

MONTHLY DISCLOSURE PURSUANT TO ART. 114, PARAGRAPH 5, OF LEGISLATIVE DECREE N. 58/98

Milan, 30 December 2014 – In compliance with the request sent by Consob on 13 September 2012, pursuant to article 114, paragraph 5, of Legislative Decree 58/1998, the following information is provided on Prelios S.p.A. and its Group, as at 30 November 2014.

1) Net Financial Position, with current and non-current items reported separately.

Prelios Group Net Financial Position at 30 November 2014 is -205.8 million euro, compared to -201.1 million euro at October 2014.

Prelios S.p.A. Net Financial Position at 30 November 2014 is -245.3 million euro, compared to -243.7 million euro at October 2014.

Details are provided in the tables below.

Prelios Group Net Financial Position

(thousands euro)

| | 11.30.2014 | 10.31.2014 | 12.31.2013 |
|---|------------------|------------------|------------------|
| CURRENT ASSETS | | | |
| Other receivables | 113 | 113 | 114 |
| <i>- of which receivable from related parties</i> | <i>113</i> | <i>113</i> | <i>114</i> |
| Financial receivables | 113 | 113 | 114 |
| - <i>joint ventures and other Prelios Group companies</i> | <i>113</i> | <i>113</i> | <i>114</i> |
| Cash and cash equivalents | 58,222 | 61,329 | 85,609 |
| TOTAL CURRENT ASSETS - A | 58,335 | 61,442 | 85,723 |
| CURRENT LIABILITIES | | | |
| Bank borrowings and payables to other lenders | (9,265) | (9,256) | (8,988) |
| <i>- of which payable to related parties</i> | <i>(6,576)</i> | <i>(6,576)</i> | <i>(6,576)</i> |
| - joint ventures and other Prelios Group companies | (6,576) | (6,576) | (6,576) |
| - Other financial payables | (991) | (1,154) | (1,466) |
| - Bank borrowings | (1,600) | (1,428) | (848) |
| - Payables to other lenders | (98) | (98) | (98) |
| TOTAL CURRENT LIABILITIES - B | (9,265) | (9,256) | (8,988) |
| NON-CURRENT LIABILITIES | | | |
| Bank borrowings and payables to other lenders | (254,851) | (253,284) | (465,101) |
| <i>- of which payable to related parties</i> | <i>-</i> | <i>-</i> | <i>(149,876)</i> |
| - Convertible bond (*) | - | - | (235,902) |
| - Other financial payables | (10,203) | (10,180) | (58) |
| - Bank borrowings | (244,648) | (243,104) | (229,141) |
| TOTAL NON-CURRENT LIABILITIES - C | (254,851) | (253,284) | (465,101) |
| NET FINANCIAL POSITION EXCL. SHAREHOLDER LOANS GRANTED | | | |
| (**) = D =(A+B+C) | (205,781) | (201,098) | (388,366) |

(*) On April 14, 2014 the compulsory early repayment of the Convertible Bond was automatically and directly executed through the full conversion of the Convertible Bonds and, therefore, the capital increase for the exclusive service of the conversion was also automatically implemented through the issue of 229,757,292 ordinary shares and 93,390,705 class B shares.

(**) Pursuant to CONSOB Communication dated July 28th, 2006 and in compliance with the CESR Recommendation of February 10th, 2005 ("Recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses").

Prelios S.p.A. Net Financial Position

(thousands euro)

| | 11.30.2014 | 10.31.2014 | 12.31.2013 |
|--|------------------|------------------|------------------|
| CURRENT ASSETS | | | |
| Other receivables | 37,440 | 36,452 | 36,848 |
| - of which receivable from related parties | 37,440 | 36,452 | 36,848 |
| Financial receivables | 37,440 | 36,452 | 36,848 |
| - subsidiaries | 37,440 | 36,452 | 36,848 |
| Cash and cash equivalents | 38,627 | 39,549 | 69,008 |
| TOTAL CURRENT ASSETS - A | 76,067 | 76,001 | 105,856 |
| CURRENT LIABILITIES | | | |
| Bank borrowings and payables to other lenders | (70,279) | (70,237) | (62,946) |
| - of which payable to related parties | (69,429) | (69,554) | (62,836) |
| - subsidiaries | (63,101) | (63,226) | (56,509) |
| - joint ventures | (6,328) | (6,328) | (6,327) |
| - Bank borrowings | (850) | (683) | (110) |
| TOTAL CURRENT LIABILITIES - B | (70,279) | (70,237) | (62,946) |
| NON-CURRENT LIABILITIES | | | |
| Bank borrowings and payables to other lenders | (251,056) | (249,487) | (460,603) |
| - of which payable to related parties | - | - | (149,876) |
| - Convertible bond (*) | - | - | (235,902) |
| - Bank borrowings | (240,943) | (239,399) | (224,701) |
| - Other financial payables | (10,113) | (10,088) | |
| TOTAL NON-CURRENT LIABILITIES - C | (251,056) | (249,487) | (460,603) |
| NET FINANCIAL POSITION EXCL. SHAREHOLDER LOANS GRANTED (**) D = (A+B+C) | (245,268) | (243,723) | (417,693) |

(*) On April 14, 2014 the compulsory early repayment of the Convertible Bond was automatically and directly executed through the full conversion of the Convertible Bonds and, therefore, the capital increase for the exclusive service of the conversion was also automatically implemented through the issue of 229,757,292 ordinary shares and 93,390,705 class B shares.

(**) Pursuant to CONSOB Communication dated July 28th, 2006 and in compliance with the CESR Recommendation of February 10th, 2005 ("Recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses").

2) Past due payables, recorded by category (financial, trade, tax, social security and amounts due to employees) and any associated actions by creditors (reminders, injunctions, suspended deliveries, etc.):

Prelios Group past due **trade payables** total 10.1 million euro (9.6 million euro at October 2014), today reduced to 5.2 million euro following to payment of 4.9 million euro in December.

This situation falls within the scope of the customary business relations with Prelios Group suppliers.

Prelios S.p.A. past due **trade payables** total 3.6 million euro (3.8 million euro at October 2014), today reduced to 1.8 million euro following to payment of 1.8 million euro in December.

There are no legal disputes, court proceedings or suspended deliveries associated with the above items. Any payment reminders are part of normal business relations.

There are no past due amounts of a financial or tax nature, or amounts due to social security institutions or to employees.

3) Prelios Group and Prelios S.p.A. dealings with Related Parties:

Dealings with related parties consisting of subsidiary companies of Prelios S.p.A. or joint ventures and its associated companies (“Intragroup Dealings”), and dealings with related parties other than intragroup dealings (“Other Related Parties”), in particular Pirelli & C. S.p.A. and its subsidiaries, are of a trade and financial nature, falling within normal business operations, and are at arm’s length. There are no atypical and/or unusual transactions.

It should also be noted that Prelios Group consolidates about 170 companies, most of which are minorities, valued using the equity method, booked under item “Earnings from equity investments”. In order to have monthly data, it would therefore be necessary to implement a chain of processes involving all the companies in question, with an enormous outlay of resources and high costs, which would provide information of limited significance, when considering the business cycle of the real estate sector which updates valuations on a quarterly or half-yearly basis.

It should be noted that the preliminary disclosure concerning the dealings with associated companies, joint ventures and other companies of Prelios Group as well as Prelios S.p.A. subsidiaries, relating to September 2014, reported below, is compared with the data that refer to last 30 June 2014 with regard to balance sheet data and with the data at 30 September 2013 with regard to income statement data. This is due to the fact that the Group’s internal invoicing cycle is essentially quarterly and no significant accounting provisions are made with subsidiary and associated companies in the intervening months. This especially affects operating Revenues and Costs, Financial Income and Charges, current Trade Receivables and Payables, which are items that do not therefore vary significantly in the intervening months.

Disclosed below are ***Prelios Group dealings with Other Related Parties*** (specifically Pirelli & C. S.p.A., its subsidiaries and other associated companies through directors) **at 30 November 2014, compared with data at 31 October 2014**, for which a monthly update is provided:

| | from 01.01.2014 to 11.30.2014 | | from 01.01.2014 to 10.31.2014 |
|--------------------|----------------------------------|--|----------------------------------|
| Operating revenue | 71 | The item mainly refers to a new agreement with Pirelli Tyres S.p.A. relating to the Bicocca area parking. | 67 |
| Operating costs | (2,278) | The item includes costs for renting and expenses for the R&D building charged by Pirelli Group, and the costs for the services provided by the company Poliambulatorio Bicocca S.r.l.. | (2,063) |
| Financial expenses | (408) | These relate to the interest accrued on the convertible bond subscribed by Pirelli & C. S.p.A. from January 1 to April 8, 2014. | (408) |

Thousands euro.

| | As at 11.30.2014 | | As at 10.31.2014 |
|---------------------------|------------------|--|------------------|
| Current trade receivables | 18 | These mainly refer to receivables from Pirelli Group for the recovery of costs. | 13 |
| Other current receivables | 1,856 | The item mainly includes the guarantee deposit paid to Pirelli & C. S.p.A. for the rental of the R&D building and prepaid expenses related to the rental of that building. | 1,994 |
| Current trade payables | (813) | These mainly refer to the payable to Pirelli S.p.A. for the rent and to Pirelli Tyre S.p.A. for the chargeback of utilities and expenses related to R&D building. They also include payables for health services provided by the company Poliambulatorio Bicocca S.r.l.. | (736) |

Thousands euro.

Disclosed below are ***Prelios S.p.A. dealings with Other Related Parties*** (specifically Pirelli & C. S.p.A., its subsidiaries and other associated companies through directors) **at 30 November 2014, compared with data at 31 October 2014**, for which a monthly update is provided:

| | from 01.01.2014 to 11.30.2014 | | from 01.01.2014 to 10.31.2014 |
|--------------------|-------------------------------|--|-------------------------------|
| Operating revenue | 14 | This refers to the recovery from Pirelli & C. S.p.A. related to HQ building and to the recharge of taxes related to the rental of R&D building. | 14 |
| Operating costs | (2,278) | The item includes the costs for renting and expenses for the R&D building charged by Pirelli Group, and the costs for the services provided by the company Poliambulatorio Bicocca S.r.l.. | (2,063) |
| Financial expenses | (408) | These relate to the interest accrued on the convertible bond subscribed by Pirelli & C. S.p.A. from January 1 to April 8, 2014. | (408) |

| | As at 11.30.2014 | | As at 10.31.2014 |
|---------------------------|------------------|--|------------------|
| Current trade receivables | 13 | These mainly refer to receivables from Pirelli Group for the recovery of costs. | 13 |
| Other current receivables | 1,856 | The item mainly includes the guarantee deposit paid to Pirelli & C. S.p.A. for the rental of the R&D building and prepaid expenses related to the rental of that building. | 1,994 |
| Current trade payables | (813) | These mainly refer to the payable to Pirelli S.p.A. for the rent and to Pirelli Tyre S.p.A. for the chargeback of utilities and expenses related to R&D building. They also include payables for health services provided by the company Poliambulatorio Bicocca S.r.l.. | (736) |

Thousands euro.

Disclosed below are ***Prelios Group dealings with associated companies, joint ventures and other companies at 30 September 2014. The income statement data are compared with the same period of 2013, while balance sheet data are compared with data at 30 June 2014***, for which – as above indicated – only a quarterly update is provided:

| | from 01.01.2014 to 09.30.2014 | | from 01.01.2013 to 09.30.2013 |
|---|----------------------------------|--|----------------------------------|
| Operating revenue | 20,407 | The item refers to Group company mandates for fund and asset management services and technical and commercial services. | 30,911 |
| Operating costs | (440) | These refer to recharges of various kinds. | (304) |
| Net income from investments | (26,006) | The item mainly refers to the equity method valuation of Group investments, as well as other investments adjustments. | (38,216) |
| Financial income | 4,255 | This mostly refers to interest earned on financial receivables held by Group companies. | 7,452 |
| Financial expenses | (54) | This item mainly refers to the "discounting" effects on receivables due from Group companies not consolidated line-by-line. | (735) |
| Net income (loss) from discontinued operations | 8,664 | The item refers to the transactions with related parties reclassified in compliance with International Financial Reporting Standards (IFRS 5). | 11,522 |
| | As at 09.30.2014 | | As at 06.30.2014 |
| Current trade receivables | 15,888 | This balance includes receivables arising from "operating revenue". | 21,438 |
| Other non-current receivables | 94,188 | | 96,883 |
| - of which financial receivables | 94,188 | Loans granted to Group real estate projects. These loans are classified as non-current assets with reference of their terms of repayment, which match the medium-term disposal plans of the real estate portfolios owned directly or indirectly by these companies. These loans are granted at market interest rates except for non-interest bearing loans granted to some companies | 96,883 |
| Other current receivables | 6,821 | This includes, among other, dividends that have been declared but not yet paid and other receivables | 4,580 |
| - of which financial receivables | 113 | | 113 |
| Discontinued operations/asset held for sale | 25,050 | | 29,267 |
| - of which financial receivables | 25,050 | The item refers to the shareholders' loans granted to the joint ventures Solaia RE B.V. and Jamesmail B.V. that, further to the DGAG portfolio sale agreement, will be reimbursed at the closing date. These amounts are shown as "Discontinued operations/asset held for sale" in compliance with International Financial Reporting Standards (IFRS 5). | 29,267 |
| Current trade payables | (3,072) | They refer to various chargebacks, mainly rent, urbanisation charges and accessory costs. | (3,013) |
| Other current payables | (18,756) | These refer to various chargebacks. | (18,756) |
| Current tax payables | (1,080) | Amounts due to Trixia S.r.l. further its adoption of the "tax transparency" regime allowed by art. 115 of the Italian Income Tax Code, whereby a company's positive or negative taxable amounts are attributed to its shareholders. | (1,080) |
| Current bank borrowings and payables to other lenders | (6,576) | These include negative balances on intercompany current accounts and other financial payables arising from capital contributions in Aree Urbane S.r.l. (in liquidation) for Euro 4,892 thousand and Solaia RE S.à.r.l. for Euro 634 thousand. | (6,576) |
| Provisions for future risks and expenses | (1,157) | This refers to the provision accrued to cover the losses of associates and joint ventures in excess of their carrying amounts. | (2,524) |

Thousands euro.

Disclosed below are **Prelios S.p.A. dealings with subsidiaries and associated companies at 30 September 2014**. The income statement data are compared with the same period of 2013, while balance sheet data are compared with data at 30 June 2014, for which – as above indicated – only a quarterly update is provided:

| | from 01.01.2014 to 09.30.2014 | | from 01.01.2013 to 09.30.2013 |
|--|----------------------------------|--|----------------------------------|
| Operating revenue | 5,065 | These include mainly fees for general services, and the recovery of costs for office rental, trade mark and other costs. | 8,047 |
| Operating costs | (1,830) | These relate mainly to costs for general services provided by the subsidiary Sare S.p.A. and to costs for technical assistance provided by Prelios Valuations & E-Services S.p.A. and Prelios Integra S.p.A.. | (1,791) |
| Financial income | 6,095 | These refer mainly to interest income accrued on intra-group current accounts and on loans granted to investee companies; they include also the recharge of guarantee costs paid in the interest of subsidiaries. | 6,958 |
| Financial expenses | (570) | These include interest expenses accrued on intercompany current accounts, and on the loan in Polish currency from the subsidiary Prelios Polska Sp.z.o.o.. | (637) |
| Income taxes | 1,571 | These refer to revenues transferred to Prelios S.p.A. by subsidiaries that have elected to be consolidated for a group taxation. | 1,605 |
| Net income (loss) from discontinued operations | 548 | The item includes the interests accrued on the portion of the shareholders' loan granted to Prelios Netherlands B.V. related to the DGAG investment, reclassified in compliance with International Financial Reporting Standards (IFRS 5). | 725 |

| | As at 09.30.2014 | | As at 06.30.2014 |
|---|------------------|---|------------------|
| Current trade receivables | 10,151 | These include mainly fees for services provided to the subsidiaries by the Prelios S.p.A., and the recharging of costs for Milan and Rome offices, for the trade mark and other costs. | 10,335 |
| Other non-current receivables | 97,623 | The item refers to the balances of loans granted to investee companies. | 95,880 |
| - of which financial receivables | 97,623 | | 95,880 |
| Other current receivables | 36,775 | These include mainly the positive balances of intercompany current accounts between Prelios S.p.A. and its investee companies (financial receivables), and or VAT receivables from subsidiaries that have elected to be consolidated for VAT purposes. | 37,729 |
| - of which financial receivables | 36,385 | | 37,183 |
| Current tax receivables | 3,538 | These refer mainly to revenues transferred to Prelios S.p.A. by subsidiaries that have elected to be consolidated for a group taxation. | 1,654 |
| Discontinued operations/asset held for sale | 25,267 | The item refers to the shareholders' loans granted to the subsidiary Prelios Netherlands B.V. in order to finance the DGAG portfolio; further to the DGAG portfolio sale agreement, these shareholders' loans will be reimbursed at the closing date. These amounts are shown as "Discontinued operations/asset held for sale" in compliance with International Financial Reporting Standards (IFRS 5). | 29,267 |
| Current trade payables | (3,619) | These refer mainly to payables for services rendered, and to the recharging of costs by subsidiaries; they also include, for about Euro 1.2 million, the payable to the associate Progetto Corsico S.r.l. for urbanisation expenses. | (2,980) |
| Other current payables | (8,022) | They include Euro 7,254 thousand of payables to the subsidiary Edilnord Gestioni S.r.l. (in liquidation), and VAT payables to subsidiaries that have elected to be consolidated for VAT purposes. | (8,011) |
| Current tax payables | (1,546) | These refer to payables to subsidiaries that have elected to be consolidated for a group taxation. | (1,538) |
| Current bank borrowings and payables to other lenders | (65,802) | These refer to negative balances on intercompany current accounts between Prelios S.p.A. and its investee companies (Euro 63,375 thousand), and, for Euro 2,427 thousand, to the balance at September 30th, 2014 of the foreign currency loan obtained from the subsidiary Prelios Polska Sp.z.o.o.. | (65,102) |

Thousands euro.

Disclosed below are ***Prelios S.p.A. dealings with joint ventures and other associated companies at 30 September 2014. The income statement data are compared with the same period of 2013, while balance sheet data are compared with data at 30 June 2014***, for which – as above indicated – only a quarterly update is provided:

| | from 01.01.2014 to 09.30.2014 | | from 01.01.2013 to 09.30.2013 |
|-----------------------------|----------------------------------|---|----------------------------------|
| Operating revenue | 477 | These refer mainly to revenues for asset management fees. | 1,471 |
| Operating costs | (253) | These relate to rental fee and expenses for the offices in Rome, charged by Fondo Cloe, owner of the building. | (32) |
| Net income from investments | 1 | | - |
| Financial income | 3,653 | These refer essentially to interest income accrued on loans granted to investee companies. | 5,959 |
| Financial expenses | (31) | These refer essentially to the financial expenses for the net present value effect of a trade receivable from a joint venture. At September 30, 2013 these included the interests accrued on the payable to Espelha - Serviços de Consultadoria Lda for the | (278) |

| | As at 09.30.2014 | | As at 06.30.2014 |
|---|------------------|--|------------------|
| Current trade receivables | 2,433 | These mainly relate to receivables for asset management fees. | 2,910 |
| Other non-current receivables | 45,324 | This refers to loans granted to investee companies. These loans are classified as non-current assets with reference of their terms of repayment, which match the medium-term disposal plans of the real estate portfolios owned directly or indirectly by these companies. These loans are granted at market interest rates except for non-interest bearing loans granted to some companies. | 47,606 |
| - of which financial receivables | 45,324 | | 47,606 |
| Other current receivables | 901 | This includes, among other, dividends that have been declared but not yet paid and other receivables | 894 |
| Current trade payables | (336) | These refer to the payables to Fondo Cloe for rent and expenses for the offices in Rome. | (307) |
| Other current payables | (5,025) | These mainly include payables to joint ventures of the DGAG group for costs recharged to Prelios S.p.A.. | (5,025) |
| Current tax payables | (1,080) | Amounts due to Trixia S.r.l. further its adoption of the "tax transparency" regime allowed by art. 115 of the Italian Income Tax Code, whereby a company's positive or negative taxable amounts are attributed to its shareholders. | (1,080) |
| Current bank borrowings and payables to other lenders | (6,328) | These refer to the balance of the intercompany current account with Jamesmail B.V. and to other financial payables arising from capital contributions in Aree Urbane S.r.l. (in liquidation) for Euro 4,892 thousand and Solaia RE S.à.r.l. for Euro 634 thousand. | (6,327) |

Thousands euro.

The Financial Reporting Officer of Prelios S.p.A., Dott. Marco Andreasi, attests – pursuant to Art. 154-bis, paragraph 2, of the Financial Markets Consolidation Act (Italian Legislative Decree 58/1998) – that the accounting disclosures contained in this press release correspond to the contents of the documents, registers and accounts of the Company.

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