



PRESS RELEASE

PROPERTY SALES IN THE FIRST HALF OF 2008 AMOUNT TO €530 MN (MORE THAN 6% WITH RESPECT TO OPEN MARKET VALUE); GROUP SHARE €208 MN (39%)

GROSS MARGIN: €109 MN (21%), €44 MN PERTAINING TO PIRELLI RE

PIRELLI RE'S SALES INCLUDE THOSE MADE BY:

- **THE FUNDS MANAGED BY PIRELLI RE SGR AND PIRELLI RE OPPORTUNITIES SGR FOR €298 MN (TRANSACTIONS DISCLOSED BY THE TWO COMPANIES ON JULY 1ST, 2008)**
- **AFFILIATED COMPANIES FOR €231 MN**

COLLECTIONS ON NON-PERFORMING LOANS UNDER MANAGEMENT: €235 MN, GROUP'S SHARE €67 MN

PIRELLI RE AGENCY HANDLES SALES AS EXCLUSIVE AGENT

Milan, July 22nd, 2008 - **Property sales by Pirelli RE** in the first half of 2008 amount to **€530 mn, more than 6% with respect to open market value; the Group's share stands at €208 mn (39%).**

The gross margin comes to **€109 million (21%)**, of which **€44 million** pertains to **Pirelli RE**.

Property sales consist of **€231 million sold by affiliates of Pirelli RE**, and **€298 million sold by the funds managed by Pirelli RE SGR and Pirelli RE Opportunities SGR**. Those two companies disclosed the relevant transactions on July 1st, 2008.

Collections on **non-performing loans** under management amount to **€235 mn**, of which the **Group's share** is **€67 mn**.

Real estate **advisory services for the sales** were provided exclusively by **Pirelli RE Agency**.

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