PRESS RELEASE

PIRELLI & C. REAL ESTATE SHAREHOLDER MEETING APPROVES LISITING APPLICATION

Milan, 2 April 2002 – At today's Pirelli & C. Real Estate SpA Shareholder Meeting the following resolutions were taken in ordinary and extraordinary session.

Ordinary session

In ordinary session the Shareholder Meetings approved the financial statements for the 2001 financial year and the application for the listing of ordinary shares on Milan’s Mercato Telematico Azionario.

Extraordinary session

In extraordinary session the Shareholder Meeting approved the splitting of the company's shares through a reduction in their nominal value from 52 euros to 0.5 euros.

Following the share split, Pirelli & C. Real Estate’s share capital will amount to 17,822,220 euros, divided into 35,644,440 ordinary shares of 0.5 euros each.

The Shareholder Meeting also approved the proposal for three capital increases as follows:

- Up to a maximum of a nominal 6,250,000 euros, to be undertaken through the issue of a maximum of 12,500,000 ordinary shares, excluding the right of option pursuant to Article 2441 of the Italian civil code, reserved for a Global Offering in relation to the listing of the Company's shares on Milan’s Mercato Telematico Azionario.

- Up to a maximum of a nominal 2,100,000 euros, to be undertaken through the issue of a maximum of 4,200,000 ordinary shares, excluding the right of option pursuant to Article 2441 of the Italian civil code, reserved for a stock option plan for Company employees and directors, for the purpose of enhancing medium/long-term loyalty.
• Up to a maximum of a nominal 455,271 euros, to be undertaken through the issue of a maximum of 910,542 ordinary shares of a nominal value of 0.5 euros each, to which shall be added a total of 3,333,563 euros in limited premium, to be paid for in kind through the transfer by Camfin SpA of the entire share capital of Cam Energia e Servizi Srl, and, by Altair Facility Management SA and Petra Facility Management SA, of the entire share capital of Altair Facility Management SpA. In this regard it should be noted – consistent with the contractual arrangements applicable for acquisitions of this kind – that the shares relating to the above mentioned asset transfers are subject to call and put options between the transferring companies and Pirelli & C. Real Estate exercisable by the end of 2002. The exercise price of the above options will be equal – in the case of Cam Energia e Servizi – to the value of the holding transferred as determined by a valuation (12.9 million euros) and – in the case of Altair Facility Management – to a value to be determined, applying the same criteria used for the valuation of Cam Energia e Servizi, on the basis of the results of the same Altair Facility Management SpA as at 30 June 2002.

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Pirelli Press Office: Tel. +39/02/8535.4270
www.pirellirealestate.com