English courtesy translation

Press release on behalf of Burlington Loan Management DAC, Pirelli & C. S.p.A., Intesa Sanpaolo S.p.A., UniCredit S.p.A., and Fenice S.r.l.

PRESS RELEASE

(pursuant to articles 114 and 115 del D.Lgs. 58/1998)

ENTERED INTO AN AGREEMENT FOR THE PURCHASE OF 44,86% OF PRELIOS SHARE CAPITAL BY BURLINGTON LOAN MANAGEMENT DAC

Milan, 26 July 2017. We hereby inform that on the date hereof Burlington Loan Management DAC ("**Burlington**"), an Irish investment vehicle managed by Davidson Kempner Capital Management LP ("**DKCM**"), entered into with Pirelli & C. S.p.A. ("**Pirelli**"), Intesa Sanpaolo S.p.A. ("**ISP**"), UniCredit S.p.A. ("**UCI**") and Fenice S.r.l. ("**Fenice**" and, together with Pirelli, ISP and UCI the "**Sellers**") a sale and purchase agreement (the "**Share and Purchase Agreement**" or the "**SPA**"), pursuant to which – subject to satisfaction of the Conditions Precedent referred to below – Burlington, through a directly or indirectly wholly owned Italian newco (the "**Purchaser**"), will purchase from the Sellers n. 611.910.548 shares (the "**Shares**") of Prelios S.p.A. ("**Prelios**" or the "**Issuer**") as follows:

- n. 148.127.621 ordinary shares, equal to 10,86% of the share capital and 12,85% of the voting rights of the Company, owned by Pirelli;
- n. 117.752.487 ordinary shares, equal to 8,63% of the share capital and 10,21% of the voting rights of the Company, owned by ISP;
- n. 135.042.239 ordinary shares, equal to 9,90% of the share capital and 11,71% of the voting rights of the Company, owned by UCI;
- n. 210.988.201 class B shares, non-listed and without voting rights, equal to15,47% of the Company's share capital, owned by Fenice (the "**B Shares**"), which will be automatically converted in the same number of ordinary shares pursuant to the Company's by-laws.

The agreed price for the purchase of the Shares, which will be paid by the Purchaser to the Sellers in a single instalment at closing, is equal to Euro 0,105 per Shares and, therefore, in aggregate to Euro 64.250.607,56, of which Euro 15.553.400,21 will be paid to Pirelli, Euro 12.364.011,14 will be paid to ISP, Euro 14.179.435,10 will be paid to UCI and Euro 22.153.761,11 will be paid to Fenice.

Pursuant to the SPA, the closing of the sale and purchase of the Shares (the "**Initial Acquisition**") is subject to the satisfaction (or the waiver) by and no later than 31 January 2018 of all the conditions precedent (the "**Conditions Precedent**"):

(i) the obtainment of the authorization by the Bank of Italy for the acquisition by the Purchaser of the indirect control of Prelios SGR S.p.A. and Prelios Credit Servicing S.p.A.;

(ii) the event that – before *closing* – Prelios, Prelios SGR S.p.A., Prelios Credit Servicing S.p.A., Prelios Integra S.p.A. and Prelios Valuations & e-Services S.p.A. have not carried out, approved or undertaken to carry out certain material transactions and, in particular:

- transfers to third parties of shareholdings in such companies or of their respective businesses,
- mergers or demergers with companies that are not part of the Prelios Group, issuance in favour of third parties of shares, convertible bonds or other financial instruments granting the right to purchase or subscribe securities in such companies,
- share buy-back or extraordinary dividend distribution by the Issuer,
- by-laws amendments related to share capital, equity financial instruments, *corporate governance* or shareholders' rights, except for those amendments required by laws and capital reductions.

Before the closing date, in case of binding offers by third parties for the purchase of Shares or in case of public tender offer over all the shares of the Issuer at a price per Share higher than Euro 0,105, the Purchaser will have the right to increase the price per share agreed with the Sellers and, in the event that it does not exercise such right, the Sellers will have the right to withdraw from the SPA against payment of certain amounts set forth therein.

On closing date, following completion of the purchase of the Shares and the conversion of B Shares in ordinary shares of the Issuers, the Purchaser will hold a shareholding equal to 44,86% of the share capital and the voting rights of the Issuers and, therefore, pursuant to art. 106, par 1, of the D. Lgs. 24 February 1998, n. 58 (the "**TUF**"), will have the obligation to launch a mandatory tender offer on the remaining ordinary shares of Prelios at the same price per share paid by the Purchaser to the Sellers.

According to Burlington the acquisition of the Shares is a vote of confidence in Prelios' management and in its growth potential as an Italian independent integrated asset management and credit servicing platform.