



PRESS RELEASE

PRELIOS: BOARD OF DIRECTORS GRANTS EXCLUSIVE CONCESSION

**PRELIOS LENDERS AND MEMBERS OF THE SYNDICATE AGREEMENT
READY TO PARTICIPATE IN A TRANSACTION TO STRENGTHEN
THE GROUP'S FINANCIAL POSITION AND TO PROMOTE ITS INDUSTRIAL RE-LAUNCH**

Milano, 11 October 2012 – The Board of Directors of Prelios S.p.A. met today to examine the proposals regarding the extraordinary transactions of the potential investors, Feidos S.p.A. and Fortress Investment Group (UK) Ltd., based upon the in-depth information gathered and verifications made with the various parties involved.

Having assessed the two proposals, the Board has granted an exclusive period of negotiation to Feidos S.p.A., until 12 November. In any case, the precise terms and conditions of the strengthening of the group's financial position will subsequently be brought to the attention of the Board of Directors, once the structure of same has been completed together with the lenders and the current shareholders of the Prelios syndicate agreement.

In this regard, both the main lenders and the agreement signatories have expressed in writing their readiness to support a transaction aimed at the re-launch of the industrial growth prospects and at the aforesaid strengthening of the Group – including the capitalization of the company through the possible acquisition of new shareholders – as well as at rebalancing the overall financial structure.

Furthermore, the Board of Directors of Prelios S.p.A. has received Mr Davide Malacalza's resignation from the position of non-executive director of the Company, submitted by letter shortly before the Board meeting began, in which letter said director reiterated his previous assertions, as announced by the Company in the press release dated 27 September. To this end, the Board of Auditors, which has continually monitored the issue, has reaffirmed its previous findings concerning the appropriateness of the board decision-making proceedings and the existence of the conditions required to approve the Half-yearly Report as at 30 June 2012, as communicated to the market on 29 August 2012.

Finally, the Board of Directors has amended the calendar of corporate events, moving the approval of the Intermediate Management Report as at 30 September from 6 November to 13 November.

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