

## PRESS RELEASE

### **PIRELLI RE: COMMITMENT TO SIGN SHAREHOLDERS' AGREEMENT**

*Milan, 12 October 2010* – Assicurazioni Generali, Camfin, Edizione, Intesa Sanpaolo, Massimo Moratti, Mediobanca and UniCredit today signed an agreement by means of which they undertake to subscribe a shareholders' agreement, in which they will confer the following stakes in Prelios (the company name that Pirelli Re will have after the separation from the Pirelli group): Assicurazioni Generali 2.49%, Camfin 12%, Edizione 2.61%, Intesa Sanpaolo 0.91%, Massimo Moratti 0.67%, Mediobanca 2.61%, for a total amount equal, as of today, to approximately 21.3% of the share capital. The number of Prelios shares that may be conferred by Unicredit to the shareholders' agreement and, consequently, the exact total number of Prelios shares conferred, will depend on the underwriting, by 31 December 2010, of a portion of a capital increase that the Board of Directors of Pirelli Re could resolve upon in execution of the mandate given to it by the Shareholders' Meeting of Pirelli Re held on 15 July 2010.

The shareholders' agreement, the contents of which have already been defined, is expected to be signed once the separation of the activities carried out by Pirelli Re from the others performed by the Pirelli group has been completed. The participation of UniCredit is subject to the underwriting of the aforementioned Pirelli Re share capital increase.

The parties have agreed not to acquire until the signing of the shareholders' agreement and without the prior consent of the other parties, shares of Pirelli & C. and/or Pirelli Re in excess of those already held, if such an event triggers the obligation to launch a public tender offer on Pirelli Re shares.

The shareholders' agreement (so called block shares syndicate), which will have a duration of 18 months with automatic renewal at 18 month intervals unless notice of termination is given, provides, in particular, for:

1. the obligation of consultation for the examination of issues falling within the competence of the ordinary and extraordinary Shareholders' Meetings of Prelios, as well as for early termination of the shareholders' agreement and the entry of new parties;
2. the termination, for any reason different from the its breach, if the shares conferred represent a percentage of the Prelios share capital below 18%;
3. the possibility of disposal of the Prelios shares conferred to the shareholders' agreement exclusively between the members to the shareholders' agreement, with the option for each member, different from Camfin, to increase its stake up to a maximum amount equal to 6% of the Prelios share capital;
4. the commitment of the members to not acquire, without the prior consent of the other parties (consent which shall be deemed denied if such an acquisition triggers the obligation to launch a public tender offer on Prelios shares), Prelios shares in excess of those held on the date of the signing of the agreement. This limit does not apply to certain purchase and sale transactions which will be allowed within pre-established limits and exclusively for the purposes of trading and liquidity management.