

## Press Release

(pursuant to Section 114 Consolidated Financial Act)

# SNAI and Cogemat/Cogetech towards the integration to become the leader of the entertainment in Italy

Milan – 5 May 2015 – SNAI S.p.A. (the “**Company**” or “**SNAI**”) – a company controlled by Global Games S.p.A. (“**Global Games**”) has entered into an agreement with OI Games S.A. and OI Games 2 S.A., Cogemat’s majority shareholders (“**Cogemat**”) which, upon the occurrence of certain conditions precedent, will conduct to the integration of Cogemat/Cogetech Group’s businesses with SNAI Group’s businesses through a transaction which provides a contribution into SNAI’s share capital (the “**Transaction**”).

“*By means of this transaction – underlines Mr. Giorgio Sandi, Chairman and CEO of SNAI – we will create the first listed group in Italy dedicated to the entertainment, as leader in the betting market and co-leader in the games machines sector. The transaction, having a strong industrial value, will allow us to create an important integration between stores and betting points of the two companies, as well as to obtain a good business equilibrium between the betting activities and the games machines, with the aim of reaching the best opportunities from the online and mobile channel.*”

“*We accepted the challenge raised from a market currently under a deep change, so merging our strengths in a project, from very far, which has been structured during the last months through our efforts*” – explains Fabio Schiavolin, CEO of Cogemat. “*We are very proud – Schiavolin says – given that the size and resources which are available for the new group will allow us to be still more competitive and to be a partner still more reliable and plausible for all the stakeholders, from the net to the Institutions. The combination announced today will create an important Italian group, with offices in Tuscany, Rome and Milan which will constitute a solid enterprise in terms of direct and consequent occupation levels and in terms of taxes burden.*”

The combination - which, upon the occurrence of certain conditions precedent, might be closed within the month of September – will create the first listed group in Italy dedicated to the entertainment, and will allow the SNAI Group could consolidate its position in the gaming machines sector (which overall represents a percentage slightly lower than 60% of the games collection in Italy, amounting to about Euro 48 billion in 2013 compared to Euro 85 billion for the entire market), becoming the co-leader of the market with a 15% of the share, and enhancing the leadership of the Group in the horse racing and sports betting sectors, and to become the leader for the gaming market not subject to the monopoly in Italy.

As a result of the actual integration, Cogemat’s current shareholders (parent company of Cogetech Group) will hold a shareholding of no. 71,602,410 SNAI’s newly issued shares (the “**New SNAI Shares**”), with a preliminary value approximately among Euro 1.82 and Euro 2.02, equivalent to 38% of SNAI’s share capital post-capital increase and against a preliminary valuation (e.g. equity value of 100% of the share capital) of Cogemat Group comprised in a range between Euro 130 million and Euro 145 million.

In detail, the irrevocable proposal submitted by OI Games S.A. and OI Games 2 S.A., the “**Majority Shareholders**”), as approved by the Board of Directors of SNAI on May 5, provides that, subject to the prior favorable opinion of SNAI’s related parties committee and the satisfactory result of the due diligence, an investment agreement comprising the terms and conditions of the Transaction shall be executed by and between SNAI and all Cogemat’s shareholders (the “**Investment Agreement**”).

The Investment Agreement shall include, among others: (i) the commitment by Cogemat’s shareholders to contribute the entire share capital of Cogemat to SNAI (the “**Contribution**”), for the subscription and payment of a capital increase in kind to be passed by SNAI pursuant to art. 2441, paragraph 4, of the Italian Civil Code (the “**Capital Increase**”) for a total amount of no. 71,602,410 of SNAI’s newly issued ordinary shares (equivalent to 38% of SNAI’s share capital post-Capital Increase); (ii) the regulation of the day to day management of Cogemat, its subsidiaries and/or pending Contribution affiliates, and (iii) suitable commitments of non-compete and lock-up obligations by some of the contributing shareholders.

The Investment Agreement shall even provide that the execution of the Contribution is subject, among others, to the occurrence of the following conditions precedent: (i) the obtainment of a clearance certificate from the relevant antitrust authority; (ii) the obtainment of the authorization certificates requested by the grantor for the



existing concessions for the management of the gaming and particularly by ADM; (iii) the obtainment of any other necessary authorization pursuant to the loan agreements (and bonded loan agreements) in place between SNAI and its lenders and between Cogemat/Cogetech and its lenders, in order to carry out the Contribution; (iv) the assignment of a value to the shares to be contributed, as resulting from the expert's assessment (expert to be appointed pursuant to Art. 2343-ter of the Italian Civil Code), that is at least equal to the final Contribution value; (v) the issuance by the audit firm hired to conduct SNAI's audit of its adequacy opinion pursuant to Art. 2441, paragraph six, of the Italian Civil Code and Art. 158 of the Consolidated Laws on Finance (with regard to the Capital Increase); (vi) the resolution of the Capital Increase passed by SNAI's shareholders' meeting; (vii) the absence – with regard to SNAI and/or Cogemat/Cogetech – of any material adverse changes (MAC) between the date when the Investment Agreement is executed and the date when the meeting will be convened to approve the Capital Increase; and (viii) the absence of any distribution of dividends or reserves by SNAI to its shareholders – or any other transaction in respect of the capital affecting the "exchange share value". Moreover, the Investment Agreement shall provide that, as an effect of the Contribution, Global Games would not lose the absolute majority of SNAI's voting share capital.

The New SNAI Shares (to be assigned to the contributing shareholders) shall be subject to the request for the admission to listing on the Mercato Telematico Azionario by the following 3 months as from the related issuance date.

Simultaneously with the execution of the Investment Agreement, a shareholders' agreement will be signed by and between Global Games and Cogemat's Majority Shareholders (and their successors in title) (the "**Shareholders' Agreement**"). It provides, among others: (i) a lock-up clause on the New SNAI Shares until 31 December 2016; (ii) a syndicate agreement concerning the right to vote in SNAI's extraordinary shareholders' meetings pursuant to which the Majority Shareholders (and relating successors in title) will comply with the decisions taken by Global Games; and (iii) a tag along right for the Majority Shareholders (and relating successors in title) under the same terms and conditions, in case of direct or indirect sale (by transfer of interests held in Global Games) of the controlling ownership interest held by Global Games in SNAI.

Furthermore, it has been agreed that International Entertainment S.A. ("**IE**"), company which currently holds 50% of OI Games 2 S.A.'s share capital, transfers to Global Games SNAI shares which IE will become owner as a result of OI Games 2 S.A.'s winding up (or any other corporate transaction having the same effects), without any change to the current governance structure of Global Games.

Orlando Italy Special Situation - currently in a position of co-control of Cogemat Group – will be the main minority shareholder in the capital of SNAI, remaining syndicated to Global Games from the Shareholders' Agreement and for the duration thereof.

Being related-parties transactions, given the shareholding indirectly held by Investindustrial both in Global Games and OI Games 2 S.A., the subscription of the final agreements in relation to the Transaction is subject to SNAI related-parties committee's favorable opinion, the issuance of which is currently scheduled over the course of the month of May.

It is then foreseeable that, in case all conditions precedent occur, the Transaction could be executed by September and New SNAI Shares' listing could occur by the end of the current financial year.

### **SNAI S.p.A.**

*SNAI Group is one of the major national leading players in the gaming sector, operating as concessionaire for the State and as services provider for smaller entities. Starting from the sector of the horse racing betting, SNAI Group performed a progressive growth of the assets portfolio through sport betting and, through a process of growth and diversification, it entered into in the games machines sector, and in the sector of the betting on virtual events and the on line and mobile games.*

### **Cogemat/Cogetech**

*Cogemat Group is one of the Italian leading concessionaires operating in the gaming sector, which main business is represented by the management of a gaming machines network ("AWPs") with an aggregate market share up to 9%; it manages a network of about 34,000 AWPs set on a network of about 10,000 points of sale and manages directly about 1,000 AWPs. It is therefore owner of 5,226 VLTs rights set in about 500 points.*

Milan, 5 May 2015



**For more information**

**Ad Hoc Communication Advisors**

Giorgio Zambelletti  
Tel +39 027606741      Email: [giorgio.zambelletti@ahca.it](mailto:giorgio.zambelletti@ahca.it)

Daniele Biolcati  
Mob +39 335 1415582      Email: [daniele.biolcati@ahca.it](mailto:daniele.biolcati@ahca.it)

**Press office for SNAI S.p.A.**

Valeria Baiotto – Tel. +39.02.4821.6254 – Cell. +39.334.600.6818 – e-mail [valeria.baiotto@snai.it](mailto:valeria.baiotto@snai.it)

Giovanni Fava – Tel. +39.02.4821.6208 – Cell. +39.334.600.6819 – e-mail [giovanni.fava@snai.it](mailto:giovanni.fava@snai.it)

Luigia Membrino – Tel. +39.02.4821.6217 – Cell. +39.348.9740.032 - e-mail [luigia.membrino@snai.it](mailto:luigia.membrino@snai.it)

**Investor Relations**

IR Team [investor.relations@snai.it](mailto:investor.relations@snai.it)

**Press office for Cogetech S.p.A.**

Sara Belluzzi 349 3825605  
Mimosa Toppani 335 7739223  
[ufficiostampa@cogetech.it](mailto:ufficiostampa@cogetech.it)

*All the press releases made by SNAI S.p.A. pursuant to Section 114 of the Consolidated Financial Act (and consequent regulatory provisions) are available on web site [www.snai.it](http://www.snai.it) and on the web site [www.1info.it](http://www.1info.it), managed by Computershare S.p.A., with registered office in Milan and authorized by CONSOB with resolution no. 18852 dated April 9, 2014.*