



PRESS RELEASE

PIRELLI RE: 20% OF CREDIT SERVICING BUSINESS SOLD TO DGAD INTERNATIONAL (CALYON SA)

- **CONFIRMATION OF PIRELLI RE'S RELAUNCH STRATEGY THROUGH SERVICE ACTIVITIES, SUCH AS CREDIT SERVICING, WITH A REDUCED FINANCIAL COMMITMENT**

Milan, June 29th, 2009 - Pirelli RE announces that today it has sold 20% of **Pirelli & C. Real Estate Credit Servicing, its NPL management company, to DGAD International (Calyon SA).**

All the conditions precedent have, in fact, been satisfied for completing the sale agreement approved by the Pirelli RE Board of Directors on May 26th last.

This transaction forms part of a **renewal of the JV with DGAD International, which now includes the servicing platform**, whose goal, amongst others, is to secure contracts to manage NPL portfolios on behalf of others, and **confirms the important nature of service activities in Pirelli RE's renewed strategy.**

At the same time, as already announced, **Pirelli RE has reduced its financial commitment** to the **"European NPL" investment platform** (67% DGAD International, 33% Pirelli RE) thanks to the loan of €250 million from DGAD International, **allowing Pirelli RE to be repaid €82.5 million in settlement of most of the shareholder loan** given upon acquiring the various NPL portfolios.

The transaction has an overall positive impact of some €89 million on the net financial position gross shareholder loans.

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