



PRESS RELEASE

MORGAN STANLEY AND PIRELLI RE ACQUIRE FROM BNL A PORTFOLIO OF NON PERFORMING LOANS WITH A € 430 MILLION GROSS BOOK VALUE

Milan, December 30th 2004 – A few days after forming their joint venture in the non-performing loans sector, Morgan Stanley Real Estate Funds (MSREF) and Pirelli RE together with the Special Situations Group (SSG) of Morgan Stanley, specialized in the purchase and management of corporate credits, announce the purchase of a portfolio of mortgage and corporate loans from BNL.

This is one of the most significant deals in the sector in 2004. The portfolio, in fact, has a gross book value of €430 million and consists of credits deriving from loans granted to 21 groups, more than half secured by industrial properties.

The portfolio just acquired will be securitized in 2005 through the special purpose vehicle ICR (8), that was set up under Law 130/99.

Morgan Stanley acted as financial advisor and Bonelli Errede Pappalardo as legal advisor.

For further information:

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