

# SCHEMATRENTAQUATTRO S.P.A.

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## PRESS RELEASE

### **Successful placement of an offer of EUR200 million unsecured guaranteed Bonds exchangeable for existing ordinary shares of Pirelli & C. S.p.A. (the “Shares”)**

Treviso, 20 November 2013 – With reference to the press release issued earlier today, Schematrentaquattro S.p.A. (the “**Issuer**” or “**Schematrentaquattro**”) a wholly owned subsidiary of Edizione S.r.l. (“**Edizione**” or the “**Company**”), announces that the placement 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**”), has been successfully completed.

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.

In the context of the transaction it is also envisaged that Edizione will transfer to Schematrentaquattro 14,434,805 Pirelli & C. S.p.A. ordinary shares, representing c. 3.03% of Pirelli & C. S.p.A. ordinary share capital – over a total stake held of 4.61% -, at a price per share of EUR 11.0843 and therefore a total countervalue for c. EUR 160m. Following this transfer, Edizione will maintain directly approximately 1.57% of Pirelli & C. S.p.A. ordinary share capital.

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 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 of 0.25% per annum, payable annually in arrear on 29 November of each year.

The exchange price has been set at EUR 13.8554, representing a premium of 25% over the reference share price of EUR 11.0843, being the volume weighted average price of the Shares on Borsa Italiana between launch and pricing.

Settlement of the Bonds is expected to take place on or about 29 November 2013 (the “**Closing Date**”). On that date Edizione will give execution to the transfer of the Pirelli & C. S.p.A. ordinary shares to Schematrentaquattro.

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 acted as Joint Bookrunners in relation to the Offer.

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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.

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*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.*

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*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.*

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Contact:

Federico Sartor

Mob. +39 335298292

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