

SCHEMATRENTAQUATTRO S.P.A.

NOT FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, JAPAN OR IN OTHER COUNTRIES WHERE OFFERS OR SALES WOULD BE FORBIDDEN UNDER APPLICABLE LAWS OR TO RESIDENTS THEREOF.

PRESS RELEASE

Launch of an offer of EUR 200 million unsecured guaranteed Bonds exchangeable for existing ordinary shares of Pirelli & C. S.p.A. (the “Shares”)

Treviso, 20 November 2013 – Schematrentaquattro S.p.A. (the “**Issuer**” or “**Schematrentaquattro**”) a wholly owned subsidiary of Edizione S.r.l. (“**Edizione**” or the “**Company**”), announces today the launch of an offering of EUR 200 million unsecured bonds exchangeable for existing ordinary shares of Pirelli & C. S.p.A. (the “**Bonds**”) irrevocably and unconditionally guaranteed by Edizione (the “**Offer**”).

The Offer is addressed to Italian and international qualified investors only with the exclusion of United States of America (in accordance with Regulation S under the US Securities Act of 1933, as amended), Canada, Japan and, with the exclusion of any public offer in any other country, including Italy.

The Bonds will be issued at par in the denomination of EUR 100,000 each and, unless previously exchanged, redeemed or purchased and cancelled, will also be redeemed at par on 29 November 2016. Upon exchange, Schematrentaquattro will have the discretionary right to deliver an amount in cash, instead of Shares, as described in the Terms & Conditions of the Bonds. At maturity, Schematrentaquattro will have the option to deliver a combination of Shares and cash, as described in the Terms & Conditions of the Bonds.

The Bonds will bear interest at a fixed rate ranging between 0.25% to 0.75% per annum, payable annually in arrear on 29 November of each year.

The initial exchange price of the Bonds will be set at a premium between 25% and 30% to the volume weighted average price of the Shares on Borsa Italiana between launch and pricing.

Pricing and final terms of the Offer will be announced to the market once the bookbuilding process is complete.

Settlement of the Bonds is expected to take place on or about 29 November 2013 (the “**Closing Date**”).

Edizione and Schematrentaquattro will be subject to a lock-up ending 90 days after the Closing Date with respect to the Pirelli & C. S.p.A. shares.

The Bonds are expected to be listed on the Third Market (MTF) of the Vienna Stock Exchange on or prior to the Closing Date.

BNP Paribas and BofA Merrill Lynch are acting as Joint Bookrunners in relation to the Offer.

* * *

NOT FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, JAPAN OR IN OTHER COUNTRIES WHERE OFFERS OR SALES WOULD BE FORBIDDEN UNDER APPLICABLE LAWS OR TO RESIDENTS THEREOF.

Schematrentaquattro S.p.A.
(Società avente unico socio)

Calmaggiore, 23 - 31100 Treviso Telefono 0422.5995 Telefax 0422.412176

Cod.Fisc., P.IVA e n° iscriz. Reg.Imprese TV 03914040260 - R.E.A. CCIAA TV 308308 - Cap. Soc. Euro 100.000.000,00
i.v.

SCHEMATRENTAQUATTRO S.P.A.

IMPORTANT NOTICE

This press release is published for information purposes only pursuant to Italian law and shall not be meant to be an investment proposal and, in any case, it may not be used as or deemed to be a sale offer or an invitation to offer or purchase or sell securities to the public.

No communication and no information in respect of the offering of the Bonds may be distributed to the public in any jurisdiction where a registration or approval is required.

*The documentation relating to the offer of the Bonds will not be submitted to CONSOB (the Italian Securities Exchange Commission) for approval pursuant to the applicable laws and regulations. Therefore, the Bonds may not be offered, sold or distributed to the public in the territory of the Republic of Italy other than to qualified investors, as defined by article 100 of Legislative Decree No. 58 of 24 February 1998, as subsequently amended (the “**Financial Services Act**”), and pursuant to article 34-ter, paragraph 1(b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (the “**CONSOB Regulation**”).*

*This press release shall not be distributed, whether directly or indirectly, in the United States of America (as defined in Regulation S contained in the US Securities Act of 1933, as subsequently amended - the “**US Securities Act**”), in Canada, Japan, or in any other country where the offer or the sale would be forbidden by the law. This press release is not, and is not part of, an offer or sale of securities to the public or a solicitation to sell securities, and there will be no offer of securities or solicitation to sell securities in any jurisdiction where such offer or solicitation would be forbidden by the law. The securities mentioned in this press release have not been and will not be registered under the US Securities Act and may not be offered or sold in the United States of America or for the account or benefit of U.S. persons (as defined in the US Securities Act) without a registration or a specific exemption from registration under the US Securities Act. No offers of the securities to the public or solicitation to sell or purchase securities shall be made in the United States of America or in any other country.*

This press release was not and shall not be mailed or otherwise given, distributed or sent to or from the United States of America or to or from any other country in which such mailing would be forbidden, or to publications with wide circulation within such countries, and the recipients of such press release (including any depositaries, delegated persons and trustees) shall refrain from mailing or otherwise forwarding, distributing or mailing the press release to or from the United States of America or to or from any other country where such sending would be forbidden, or to publications with a general circulation within such countries.

*In connection with the offering of the Bonds, each of BNP Paribas and Merrill Lynch International (together, the “**Joint Bookrunners**”) and their respective affiliates, acting as investors for their own account, may subscribe the Bonds or ordinary shares of Pirelli & C. S.p.A. and for such reason hold in their portfolios, purchase or sell such securities or any security of the Issuer or Pirelli & C. S.p.A. or make any related investment; furthermore, they may also offer or sell such securities or make investments other than in the context of the offering of the Bonds. The Joint Bookrunners do not intend to disclose the amount of such investments or transactions other than to the extent required by the applicable laws and regulations.*

None of BNP Paribas and Merrill Lynch International or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, the Issuer or Pirelli & C. S.p.A. or their respective subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and

NOT FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, JAPAN OR IN OTHER COUNTRIES WHERE OFFERS OR SALES WOULD BE FORBIDDEN UNDER APPLICABLE LAWS OR TO RESIDENTS THEREOF.

Schematrentaquattro S.p.A.
(Società avente unico socio)

Calmaggiore, 23 - 31100 Treviso Telefono 0422.5995 Telefax 0422.412176
Cod.Fisc., P.IVA e n° iscriz. Reg.Imprese TV 03914040260 - R.E.A. CCIAA TV 308308 - Cap. Soc. Euro 100.000.000,00
i.v.

SCHEMATRENTAQUATTRO S.P.A.

howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

The Joint Bookrunners are acting on behalf of the Company and the Issuer and no one else in connection with the Bonds, and will not be responsible to any other person for providing the protections afforded to clients of the Joint Bookrunners, or for providing advice given in relation to the securities.

No action has been taken by the Company, the Issuer, the Joint Bookrunners or any of their respective affiliates that would permit an offering of the securities or possession or distribution of this press release or any publicity material relating to the securities in any jurisdiction where action for such purposes is required. Persons into whose possession this press release comes are required to inform themselves about and to observe any such restrictions.

This press release, the offering of the Bonds, once made, are only addressed to and directed, in Member States of the European Economic Area which have implemented Directive 2003/71/EC, amended, as the case may be, by Directive 2010/73/EU (the "**Prospectus Directive**") (each of them, a "**Relevant Member State**"), at persons who are "qualified investors" within the meaning of article 2(1)(e) of the Prospectus Directive and pursuant to the relevant implementing rules and regulations adopted by each relevant member state (the "**Qualified Investors**"). Each initial purchaser of the Bonds or each person to whom the offer may be addressed will be deemed to have represented, acknowledged and agreed that it is a Qualified Investor as defined above.

Furthermore, in the United Kingdom this press release is being distributed only to, and is directed only at, Qualified Investors: (i) who have professional experience in matters relating to investments falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") or (ii) who fall within article 49, paragraphs 2(a) to (d) of the Order, and (iii) to whom this press release may otherwise be lawfully communicated (all such persons together being referred to as "**Relevant Persons**"). This press release must not be acted or relied on: (i) in the United Kingdom, by persons who are not Relevant Persons, and (ii) in any Member State of the European Economic Area other than the United Kingdom, by persons who are not Qualified Investors.

Should the offering of the Bonds be addressed to an investor in its capacity as a financial intermediary as that term is used in article 3(2) of the Prospectus Directive, such investor shall be deemed to have represented and agreed that the securities acquired by it in the offering have not been acquired on behalf of any persons in the European Economic Area other than Qualified Investors, or persons in the United Kingdom or other Member States (where equivalent legislation exists) for whom such investor has authority to make decisions on a wholly discretionary basis, nor have the securities been acquired with a view to their offer or resale in the European Economic Area where this would result in a requirement for publication by the Company, the Issuer, the Joint Bookrunners or other manager of a prospectus pursuant to article 3 of the Prospectus Directive.

Contact:

Federico Sartor

Mob. +39 335298292

NOT FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, JAPAN OR IN OTHER COUNTRIES WHERE OFFERS OR SALES WOULD BE FORBIDDEN UNDER APPLICABLE LAWS OR TO RESIDENTS THEREOF.

Schematrentaquattro S.p.A.
(Società avente unico socio)

Calmaggiore, 23 - 31100 Treviso Telefono 0422.5995 Telefax 0422.412176

Cod.Fisc., P.IVA e n° iscriz. Reg.Imprese TV 03914040260 - R.E.A. CCIAA TV 308308 - Cap. Soc. Euro 100.000.000,00
i.v.