



PRESS RELEASE

- **PIRELLI RE ACQUIRES IN THE AREA OF PORTOGRUARO (VENICE) THE LARGEST AREA WITH POTENTIAL FOR INDUSTRIAL BUILDINGS IN THE NORTHEAST OF ITALY (1.5 MILLION SQUARE METRES APPROXIMATELY) FOR THE CREATION OF AN INTEGRATED INDUSTRIAL PARK**
- **A SEEDED REAL ESTATE FUND AIMED AT INSTITUTIONAL INVESTORS WILL BE CONSTITUTED FOR THE DEVELOPMENT OF THE PROJECT; PIRELLI RE WILL HOLD A SHARE OF 30-35%**
- **THE WORK IS TO START IN THE FIRST QUARTER OF 2006 WITH AN INVESTMENT OF 150 MLN EURO**

Milan, 28 July 2005- – **Pirelli RE** has purchased the **largest area for industrial buildings** covering approximately **1.5 million sq. m** located in the municipal areas of **Portogruaro** and **Fossalta di Portogruaro (Venice region)**.

This purchase by Pirelli RE coincides with signing by the council of Portogruaro of the town-planning agreement that will allow creation of the largest **integrated industrial park** in this particular area of Italy.

For this aim it will be constituted a seeded real estate fund for institutional investors; Pirelli RE will hold a share of 30-35%, according to its business model (in which Pirelli RE invests through minority stakes), and will offer to the fund all the services which are necessary for the realization of the project.

The master plan involves the creation of a **manufacturing district** (with spaces for medium and large companies), a **logistics centre**, areas for **crafts** and **services**, and **technological facilities** for industrial start-ups.

The work is to start in the first quarter of 2006. The investment over the coming four years for the property part alone amounts to approximately **150 million euros**.

In a key location in relation to the cities of Venice, Trieste and Pordenone, the area occupies a strategic position for the creation and development of logistics and industrial activities: it is near major regional hubs of flows and circulation of goods traffic, by land and by sea, and road and rail routes, including the so-called **Corridor 5**.

The aim of Pirelli RE is to create a production centre of excellence that fulfils the real needs of companies in the current competitive set-up: **a convergence of function, architectural symmetry and state-of-the-art services**.

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