



## PRESS RELEASE

- **PIRELLI RE INCREASES TO 14% ITS INTEREST IN SPAZIO INVESTMENT NV, A COMPANY LISTED ON THE LONDON STOCK EXCHANGE'S AIM THAT CONTROLS 100% OF THE FUND SPAZIO INDUSTRIALE AND MANAGED BY PIRELLI RE SGR**
- **750,000 SHARES PURCHASED (CIRCA 2.5% OF THE CAPITAL) AT A PRICE OF €15.4 PER SHARE (TOTAL INVESTMENT EQUALS CIRCA €1.6 MN)**
- **FROM THE LISTING IN OCTOBER 2006, SPAZIO INVESTMENT'S STOCK PRICE HAS INCREASED CIRCA 28% (MARKET CAPITALIZATION OF MORE THAN €490 MN)**
- **THE INDUSTRIAL LOGISTICS SECTOR CONTINUES TO BE A STRATEGIC SEGMENT FOR PIRELLI RE, WHO PLANS TO CONTINUE WITH ITS EXCLUSIVE INVESTMENT AND MANAGEMENT ACTIVITIES IN THIS SECTOR FOR SPAZIO INVESTMENT**
- **PIRELLI RE INTENDS TO CREATE OTHER SPECIALIZED ACCUMULATION PLATFORMS FOR REAL ESTATE PRODUCTS (OFFICE, RESIDENTIAL, ETC.)**

*Milan, March 27th, 2007-* **Pirelli RE** announces that it has increased its interest in **Spazio Investment NV**, a Dutch company listed on the London Stock Exchange's Alternative Investment Market (AIM) that controls 100% of the closed end real estate fund Spazio Industriale and managed by Pirelli RE SGR, to 14%.

Pirelli RE **purchased 750,000 shares** in the company (circa 2.5% of the capital) at **€15.4 per share** (total investment of circa €1.6 million), as part of the placement of the stake held by Cypress Grove on the market that was concluded today. From the listing in October 2006 at €12.5 per share, Spazio Investment NV's stock price has increased by circa 28% bringing its **market capitalization** to **more than €490 million**.

We remind that the main investors in Spazio Investment NV include primary international investors including Bank Julius Baer & Co., TIAA-CREF, Fidelity International, Lansdowne Partners, KDA Capital, Goldman Sachs, New Star and Theorema.

The increase of the equity investment strengthens the commitment that Pirelli RE, who plans to continue with its exclusive investment and management activities for Spazio Investment, has in the industrial logistics sector.

Pirelli RE intends to create other specialized accumulation platforms for real estate products (office, residential, etc.).

Deutsche Bank AG acted as *sole book runner* for the transaction while Credit Suisse served as nominated advisor for Spazio Investment on the AIM.

For further information:

Pirelli RE Press Office Tel. +39/02/8535.4270

Investor Relations Pirelli RE Tel. +39/02/8535.4057

[www.pirellire.com](http://www.pirellire.com)