carried out during the year, we find no grounds to oppose approval of the financial statements of Cementir Holding SpA for the period ended 31 December 2013 and the accompanying Report on Operations. We also concur with the directors' proposal to cover the loss of EUR 1,608,773 using the revaluation reserve (Law 266/2005) and to distribute a dividend of EUR 0.08 per share, for a total of EUR 12,729,600, drawing upon retained earnings.

The Board of Auditors also examined the consolidated financial statements and acknowledges the unqualified opinion issued by KPMG S.p.A.

With the approval of the financial statements for the year ended 31 December 2013, the Board of Auditors has finished its term. Accordingly you are called upon to appoint a new Board.

Rome, 26 March 2014

THE BOARD OF AUDITORS

CLAUDIO BIANCHI
CHAIRMAN

FEDERICO MALORNI
STANDING AUDITOR

GIAMPIERO TASCO
STANDING AUDITOR