



PRESS RELEASE

- **PIRELLI RE FACILITY MANAGEMENT (100% PIRELLI RE) COMPLETES THE ACQUISITION OF INGEST FACILITY FROM BUSINESS SOLUTIONS (FIAT GROUP)**

- **LEADERSHIP IN THE ITALIAN MARKET NOW ACHIEVED:**
 - **PRO-FORMA REVENUES FOR 2007 OF OVER €400 MILLION**
 - **PRO-FORMA EBITDA FOR 2007 OF APPROX. €26 MILLION**
 - **BACKLOG OF OVER €830 MILLION**

- **FURTHER ACQUISITIONS IN PROGRESS TO CREATE A EUROPEAN POLE, WITH THE GOAL OF DOUBLING REVENUES AND EBITDA IN THREE YEARS:**
 - **FACILITY MANAGEMENT ACTIVITIES OF DGAG (GERMANY) AND PIRELLI PEKAO (POLAND) WILL BE THE FIRST TO BE INTEGRATED**

Milan, March 1st, 2007 – **Pirelli RE Facility Management (PREFM)**, a member of the Pirelli RE Group, has completed the **acquisition** of **Ingest Facility** from Business Solutions (Fiat Group), after receiving clearance from the Italian and Polish Antitrust Authorities. The **price**, subject to price adjustment, has been set at **€50.3 million**, of which **€33 million** based on **Enterprise Value** and €17.3 million for the company's cash balances.

Ingest Facility operates in all sectors of facility management, offering integrated solutions to the users of office, industrial and commercial buildings in Italy and Poland.

PREFM, who has reported a CAGR of revenues of more than 40% over the last five years, estimates for 2007 (post the acquisition of Ingest Facility) **pro-forma revenues** of over **€400 million**, twice as much as last year's figure, **pro-forma EBITDA** of approx. **€26 million**, and a backlog of **over €830 million**.

With this transaction, **PREFM** achieves a **position of leadership in Italy** and will focus on the creation of a **European pole**, with the goal of **doubling revenues and EBITDA in the next three years**. The first operations will include the integration of the facility management activities of DGAG in Germany and Pirelli Pekao Real Estate in Poland.

PREFM works for **primary companies in Italy**, including: Banca Intesa, BNL, Carige, Deutsche Bank, Edison, FIAT Group, Global Value (IBM), Mediaworld, RAS, Telecom Italia, TNT, UniCredit and Vodafone. Only 15% of **revenues** comes from real estate portfolios partly owned by the Pirelli RE Group.

The company is present throughout Italy with approximately **1,000 employees**; the principal operational offices are located in Milan, Ivrea, Turin, Genoa, Padua, Bologna, Rome, Naples,

Bari, Catania, Palermo and Cagliari. The range of services includes: 1) **building services** (management and ordinary and extraordinary maintenance of buildings and related technological systems, energy management and design, construction and management of co-generation plants*); 2) **space services** (space planning and space management, document storage management and move in-move out); 3) **people services** (call centers, desk top management, reception, security, environmental hygiene, occupational safety and catering).

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* Co-generation is the combined production of electricity and heat.