

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

PRESS RELEASE

(pursuant to article 114 of D.Lgs. 58/1998)

AGREEMENT FOR THE PURCHASE OF 44.86% OF THE SHARE CAPITAL OF PRELIOS S.P.A. BY BURLINGTON LOAN MANAGEMENT DAC

Milan, 31 July 2017. In relation to:

- (i) the press release issued on 26 July 2017 to announce the execution of an agreement by and among Burlington Loan Management DAC (“**Burlington**”), on one side, and 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**”), on the other side, providing for the sale and purchase by a newly formed company incorporated under the laws of Italy directly or indirectly wholly owned by Burlington (the “**Purchaser**”) of the aggregate no. of 611,910,548 shares (the “**Shares**”) of Prelios S.p.A. (“**Prelios**” or the “**Issuer**”) owned by the Sellers, at a price per Share of Euro 0.105 (the “**Burlington Agreement**” or the “**Agreement**”); and
- (ii) the press release issued on 28 July 2017, whereby CEFC Group announced its submission to the Sellers of a binding offer for the purchase of the Shares at a price per Share of Euro 0.116 (the “**CEFC Offer**”);

the Sellers inform that they will not follow up the CEFC Offer, also in light of the fact that such offer is not accompanied by banking documentation confirming the availability of funds to pay the offered price and provides for further conditions precedent in addition to those provided for by the Burlington Agreement as well as terms that are such as not to trigger the procedure which, without a price increase by the Purchaser, entitles the Sellers with the right to withdraw from the Agreement by paying the amounts provided for therein.