PRESS RELEASE

- PIRELLI RE INTEGRATED FACILITY MANAGEMENT WINS 2 CONTRACTS UNDER BID CALLED BY CONSIP FOR PROVISION OF FACILITY MANAGEMENT SERVICES TO BUILDINGS USED FOR HEALTHCARE SERVICES

- CONTRACTS WORTH A TOTAL OF €57 MILLION

- COMPANY CONFIRMED AS RECOGNIZED PARTNER OF PUBLIC SECTOR IN FACILITY MANAGEMENT

Milan, 19th September 2008 – Pirelli RE Integrated Facility Management, Italy's leader in the facility sector, has won 2 contracts under the bid called by Consip for the provision of services to manage technological systems in buildings mostly used for healthcare services. The company had presented an offer for 3 out of the 10 contracts being bid for.

These 5-year service contracts are worth a total of €57 million. In detail, the contracts awarded relate to: contract 2 (provinces of Milan, Monza, Como and Varese), for a maximum amount of services purchasable at the price agreed with the public authorities of €28 million, and contract 4 (Veneto and Friuli Venezia Giulia), for a maximum contractual amount of €29 million.

This award is provisional and must be submitted to the required legal procedures before becoming final; the agreements are expected to be signed by the end of October. Each contract has a term of 24 months, which may be extended for another 12 months if the maximum contractual amount has not been reached by the contract end date.

Pirelli RE Integrated Facility Management is therefore confirmed as a recognized partner of the public sector through its offer of high value-added integrated solutions. Last year the company, along with institutions and other authoritative players in the sector, helped found the first Facility National Observatory, one of whose goals is to identify new methods of integrated service management for the public and private sectors, resulting in simpler organization and operational processes, as well as greater control over costs.
General information

Pirelli RE Integrated Facility Management (50% Pirelli RE-50% Intesa Sanpaolo) is in Europe one of the leader in its sector: it’s present throughout Italy and has operations in Poland and France. Pirelli RE Integrated Facility Management reports €243.3 million revenues from third parties at June 30th, 2008 (up from €230.1 million in the first half of 2007), with a consolidated Ebitda adjusted equal to approx. €16 million.

Pirelli RE Integrated Facility Management, has around 1,200 employees, more than 1,000 customers, the principal ones being: in Telecommunications: British Telecom, Telecom Italia, Vodafone and Wind; in Industry: FIAT Group, Pirelli and Zambon; in Banking/Insurance: Allianz, Deutsche Bank, Intesa Sanpaolo and Unicredit Group, in the Public Sector: hospitals, local and central government agencies; in Tourism and Commerce: AC Hotels, Autogrill, NH Hotels, Valtur, UPIM and Ventaglio.

The services offered by Pirelli RE Integrated Facility Management comprise: **Facility services**, including a) **building services** (management and ordinary and extraordinary maintenance of buildings and related technological systems); b) **space services** (space planning, space management, move in / move out) and c) **people services** (call centers, reception, security, environmental hygiene, workplace safety and catering); **Project Management services** (co-ordination of executive design, planning of activities needed to construct and/or refurbish buildings/industrial sites and works supervision); **Energy** (energy management, design and installation of photovoltaic systems, funding, installation and management of co-generation systems*); **Document Management services** (specialist management of electronic and paper records, recovery of historic records and alternative conservation, analysis of ways of eliminating paper documents).

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* Co-generation is the combined production of electricity and heat