

MONTHLY DISCLOSURE PURSUANT TO ART. 114, PARAGRAPH 5, OF LEGISLATIVE DECREE N. 58/98

Milan, 31 May 2016 – In compliance with the request sent by Consob on 13 September 2012, pursuant to article 114, paragraph 5, of Legislative Decree 58/1998, the following information is provided on Prelios S.p.A. and its Group, as at 30 April 2016.

1) Net Financial Position, with current and non-current items reported separately.

Prelios Group Net Financial Position at 30 April 2016 is -0.7 million euro, compared to a liquidity situation of 2.3 million euro at March 2016.

Prelios S.p.A. Net Financial Position at 30 April 2016 is -48.0 million euro, compared to -45.7 million euro at March 2016.

Details are provided in the tables below.

Prelios Group Net Financial Position

(thousands euro)

| | 04.30.2016 | 03.31.2016 | 12.31.2015 |
|---|-----------------|-----------------|------------------|
| CURRENT ASSETS | | | |
| Other receivables | 4,944 | 4,943 | 289 |
| - of which receivable from related parties | 4,892 | 4,892 | 234 |
| Financial receivables | 4,944 | 4,943 | 289 |
| - third parties | 52 | 51 | 55 |
| - Prelios Group companies | 4,892 | 4,892 | 234 |
| Cash and cash equivalents | 30,103 | 33,147 | 72,607 |
| TOTAL CURRENT ASSETS - A | 35,047 | 38,090 | 72,896 |
| CURRENT LIABILITIES | | | |
| Bank borrowings and payables to other lenders | (7,378) | (7,408) | (10,716) |
| - of which payable to related parties | (5,510) | (5,508) | (5,141) |
| - Prelios Group companies | (5,510) | (5,508) | (5,141) |
| - Other financial payables | (1,372) | (1,454) | (1,759) |
| - Bank borrowings | (496) | (446) | (3,718) |
| - Payables to other lenders | - | - | (98) |
| TOTAL CURRENT LIABILITIES - B | (7,378) | (7,408) | (10,716) |
| NON-CURRENT LIABILITIES | | | |
| Bank borrowings and payables to other lenders | (28,387) | (28,362) | (247,089) |
| - Other financial payables | (10,550) | (10,555) | (10,520) |
| - Bank borrowings | (17,837) | (17,807) | (236,569) |
| TOTAL NON-CURRENT LIABILITIES - C | (28,387) | (28,362) | (247,089) |
| NET FINANCIAL POSITION EXCL. SHAREHOLDER LOANS GRANTED (*) | | | |
| = D =(A+B+C) | (718) | 2,320 | (184,909) |

(*) Pursuant to CONSOB Communication dated July 28th, 2006 and in compliance with the CESR Recommendation of February 10th, 2005 ("Recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses").

As already illustrated to the market, the significant improvement of net financial position is attributable to the finalization of the extraordinary contribution and share capital increase transaction concluded in March. In particular, the € 184.2 million enhancement compared to 31 December 2015 is mainly attributable to the cash flows generated by the Centauro transaction totalling € 194.1 million, of which (i) € 134.1 million as a result of the spin-off of the Investments platform and (ii) € 60 million following the final phase of the share capital increase. This dynamic,

which depicts cash flows at Group level, had already partly emerged at Prelios S.p.A. level at 31 December 2015. We remind that the latter, representing only the financial situation of the Parent company, also highlights financial payables and receivables to/from subsidiaries, that are eliminated at Group level.

Instead, Group Net Financial Position has worsened of about 3 million compared to the previous month, mainly for the billing and flush cycle with substantially quarterly basis, regarding recurring fees, against a dynamic of payments made of a concentration of extraordinary charges and overdue suppliers.

Prelios S.p.A. Net Financial Position

(thousands euro)

| | 04.30.2016 | 03.31.2016 | 12.31.2015 |
|---|-----------------|-----------------|------------------|
| CURRENT ASSETS | | | |
| Other receivables | 6,358 | 6,213 | 6,031 |
| - of which receivable from related parties | 6,306 | 6,162 | 5,976 |
| Financial receivables | 6,358 | 6,213 | 6,031 |
| - subsidiaries | 1,414 | 1,270 | 5,976 |
| - associates and joint ventures | 4,892 | 4,892 | - |
| - third parties | 52 | 51 | 55 |
| Cash and cash equivalents | 16,341 | 19,392 | 26,455 |
| TOTAL CURRENT ASSETS - A | 22,699 | 25,605 | 32,486 |
| CURRENT LIABILITIES | | | |
| Bank borrowings and payables to other lenders | (42,318) | (42,999) | (36,515) |
| - of which payable to related parties | (41,822) | (42,553) | (36,515) |
| - subsidiaries | (36,312) | (37,045) | (31,623) |
| - associates and joint ventures | (5,510) | (5,508) | (4,892) |
| - Bank borrowings | (496) | (446) | - |
| TOTAL CURRENT LIABILITIES - B | (42,318) | (42,999) | (36,515) |
| NON-CURRENT LIABILITIES | | | |
| Bank borrowings and payables to other lenders | (28,375) | (28,320) | (247,007) |
| - Bank borrowings | (17,837) | (17,807) | (236,569) |
| - Other financial payables | (10,538) | (10,513) | (10,438) |
| TOTAL NON-CURRENT LIABILITIES - C | (28,375) | (28,320) | (247,007) |
| NET FINANCIAL POSITION EXCL. SHAREHOLDER LOANS GRANTED (*) D = (A+B+C) | (47,994) | (45,714) | (251,036) |

(*) Pursuant to CONSOB Communication dated July 28th, 2006 and in compliance with the CESR Recommendation of February 10th, 2005 ("Recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses").

2) Past due payables, recorded by category (financial, trade, tax, social security and amounts due to employees) and any associated actions by creditors (reminders, injunctions, suspended deliveries, etc.):

Prelios Group past due trade payables total 12.9 million euro (13.3 million euro at March 2016), today reduced to 7.4 million euro following to payment of 5.5 million euro in May.

This situation falls within the scope of the customary business relations with Prelios Group suppliers.

Prelios S.p.A. past due trade payables total 4.5 million euro (4.0 million euro at March 2016), today reduced to 3.5 million euro following to payment of 1.0 million euro in May.

There are no legal disputes, court proceedings or suspended deliveries associated with the above items. Any payment reminders are part of normal business relations.

There are no past due amounts of a financial or tax nature, or amounts due to social security institutions or to employees.

3) Prelios Group and Prelios S.p.A. dealings with Related Parties:

Dealings with related parties consisting of subsidiary companies of Prelios S.p.A. or joint ventures and its associated companies (“Intragroup Dealings”), and dealings with related parties other than intragroup dealings (“Other Related Parties”), in particular Pirelli & C. S.p.A. and its subsidiaries, are of a trade and financial nature, falling within normal business operations, and are at arm’s length. There are no atypical and/or unusual transactions.

It should be noted that after the extraordinary transaction to separate its property investments and co-investment business activities from the alternative asset management business (fund and asset management and credit servicing) and real estate services related to them (integrated asset services, which include property and project management (i.e. “Integra”), real estate brokerage services (i.e. “Agency”) and assessment services (i.e. “Valuations”)), the Prelios Group uses the equity method to consolidate the investment in company Focus Investments S.p.A (beneficiary of the spin-off), whose contribution is posted under the item “Net investment income (loss)”.

In view of the recent capital increase completed in March 2016 and the consequent change in the composition of the shareholding and ownership structures, the relevant corporate bodies of Prelios S.p.A. will shortly evaluate any changes or additions to be made to the scope of the parties considered "related" parties in these financial statements.

It should be noted that the disclosure concerning the dealings with associated companies, joint ventures and other companies of Prelios Group as well as Prelios S.p.A. subsidiaries, relating to March 2016, reported below, is compared with the data that refer to last 31 December 2015 with regard to balance sheet data and with the data at 31 March 2015 with regard to income statement data. This is due to the fact that the Group’s internal invoicing cycle is essentially quarterly and no significant accounting provisions are made with subsidiary and associated companies in the intervening months. This especially affects operating Revenues and Costs, Financial Income and Charges, current Trade Receivables and Payables, which are items that do not therefore vary significantly in the intervening months.

Disclosed below are **Prelios Group dealings with Other Related Parties** (specifically Pirelli & C. S.p.A., its subsidiaries or other associated companies through directors) **at 30 April 2016, compared with data at 31 March 2016**, for which a monthly update is provided:

| | from 01.01.2016 to 04.30.2016 | | from 01.01.2016 to 03.31.2016 |
|-------------------|-------------------------------------|---|-------------------------------------|
| Operating revenue | 2 | | 2 |
| Operating costs | (661) | The item includes costs for rental and expenses for the R&D building charged to Prelios S.p.A. by Pirelli Group and the costs for health services provided by the company Poliambulatorio Bicocca S.r.l.. | (495) |

Thousands euro.

| | As at 04.30.2016 | | As at 03.31.2016 |
|---------------------------|---------------------|---|---------------------|
| Current trade receivables | 19 | | 19 |
| Other current receivables | 1,617 | The item mainly includes the guarantee deposit paid to Pirelli & C. S.p.A. for the rental of the R&D building and prepaid expenses related to the rental of that building. | 1,389 |
| Current trade payables | (1,650) | These mainly refer to the payable to Pirelli Group for the rental, the chargeback of utilities and expenses of the R&D building. They also include payables for health services provided by the company Poliambulatorio Bicocca S.r.l.. | (1,289) |

Thousands euro.

Disclosed below are ***Prelios S.p.A. dealings with Other Related Parties*** (specifically Pirelli & C. S.p.A., its subsidiaries or other associated companies through directors) **at 30 April 2016, compared with data at 31 March 2016**, for which a monthly update is provided:

| | from 01.01.2016 to 04.30.2016 | | from 01.01.2016 to 03.31.2016 |
|-------------------|----------------------------------|---|----------------------------------|
| Operating revenue | 2 | | 2 |
| Operating costs | (661) | The item includes the costs for rental and expenses for the R&D building charged to Prelios S.p.A. by Pirelli Group and the costs for health services provided by the company Poliambulatorio Bicocca S.r.l.. | (495) |

| | As at 04.30.2016 | | As at 03.31.2016 |
|---------------------------|---------------------|---|---------------------|
| Current trade receivables | 19 | | 19 |
| Other current receivables | 1,617 | The item mainly includes the guarantee deposit paid to Pirelli & C. S.p.A. for the rental of the R&D building and prepaid expenses related to the rental of that building. | 1,389 |
| Current trade payables | (1,650) | These mainly refer to the payable to Pirelli Group for the rental, the chargeback of utilities and expenses of the R&D building. They also include payables for health services provided by the company Poliambulatorio Bicocca S.r.l.. | (1,289) |

Thousands euro.

Disclosed below are **Prelios Group dealings with associated companies, joint ventures and other companies at 31 March 2016. The income statement data are compared with the same period of 2015, while balance sheet data are compared with data at 31 December 2015**, for which – as above indicated – only a quarterly update is provided:

| | from 01.01.2016 to 03.31.2016 | | from 01.01.2015 to 03.31.2015 |
|---|----------------------------------|--|----------------------------------|
| Operating revenue | 4,107 | The item refers to Group company mandates for alternative asset management and real estate services. | 5,684 |
| Operating costs | (485) | These refer to recharges of various kinds. In particular, they are related to costs for rental and expenses of the office in Rome - via Colombo, charged by Cloe Fund, the owner of the building, as well as costs charged by the associated company Focus Investments S.p.A. for the management of the investments excluded from the Investments Business Unit. | (134) |
| Net income from investments | (100) | The item mainly refers to the equity method valuation of Group investments. | (2,736) |
| Financial income | 276 | These refer essentially to interest income accrued on loans granted to investee companies. | 1,092 |
| Financial expenses | (39) | | (7) |
| | As at 03.31.2016 | | As at 12.31.2015 |
| Current trade receivables | 14,162 | This balance includes receivables arising from "operating revenue". | 16,045 |
| Other non-current receivables | 12 | | 81,088 |
| - of which financial receivables | 12 | This item includes loans granted to Group companies. At December 31, 2015, it included the Investment companies contributed to Focus Investments S.p.A. that was subsequently deconsolidated. | 81,088 |
| Other current receivables | 5,049 | This item includes Euro 4,892 thousand for financial receivables recognized to Focus Investment S.p.A. against a debt of the same amount towards the company Aree Urbane S.r.l. (in liquidation). The item also includes the deferred charge for the rent of the office in Rome - via Colombo, charged by Cloe Fund, and certain receivables for refunds to be received from the Focus Group. | 7,759 |
| - of which financial receivables | 4,892 | | 234 |
| Discontinued operations/asset held for sale | - | | 1,744 |
| - of which financial receivables | - | At December 31, 2015 the item referred to the shareholders' loans granted to the joint ventures Solaia RE B.V. and Jamesmail B.V. that, further to the DGAG portfolio sale agreement, will be reimbursed at the closing date. This amount was reclassified as "Discontinued operations/asset held for sale" in compliance with the International Financial Reporting Standards (IFRS 5). Following the deconsolidation of the companies included in the Focus Group, this amount is equal to zero. | 1,744 |
| Current trade payables | (1,591) | They refer to recharges of various kinds, mainly related to rents and expenses. The item also includes payables to the associate company Focus Investments S.p.A. for the management of the investments excluded from the Investments Business Unit. | (1,850) |
| Other current payables | (3,839) | They mainly include payables to the company Focus Investments International B.V. (formerly Prelios Netherlands B.V.) for the obligation assumed by Prelios S.p.A. to pay the purchaser of Cloe Fund shares. | (1,796) |
| Current bank borrowings and payables to other lenders | (5,508) | These mainly include the financial payable for capital contributions to be paid to the company Aree Urbane S.r.l. (in liquidation) and a financial payable towards Lambda S.r.l. for Euro 616 thousand. | (5,141) |
| Provisions for future risks and expenses | (150) | This refers to the provision accrued to cover the losses of associates and joint ventures in excess of their carrying amounts. | (150) |

Thousands euro.

Disclosed below are **Prelios S.p.A. dealings with subsidiaries companies at 31 March 2016. The income statement data are compared with the same period of 2015, while balance sheet data are compared with data at 31 December 2015**, for which – as above indicated – only a quarterly update is provided:

| | from 01.01.2016 to 03.31.2016 | | from 01.01.2015 to 03.31.2015 |
|--|----------------------------------|--|----------------------------------|
| Operating revenue | 1,302 | These include mainly fees for general services, and the recovery of costs for office rental, trade mark and other costs. | 1,556 |
| Operating costs | (365) | These relate mainly to costs for general services provided by the subsidiary Sare S.p.A. and to costs for technical assistance provided by other subsidiaries; they include also some costs recharged to Prelios S.p.A. by the subsidiaries. | (538) |
| Financial income | 216 | These refer mainly to interest income accrued on intra-group current accounts and on loans granted to investee companies; they include also the recharge of guarantee costs paid in the interest of subsidiaries. | 2,214 |
| Financial expenses | (144) | These include interests charged on the intercompany current accounts and on the loan received from the subsidiary Prelios Polska Sp.z.o.o. in Polish currency. | (193) |
| Income taxes | 273 | These refer to revenues transferred to Prelios S.p.A. by subsidiaries that have elected to be consolidated for a group taxation. | 397 |
| Net income (loss) from discontinued operations | - | At March 31, 2015, the item included the interests received on the portion of the shareholders' loan granted to Prelios Netherlands B.V. related to the DGAG investment, reclassified in compliance with International Financial Reporting Standards (IFRS 5). | 98 |

| | As at 03.31.2016 | | As at 12.31.2015 |
|---|------------------|---|------------------|
| Current trade receivables | 5,590 | These include mainly fees for services provided to the subsidiaries by the Prelios S.p.A., and the recharging of costs for Milan and Rome offices, for the trade mark and other costs. | 7,389 |
| Other non-current receivables | 10,099 | The item refers to the balance of the loan granted to the subsidiary Prelios Deutschland GmbH as at March 31, 2016, and to a non-current receivable from the same company. | 9,906 |
| - of which financial receivables | 6,941 | | 6,748 |
| Other current receivables | 1,871 | These include mainly the positive balances of the intercompany current accounts between Prelios S.p.A. and its investee companies (financial receivables), and VAT receivables from subsidiaries that have elected to be consolidated for VAT purposes. | 6,493 |
| - of which financial receivables | 1,270 | | 5,976 |
| Current tax receivables | 1,974 | These refer mainly to revenues transferred to Prelios S.p.A. by subsidiaries that have elected to be consolidated for a Group taxation. | 1,700 |
| Current trade payables | (2,706) | These refer mainly to payables to subsidiaries for services rendered and costs recharged. | (3,108) |
| Other current payables | (70) | These include VAT payables to subsidiaries that have elected to be consolidated for VAT purposes and certain prepaid expenses on incomes from subsidiaries. | (3,176) |
| Current tax payables | (805) | These refer to payables to subsidiaries that have elected to be consolidated for a group taxation. | (784) |
| Current bank borrowings and payables to other lenders | (37,045) | These refer to negative balances of the intercompany current accounts between Prelios S.p.A. and its investee companies, and, for Euro 1,663 thousand, to the balance at March 31, 2016 of the foreign currency loan received from the subsidiary Prelios Polska Sp.z.o.o.. | (31,623) |

Thousands euro.

Disclosed below are **Prelios S.p.A. dealings with associated companies, joint ventures and other participated companies at 31 March 2016. The income statement data are compared with the same period of 2015, while balance sheet data are compared with data at 31 December 2015**, for which – as above indicated – only a quarterly update is provided:

| | from 01.01.2016 to 03.31.2016 | | from 01.01.2015 to 03.31.2015 |
|--------------------|----------------------------------|---|----------------------------------|
| Operating revenue | 93 | These refer mainly to revenues for services and cost recharges to the company Focus Investment S.p.A. In 2015, they mainly referred to revenues for asset management fees. | 133 |
| Operating costs | (363) | These relate to rental fee and expenses for the offices in Rome - Via Colombo, charged by Fondo Cloe, owner of the building. The item also includes costs charged by the associated company Focus Investments S.p.A. for the management of the investments excluded from the Investments Business Unit. | (98) |
| Financial income | 263 | These refer essentially to interest income accrued on loans granted to investee companies. | 905 |
| Financial expenses | (1) | These refer essentially to the financial expenses for the net present value effect of a trade receivable from a joint venture. | - |

| | As at 03.31.2016 | | As at 12.31.2015 |
|---|------------------|---|------------------|
| Current trade receivables | 352 | These mainly relate to the receivable from the joint venture Vesta S.r.l. following the assignment to Prelios S.p.A. executed by the owner of the class A notes in Vesta Portfolio. It also includes receivables towards Focus Investments S.p.A. for services and cost recharges. | 506 |
| Other non-current receivables | 12 | This refers to loans granted to investee companies. The amount refers to the balance at March, 31 2016 of the shareholders' loan granted to the company IN Holdings I S.à.r.l.. | 12 |
| - of which financial receivables | 12 | | 12 |
| Other current receivables | 5,039 | This item includes Euro 4,892 thousand for financial receivables recognized to Focus Investment S.p.A. against a debt of the same amount towards the company Aree Urbane S.r.l. (in liquidation). The item also includes the deferred charge for the rent of the office in Rome - via Colombo, charged by Cloe Fund, and certain receivables for refunds to be received from the Focus Group. | 56 |
| - of which financial receivables | 4,892 | | - |
| Current trade payables | (702) | These refer to the payables to Fondo Cloe for rent and expenses for the offices in Rome - Via Colombo. It also includes payables to the associated company Focus Investments S.p.A. for the management of the investments excluded from the Investments Business Unit. | (420) |
| Other current payables | (3,158) | They mainly include payables to the company Focus Investments International B.V. (formerly Prelios Netherlands B.V.) for the obligation assumed by Prelios S.p.A. to pay the purchaser of Cloe Fund shares. | (11) |
| Current bank borrowings and payables to other lenders | (5,508) | These mainly include the financial payable for capital contributions to be paid to the company Aree Urbane S.r.l. (in liquidation), and a financial payable towards Lambda S.r.l. for Euro 616 thousand. | (4,892) |

Thousands euro.

The Financial Reporting Officer of Prelios S.p.A., Mr. Marco Andreasi, attests – pursuant to Art. 154-bis, paragraph 2, of the Financial Markets Consolidation Act (Italian Legislative Decree 58/1998) – that the accounting disclosures contained in this press release correspond to the contents of the documents, registers and accounts of the Company.

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