



PRESS RELEASE

PRELIOS: CAPITAL INCREASE WITH OPTION RIGHTS START OFF

OFFER PERIOD FROM 22 JULY TO 8 AUGUST

Milan, 18 July 2013 – Following disclosure to the market on 11 July 2013, Prelios S.p.A. announces the start of the capital increase with option rights and communicates the relevant timeline of the rights issue (“**Rights Issue**”) to those entitled thereto and to the listing of Prelios S.p.A. newly issued ordinary shares (the “**Shares**”), resulting from the divisible capital increase against payment, approved by the Company extraordinary Shareholders’ Meeting of 8 May 2013, for a total amount of **Euro 115,009,511.53**, to be offered to all Company shareholders, through the issue of max. **n. 193,195,887 ordinary shares**, without face value, at the issue price per share of **Euro 0.5953**, accruing regular dividend and having identical characteristics as the outstanding shares upon their issue (the “**Capital Increase with Option Rights**”).

The relevant Offering Circular, approved by Consob, will be made available to the public within the terms provided for by law and pursuant to law at the registered office of Prelios S.p.A. and on the Company website (www.prelios.com) for the entire duration of the Offer Period (as specified below).

In accordance with what has been already disclosed to the market, the broader transaction for the Company financial rebalancing and recapitalisation, of which the Capital Increase with Option Rights is a part, also includes a reserved capital increase of about Euro 70 million (through the issue of class B shares without voting right and destined to listing, the “**Reserved Capital Increase**”), hence for a total amount of about Euro 185 million as well as the issue of convertible debentures up to a maximum nominal amount of Euro 269 million (the so-called “**Convertible Debentures**”), the issue of which has been resolved upon by the last Board of Directors’ Meeting of 10 June 2013.

Rights Issue Timeline

The option rights entitling the subscription of the Shares (the “**Option Rights**”) will be exercisable, under penalty of forfeiture, from **22 July 2013 to 8 August 2013** inclusive (the “**Offer Period**”).

The Option Rights will be tradable on the Stock Exchange from **22 July 2013 to 1 August 2013** inclusive.

Within the month following the end of the Offer Period, Prelios S.p.A. will offer on the Stock Exchange any Option Rights that have not been exercised, in compliance with the currently applicable regulatory provisions.

It should be recalled that the stock option ratio resulting from the Capital Increase with Option Rights is 23 Shares every 10 Company outstanding ordinary shares.

Recapitalisation transaction and debt rescheduling

More in details, as already mentioned, the Capital Increase with Option Rights is framed within the scope of the transaction undertaken by Prelios S.p.A. aimed at Prelios Group financial rebalancing, equity strengthening and industrial relaunch, as defined on the basis of the Recovery Plan that has been drafted pursuant to art. 67, par. 3, letter d), of Royal Decree n. 267/1942, for the 2013-2016

three-year period. Such transaction envisages, in particular, the recapitalisation and current debt rescheduling of the Company, on the terms and conditions approved by Prelios S.p.A. Shareholders' Meeting on 8 May 2013 and disclosed to the market in the previous press releases to which reference should be made for any detail.

It should be recalled that some of the subjects involved in the aforesaid transaction undertook underwriting and guarantee commitments with reference to the Capital Increase with Option Rights; and namely:

- some of Prelios S.p.A. shareholders (Camfin S.p.A., Assicurazioni Generali S.p.A., Mediobanca-Banca di Credito Finanziario S.p.A. and Intesa Sanpaolo S.p.A.) being a party to Prelios¹ previous shareholders' agreement, that has been terminated starting from 8 May 2013, have agreed to subscribe in cash a portion of the Capital Increase with Option Rights for a total of about Euro 25 million, by exercising their Option Rights;
- the lenders of Prelios S.p.A. (Pirelli & C. S.p.A. and the lending banks, including Intesa Sanpaolo S.p.A. and UniCredit S.p.A.) agreed to guarantee the subscription of any option rights of the Capital Increase with Option Rights that have not been exercised for a total amount up to about Euro 90 million, of which Euro 5 million in cash and up to Euro 85 million through the conversion *pro rata* among all lenders of the receivables claimed from the Company.

With the start of the Capital Increase with Option Rights and following to the enforcement of at least a part of the underwriting commitments of the aforementioned Prelios S.p.A. shareholders, as well as following to the finalization of the agreements aimed at enforcing Consob Resolution n. 18565 of 31 May 2013 (as supplemented by Consob Resolution n. 18607 of 9 July 2013) which authorised the exemption from the Takeover Bid obligations for the parties taking part in the transaction, all conditions precedent have occurred, which were envisaged for the implementation of the aforementioned Reserved Capital Increase reserved to Fenice S.r.l. ("NewCo", a company participated by Feidos 11 S.p.A., Pirelli & C. S.p.A., Intesa Sanpaolo S.p.A. and UniCredit S.p.A.), for the amount of about Euro 70 million, through the issue of class B shares without voting right and not destined to listing. With the start of the Capital Increase with Option Rights it is estimated that the Reserved Capital Increase may be subscribed by the end of the Offer Period.

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¹ Reference should be made to the shareholders' agreement relating to Prelios shares, for a total amount of about 21.3% of the share capital, initially subscribed on 25 October 2010, subsequently renewed until 25 October 2013 and then terminated on 8 May 2013, between Camfin S.p.A., Assicurazioni Generali S.p.A., Mediobanca-Banca di Credito Finanziario S.p.A., Intesa Sanpaolo S.p.A., Edizione S.r.l. and Massimo Moratti.