



## **PIRELLI & C. REAL ESTATE PRESS RELEASE**

### **PIRELLI & C. REAL ESTATE CONTINUES ITS ACTIVITY OF ADDING VALUE TO THE COMMERCIAL PORTFOLIOS UNDER MANAGEMENT:**

- **SOLD 50% OF THE COMPANY  
PRIME PROPERTIES TO AEDES WITH A GROSS CAPITAL GAIN  
OF 7,7 MILLION EURO**
- **SOLD SIX PROPERTIES FOR AN OVERALL GROSS  
CAPITAL GAIN OF 27 MILLION EURO**

*Milan, April 1, 2003* – Pirelli & C. Real Estate has concluded a series of transactions in the context of its activity relative to the acquisition, exploitation, and sale of commercial properties, which are held together with The Morgan Stanley Real Estate Funds, and for which Pirelli & C. Real Estate has a mandate for their strategic management.

The transactions concluded are the following.

The **50%** stake held in **Prime Properties** was sold to Aedes, who already held the remaining 50%. Prime Properties holds a real estate portfolio worth about 150 million Euros, with properties located in Milan and Rome. The transaction value was equal to **25 million** Euros, which yielded a gross capital gain of **7.7 million** Euros, of which about **2 million** Euros represent Pirelli & C. Real Estates' share.

The sale of a portfolio of **four quality properties**, 30,000 sqm of mainly office properties, located in the center of Milan (comprising a portion of the former Ras portfolio which was acquired in 2002), to the property funds run by the **Deka Group** was executed. The transaction value was about **130 million** Euros, with a gross **capital gain** of about **20 million** Euros, of which **6.6 million** Euros represent Pirelli & C. Real Estates' share.

Finally, two office buildings, one located in the heart of **Naples** (comprised in the Ras portfolio) and the other located in Turin (comprised in the former Toro Insurance portfolio) were sold to local private investors. The transaction value for the two properties was about **25 million** Euros, with a gross **capital gain** of about **7 million** Euros, of which **2 million** Euros represent Pirelli & C. Real Estates' share.

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