



## PRESS RELEASE

### **PIRELLI RE AND DEUTSCHE BANK REAL ESTATE: JOINT VENTURE IN THE RETAIL & ENTERTAINMENT SECTOR**

### **THE J/V PLANS TO ACQUIRE OVER 1 BILLION EUROS OF RETAIL ASSETS AND ENTERTAINMENT CENTERS**

*Milan, January 20th 2005* – **Pirelli RE** and **DB Real Estate Global Opportunities IB, L.P.**, the global real estate opportunity fund managed by DB Real Estate, part of Deutsche Asset Management, the global investment management business of Deutsche Bank, have signed a binding agreement to form an exclusive joint venture to invest in the Italian retail & entertainment property sector.

With this new agreement, Pirelli RE is pursuing its **specialization in partnership with major international investors**, according to an established business model of co-investment in which Pirelli RE takes a minority share and manages the projects undertaken. This new joint venture, which replaces that with the Peabody fund, thus joins those with Soros Real Estate Investors in light industrial and logistics and with Morgan Stanley Real Estate Funds in office real estate and non- performing loans .

This new agreement calls for the formation of a joint venture between **DB Real Estate Global Opportunities IB, L.P.**, with a **65%** share, and **Pirelli RE**, with a **35% share**. The joint venture plans to acquire assets worth over **1 billion euros in Italy** through both acquisitions of existing portfolios and the promotion of development projects.

The joint venture has already initiated its activity by participating in the bidding to acquire the properties and assets of the **Rinascente and UPIM** department store chains, in conjunction with the Borletti family and Investitori Associati.

Combining the real estate experience of Pirelli RE with the international expertise of DB Real Estate, the joint venture aspires to a leadership role in the Italian market for retail & entertainment properties (retail outlets, shopping centers, entertainment centers), which offers a strong potential for growth and development.

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