

Notice issued in compliance with and for the purposes of article 122 D. Lgs. February 24, 1998 n.58 and of the regulation adopted by Consob resolution n. 11971 of May 14, 1999 (as amended)

Agreement between Pirelli & C. S.p.A. (succeeded to Pirelli S.p.A.) UniCredito Italiano S.p.A. e Banca Intesa S.p.A., signed on September 14, 2001 and later modified on September 26, 2001 and October 24, 2001 and on December 16, 2003 (the “Contract”).

It is announced that with letters dated respectively 27 and 28 March 2006, Banca Intesa S.p.A. and UniCredito Italiano S.p.A. have notified their right to withdraw from the Contract.

According to article 10 of the Contract it is intended to be resolved from the date of October 4, 2006.

The Contract is registered at Registro delle Imprese – Offices of Milan and Rome and it is also available on the website www.pirelli.com.

Milan, April 5th 2006

Pirelli & C. S.p.A.

UniCredito Italiano S.p.A.

Banca Intesa S.p.A.

Milan, September 14, 2001

INTESABCI S.p.A.
Piazza Paolo Ferrari, 10
20121 – MILAN

UNICREDITO ITALIANO S.P.A.
Piazza Cordusio
20121 – MILAN

Dear Sirs,

we have received your letter dated September 14, 2001, which we transcribe below in its entirety:

Milan, September 14, 2001

PIRELLI S.p.A.
Viale Sarca, 222
20126 – MILAN

Dear Sirs,

Pursuant to our conversations, we propose the following:

“INSTRUMENT BETWEEN PARTNERS

Between Pirelli S.p.A., with headquarters in Milan, Viale Sarca 222, company capital 1,043,094,358.28 Euros, recorded with the Register of Companies of Milan, Tax Code and VAT No. 00886890151, in the person of the chairman of the Board of Directors, Dr. Marco Tronchetti Provera, in possession of the necessary powers of attorney following the decision by the Board of Directors of July 28, 2001 (hereinafter “Pirelli”)

– Party of the first part –

and

UniCredito Italiano S.p.A., with headquarters in Genoa, Via Dante 1, Central Management in Milan, Piazza Cordusio, company capital 2,523,215,059 Euros, recorded with the Register of Companies of Genoa, Tax Code and VAT No. 00348170101, in the person of the Deputy General Director, Dr. Pietro Modiano, in possession of the necessary powers of attorney following the decision by the Board of Directors of August 3, 2001 (hereinafter “UCI”)

and IntesaBCI S.p.A., with headquarters in Milan, Piazza Paolo Ferrari 10, company capital 3,488,995,258.84 Euros, recorded with the Register of Companies of Milan, Tax Code 00799960158, VAT No. 10810700152, in the person of Managing Director Lino Benassi, in possession of the necessary powers of attorney following the decision by the Board of Directors of September 14, 2001 (hereinafter “BCI”)

– Party of the second part –

Given that

- (a) on July 30, 2001, Pirelli and Edizione Holding S.p.A. (hereinafter “Edizione”) signed an offer for the acquisition, directly or through subsidiaries to be designated by the Execution Date, as indicated herein, by BELL S.A. of Olivetti Shares and Olivetti Warrants (as defined in paragraphs 1.05 and 1.27, respectively);
- (b) the offer of Pirelli and Edizione was accepted on the same date by BELL S.A. and therefore the Contract (as defined in paragraph 1.06) was drawn up. UCI and BCI (the “New Partners”) took note of the Contract;
- (c) in order to proceed with the acquisition of the Olivetti Shares and the Olivetti Warrants, Pirelli and Edizione Finance International S.A. (hereinafter “Edizione Finance” and together with Pirelli, the “Current Partners”) constituted, on August 3, 2001, the Company (as defined in paragraph 1.22), held 20% (twenty percent) by Edizione Finance, a company controlled by Edizione, and 80% (eighty percent) by Pirelli; the Company is governed by the bylaws enclosed herewith under A (the “Bylaws”);
- (d) on August 7, 2001, Pirelli and Edizione signed an Instrument for the regulation of their mutual relations as partners of the Company. The New Partners took note of the aforementioned agreement;
- (e) based on the agreements between the Current Partners, dated August 9, 2001, the Company received a transfer from Kallithea S.p.A. (a subsidiary of Pirelli) of 147,337,880 Olivetti common shares—equal to approximately 2% of Olivetti’s company capital—as well as from Pirelli Finance (Luxembourg) S.A. (a subsidiary of Pirelli) and from Edizione, for a total of 265,302,250 Olivetti common shares, equal to 3.64% of Olivetti’s company capital;
- (f) on August 29, 2001, the Current Partners formally designated the Company as a vehicle for the acquisition of the Olivetti Shares and the Olivetti Warrants;
- (g) on August 29, 2001, the shareholders’ meeting of the Company decided, among other things, on a capital increase (of 15,000 Euros—represented by 15,000 shares with a par value of 1 Euro each, assigned to Pirelli in the proportion of 80% (equal to 12,000 shares) and Edizione Finance in the proportion of 20% (equal to 3,000 shares) to 576,936,635 Euros, to take place including in several stages, and with split-up being permitted, by

- allocating 576,921,635 Euros in cash and the issue of 576,921,635 new common shares with a par value of 1 Euro each, reserved under option to shareholders in proportion to the number of shares owned, with an issue premium of 9.40 Euros per share;
- (h) the Current Partners have immediately underwritten and paid part of the capital increase and respective issue premium, for a total of 1,199,985,020 Euros;
 - (i) following such underwriting and payment, 92,306,540 shares will be issued in favor of Pirelli for a par value of 92,306,540 Euros, and 23,076,635 shares in favor of Edizione Finance with a par value of 23,076,635 Euros;
 - (j) Pirelli has offered to UCI and BCI that each purchase a minority interest in the Company; each of the New Partners wishes to purchase, individually, a holding of 10% of the company's capital and therefore to purchase from Pirelli, respectively, 11,539,817 shares and 11,539,817 shares of the Company, including the option rights concerning the capital increase referred to in recital (g) so as to allow for the underwriting and payment, under the conditions decided upon by the Shareholders' Meeting referred to in item (g) of the recitals, by each of the New Partners of 38,460,183 shares of the Company with an expenditure of 399,985,903.20 Euros;
 - (k) Pirelli and the New Partners intend to agree on the principles of acquisition and underwriting of a capital portion of the Company, as well as the mutual relations as partners of said Company;
 - (l) Pirelli commits to obtain from Edizione Finance an irrevocable waiver declaration in favor of UCI and BCI concerning all its rights and claims in connection with the acquisition, respectively, of the Olimpia UCI Holding and of the Olimpia BCI Holding (as defined below), as well as a declaration of awareness, with waiver of any reservation, concerning the commitments made by Pirelli versus the New Partners and the rights and powers of the latter, acknowledged under this Instrument, in particular with waiver by Edizione Finance, as of now, of the preferred rights on the transfers under the sale and acquisitions rights governed by this Agreement; this declaration will be given by Pirelli to both New Partners as of the Execution Date.

Given these recitals,
which are an integral and essential part of the Agreement, it is set forth and agreed as follows:

ARTICLE I Definitions

In addition to the terms defined in other clauses of the Instrument (as defined in paragraph 1.19), for the purposes thereof, the terms listed below have the meaning specified next to it for each of them:

- 1.01 "Olimpia Capital Increase": the capital increase referred to in recital (g) above.
- 1.02 "Current Partners": Edizione Finance and Pirelli, jointly.
- 1.03 "Olimpia BCI Shares": the shares of Olimpia acquired by BCI pursuant to Article II, referred to in recital (j).

- 1.04 “Olimpia UCI Shares”: the shares of Olimpia acquired by UCI pursuant to Art. II, referred to in recital (j).
- 1.05 “Olivetti Shares”: 1,552,662,120 common shares of Olivetti S.p.A., subject of the Contract.
- 1.06 “Contract”: the offer dated July 30, 2001, from Pirelli and Edizione to BELL S.A., accepted on the same date, concerning the purchase and sale of the Olivetti Shares and the Olivetti Warrants.
- 1.07 “Execution Date”: the second Business Day (as defined in paragraph 1.11) prior to the Closing Date of the Contract.
- 1.08 “Signing Date”: date of signing of this Instrument.
- 1.09 “BCI Option Rights”: the Option Rights of Olimpia acquired by BCI pursuant to Art. II.
- 1.10 “UCI Option Rights”: the Option Rights of Olimpia acquired by UCI pursuant to Art. II.
- 1.11 “Business Day”: any calendar day except Saturdays, Sundays and days the banks are closed in the market of Milan for performance of their normal activity.
- 1.12 “IRR” (gross Internal Rate of Return): discount rate on an annual base and under compound capitalization, which makes the value of all incoming cash flows equal to the value of the outgoing cash flows related to the investment.
- 1.13 “New UCI Shares”: shares arising from the Olimpia capital increase underwritten by UCI pursuant to Article II below.
- 1.14 “New BCI Shares”: shares arising from the Olimpia capital increase underwritten by BCI pursuant to Article II below.
- 1.15 “Olivetti”: the company Olivetti S.p.A., with headquarters in Ivrea, Via Jervis No. 77.
- 1.16 “Olimpia UCI Holding”: Olimpia UCI Shares and New Olimpia UCI Shares.
- 1.17 “Olimpia BCI Holding”: Olimpia BCI Shares and New Olimpia BCI Shares.
- 1.18 “Party or Parties”: Pirelli, UCI and BCI, jointly or separately.
- 1.19 “Instrument”: the present Instrument, signed today between Pirelli, UCI and BCI.
- 1.20 “Seat”: the company Seat-Pagine Gialle S.p.A., with headquarters in Milan, Corso di Porta Vigentina No. 33/35.
- 1.21 “Olivetti Companies”: the companies Olivetti S.p.A., Telecom Italia S.p.A., Telecom Italia Mobile S.p.A. and Seat-Pagine Gialle S.p.A.
- 1.22 “Company” or “Olimpia”: the company Olimpia S.p.A., with headquarters in Milan, Via Sarca, 122 (formerly Olimpia S.r.l.), which the Current Partners constituted on August 3, 2001, for the acquisition of the Olivetti Shares and the Olivetti Warrants.
- 1.23 “Telecom Italia”: the company Telecom Italia S.p.A., with headquarters in Turin, Via Bertola No. 34.
- 1.24 “TIM”: the company Telecom Italia Mobile S.p.A., with headquarters in Turin, Via Bertola No. 34.
- 1.25 “Olimpia BCI Securities”: Olimpia BCI Shares and BCI Option Rights.
- 1.26 “Olimpia UCI Securities”: Olimpia UCI shares and UCI Option Rights.
- 1.27 “Olivetti Warrants”: 68,409,125 Olivetti 2001-2002 warrants, subject of the Contract.

ARTICLE II

Transfer of Olimpia UCI Securities and Olimpia BCI Securities and Underwriting of the New UCI Shares and the New BCI Shares

- 2.00 Without prejudice to the provisions of paragraph 10.1 below concerning the perfecting and complete and regular closing of the Contract as an essential condition of the agreements referred to in this Instrument, the commitments made by UCI and BCI referred to below are also subject to the condition that, on the Execution Date, the Current Partners, pursuant to the provisions of paragraph 2.03 below, (i) have underwritten and paid the shares arising from the Olimpia Capital Increase and (ii) have perfected and executed with the Company the “subordinated partner financing.”
- 2.01 Without prejudice to the provisions of paragraph 10.1 below, UCI and BCI pledge, not jointly, to purchase from Pirelli, as of the Execution Date, respectively, the UCI Olimpia Shares and the UCI Option Rights (hereinafter the “Olimpia UCI Securities”) as well as the Olimpia BCI Shares and the BCI Option Rights (hereinafter the “Olimpia BCI Securities”) under the following terms and conditions:
- 2.01.01 Total Price of Olimpia UCI Securities and Olimpia BCI Securities.
(a) Olimpia UCI Securities will be sold by Pirelli and purchased by UCI at the total price agreed upon, including in an aleatory manner, of 120,014,096.8 Euros (the “Total UCI Price”).
(b) The Olimpia BCI Securities will be sold by Pirelli and purchased by BCI at the total price agreed upon, including in an aleatory manner, of 120,014,096.8 Euros (the “Total BCI Price”).
- 2.01.02 Payment Time and Terms.
On the Execution Date, UCI and BCI will pay to Pirelli, respectively, the Total UCI Price and the Total BCI Price by separate fund credits, valued as of the Execution Date, to the checking account with Banca Nazionale del Lavoro, No. 28301 ABA 01005 CAB 01600 in the name of “Pirelli S.p.A.”
- 2.01.03 Transfer of Olimpia UCI Securities and Olimpia BCI Securities.
The Transfer of the Olimpia UCI Securities and Olimpia BCI Securities will take place, simultaneously on the Execution Date, at the same time with the payment of the Total UCI Price and the Total BCI Price, without need for any further expression of will between the parties, and will be valid between the parties as of that moment.
On the same date, at the same time, all acts necessary or appropriate will be carried out pursuant to applicable law—including tax law—in order to perform the transfer of the Olimpia UCI Securities and the Olimpia BCI Securities, making it valid for third parties as well, including the following actions:
(a) Pirelli:
(i) will deliver to UCI and BCI the certificates representing, respectively, the Olimpia UCI Shares and the Olimpia BCI Shares, duly endorsed in favor of UCI and BCI, by appropriate methods, based on applicable laws in the matter, to transfer to UCI and BCI full title and full availability of the Shares and allow the registration of UCI and BCI in the book of partners of Olimpia, as

- well as the option warrants representing the BCI Option Rights and the UCI Option Rights;
- (ii) will sign and exchange and/or cause signature and exchange of all other acts and documents (including tax stamps, whenever necessary) that may be required pursuant to the law;
 - (iii) will deliver to each of the New Partners an original of the declaration under the signature of Edizione Finance, as referred to in recital (l);
- (b) UCI and BCI, each to the extent applicable:
- (i) will pay to Pirelli, respectively, the Total UCI Price and the Total BCI Price;
 - (ii) will sign and exchange all other acts and documents (including tax stamps, whenever necessary) that may be required pursuant to the law;

2.01.04 Expenses and charges.

All expenses, costs and charges, including those of a fiscal nature, related to the transfer of the Olimpia UCI Holding and of the Olimpia BCI Holding will be borne half by UCI and BCI, and the other half by Pirelli.

- 2.02 Without prejudice to the provisions set forth in paragraph 10.1 below, on the Execution Date, UCI and BCI pledge, non-jointly, to underwrite and pay the Capital Increase of Olimpia, respectively, (i) with a par value of 38,460,183 Euros, equal to 38,460,183 new Olimpia shares (the “New UCI Shares”) with a total disbursement of 399,985,903.2 Euros, and (ii) with a par value of 38,460,183 Euros, equal to 38,460,183 new Olimpia shares, with a total disbursement of 399,985,903.2 Euros (the “New BCI Shares”).
- 2.03 At the same time with the underwriting of the Capital Increase of Olimpia, (i) each of the New Partners, to the extent applicable, pledges to pay fully the New Olimpia BCI Shares and the New Olimpia UCI Shares, and (ii) Pirelli and Edizione Finance (whose performance is guaranteed by Pirelli pursuant to Art. 1381 of the Civil Code), to the extent applicable, will waive and refrain from underwriting and paying the residual portion of the Capital Increase, with a par value of 76,936,635 Euros, equal to 76,936,635 shares, so as to assure that, at the end of the execution of the Capital Increase, Pirelli will hold 60%, Edizione Finance 20%, and each of the New Partners 10% of the new capital of the Company. Pirelli and Edizione Finance will pay to the Company, in the form of “subordinated partners financing” under the same rate conditions as those established for the financing granted by the pool of banks, an amount equal to 800,141,004 Euros.
- 2.04 Pirelli will take steps so that, within 30 (thirty) Business Days of the Execution Date, the Bylaws are amended so as to set forth the qualified quorum of 91% of the capital for the validity of the decisions to amend or eliminate the list voting clause for the appointment of the directors, as well as to modify the number of the members of the Board of Directors.

ARTICLE III

Management of the Company

3.01 Composition of the Board of Directors.

It is understood that, within the limits allowed by law and for the entire term of this Instrument:

- (i) the Board of Directors of the Company will be made up of 10 (ten) members;
- (ii) 1 (one) director out of 10 (ten) will be appointed at the request and indication of UCI;
- (iii) 1 (one) director out of 10 (ten) will be appointed at the request and indication of BCI;
- (iv) should an Executive Committee be created, UCI and BCI will have, respectively, the right to request at any time the inclusion of the directors designated by them in said committee.

The new Board of Directors, with the composition indicated above, must be appointed by the Execution Date of the Contract.

It is understood that the power of UCI and BCI to designate, each, a member of the Board of Directors of the Company will remain valid even after the first expiration of this Instrument, if it is extended pursuant to Art. 10.2 (a), provided UCI and BCI hold, jointly, a percentage of the company capital above 10%. However, if the joint holding of BCI and UCI in the company capital is 10% or less, then BCI and UCI may designate, jointly, only one director.

3.02 Suspension from Office.

Whenever, for any reason, including death, resignations or revocation by the shareholders' meeting, one of the directors appointed pursuant to the preceding provisions is suspended from office, within the limits allowed by law, the replacing director must be appointed by the Company's Shareholders' Meeting (and prior to this, by co-optation of the Board of Directors) in the person indicated by the New Partner which had previously designated the suspended director.

ARTICLE IV

Management of the Olivetti Company

4.01 Composition of the Board of Directors of the Olivetti Company.

It is understood that, within the limits allowed by law and for the entire term of this Instrument, in the Board of Directors of Olivetti, Telecom, Seat and TIM (the "**Olivetti Companies**"), one director must be appointed at the request and designation of UCI and another director at the request and designation of BCI.

The new Board of Directors of the Olivetti Companies, with the composition established above, will be appointed as soon as possible, and in any case within 120 (one hundred twenty) days of the Execution Date of the Contract. It is understood that the power of UCI and BCI to designate, each, a member of the Board of Directors of Olivetti Companies will remain valid even after the first expiration of this Instrument, if it is extended pursuant to Art. 10.2 (a), provided UCI and BCI hold, jointly, a percentage of the company capital above 10%. However, if the joint holding of BCI and UCI in the company capital is 10% or less, then BCI and UCI may designate, jointly, only one director.

4.02 Suspension from Office.

Whenever, for any reason, including death, resignations or revocation by the shareholders' meeting, one of the directors appointed pursuant to the preceding provisions is suspended from office, within the limits allowed by law, the replacing director must be appointed by the Company's Shareholders' Meeting (and prior to this, by co-optation of the Board of

Directors) in the person indicated by the New Partner which had previously designated the suspended director.

ARTICLE V
Board of Auditors of the Company

Upon the first renewal, the Parties will consider introducing a principal auditor of the Company, designated jointly by the New Partners.

ARTICLE VI
Key Issues

Pursuant to Art. VII below, the following will be deemed Key Issues:

- a) the decisions of the Extraordinary Shareholders' Meeting and those of the Board of Directors of the Company, the latter referring to the following:
 - indication as to how to vote in Olivetti's Ordinary Shareholders' Meeting on Key Issues, for the purposes of the application of Articles 104 or 107 T.U. No. 58 of February 24, 1998, and in matters of acquisition of own shares, as well as voting in Olivetti's Extraordinary Shareholders' Meeting;
 - acquisition, sale and acts of disposal under any status (i) of own shares in any amount and (ii) holdings (including shares and financial instruments of any type issued by Olivetti and/or the Olivetti Companies) at a value, by individual operation, above 100,000,000 Euros;
 - determination of the ratio between equity and debt of the Company and methods, terms and conditions for resorting to outside financing sources;
 - draft proposals to be submitted to the Company's Extraordinary Shareholders' Meeting;
- b) resolutions of the Board of Directors of Olivetti and Telecom, referring to:
 - individual investments above 300 million Euros;
 - acquisition, sale and acts of disposal under any status (i) of own shares in any amount and (ii) affiliate and subsidiary holdings (including shares and other financial instruments issued by the Company or the Olivetti Companies) at a value, by individual operation, above 300 million Euros;
 - acts of disposal under any status of companies or branches thereof, with an individual value above 300 million Euros;
 - proposals to call the Extraordinary Shareholders' Meeting for resolutions in matters of modification of the corporate purpose, capital operations of any nature, merger, spin-off, transformation and dissolution;
 - operations between Olivetti, Telecom and Pirelli Group, with an individual value above 50 million Euros;
 - operations with related parties.

ARTICLE VII
Provisions on Deadlock

7.01 Obligation to Consult.

Pirelli and the New Partners, the latter jointly between them, pledge to consult each other previously whenever a decision on one of the Key Issues must be discussed or decided upon.

7.02 Identification of Deadlock Situations.

For the purposes of this Article VII, “**Deadlock**” is defined as a situation of disagreement, expressed in the previous consultation between Pirelli, on the one hand, and one or both of the New Partners, on the other hand, on a Key Issue that must be discussed by one of the corporate management bodies referred to in item (a) or (b) of Article VI above.

7.03 Procedure.

- (a) For compliance with the obligation referred to in paragraph 7.02 above, Pirelli and the New Partners, jointly, pledge to meet or to consult each other previously by telephone conference or video conference by the Business Day preceding the day scheduled for the meeting of the Board or of the shareholders of the Company, or of the Board of Olivetti or Telecom, or, immediately, as soon as the news arrive, in the event of urgent call (or extraordinary urgency, if applicable) of the meeting of the board of the Company or of Olivetti or Telecom, pursuant to the applicable bylaws provisions.
- (b) In the consultation referred to in this paragraph, Pirelli and the New Partners will take all reasonable steps to reach an agreement and/or identify common grounds for the issues submitted for their examination, pledging, for this purpose, to act in good faith.
- (c) The unjustified absence of a single New Partner or both the New Partners in the previous consultation stage implies acceptance of the decisions made by the other subjects and imposes on the absent subject the obligation of accepting and respecting such decisions.

7.04 Manifestation of Will.

- (a) Whenever, in the previous consultation referred to in paragraphs 7.02 and 7.03 above, Pirelli and the New Partners reach an agreement concerning the issues under consultation, they are obligated to manifest their will in the competent venues pursuant to the provisions below:
 - (i) by giving a common representative delegation to participate in the Company’s Extraordinary Shareholders’ Meeting and casting the vote in said meeting, in accordance with the decision reached;
 - (ii) causing their own representatives in the Board of Directors of the Company and of Olivetti or Telecom to participate in the meeting of the board, casting the vote in this venue in accordance with the joint decisions reached in the previous consultation.
- (b) However, in the absence of agreement of the issues under consultation, the New Partners, if both are dissenting will be jointly obligated, or the single dissenting New Partner will be obligated, to abstain or cause abstention from participating in the shareholders or board meeting and to vote in this venue or cause voting and/or abstain from manifesting its will, in any venue and mode, or from taking a position in the issue under the previous consultation, without prejudice to the provisions of item (c) below.
- (c) Whenever the situation described in item (b) above occurs, the dissenting New Partners, separately or jointly, will have, or the single dissenting New Partner will have, the right to send to Pirelli, by telegram or registered letter, pursuant to paragraph 12.02, a “**Notice of Deadlock**” within 15 (fifteen) days of the end of the consultation referred to in paragraph 7.03.

7.05 Rights of the New Partners.

- (a) Whenever UCI and/or BCI send a Notice of Deadlock pursuant to item (c), paragraph 7.04, the New Partner which sent the Notice of Deadlock will have the right (which is deemed exercised by Pirelli's receipt of the Notice of Deadlock, pursuant to item (c), paragraph 7.04 above) to sell to Pirelli, which will have the corresponding obligation to buy from the respective New Partner, respectively, all but not part of the Olimpia UCI Holding and/or all but not part of the Olimpia BCI Holding at a price determined pursuant to the provisions in item (b) below.
- (b) For the purposes of item (a) above, the Parties agree, including in an aleatory manner, that the object of the decision must be: (x) the price of the Olimpia BCI Holding and/or Olimpia UCI Holding, corresponding proportionately to the value of the Company's economic capital ("Price of the Olimpia UCI Holding" and/or "Price of the Olimpia BCI Holding"), as well as (y) an increase expressing the proportion of the increase premium, as if the Olimpia BCI Holding and/or Olimpia UCI Holding were the expression of Olivetti's control, assuming that the latter controls Telecom and the companies controlled by the latter ("Premium"). The "Price of the Olimpia UCI Holding" and/or "Price of the Olimpia BCI Holding" and the Premium to be proportionately allocated to both the Holdings will be determined by mutual consent between Pirelli and each of the New Partners within 10 (ten) Business Days of the date Pirelli received from one of the New Partners the notice pursuant to item (a) above or, in the absence of such agreement, from two "investment banks" with international standing, chosen one by Pirelli (paying the respective costs) and one by the New Partner that sent the Notice of Deadlock (paying the respective costs), with the understanding that if an agreement on the valuation is not reached within 30 (thirty) Business Days of their appointment, it will be made by a third and additional "investment bank" (the costs of which will be paid half by Pirelli and the other half by the Seller(s)/New Partner(s) of a similar standing, chosen by agreement of those already appointed at the time the task is assigned by Pirelli and by the New Partner that sent the Notice of Deadlock or, in the absence of agreement, by the Chief Justice of the Court of Milan. The Chief Justice of the Court of Milan (in the order and in the terms indicated above) will also be asked to appoint the "investment banks" that Pirelli or the New Partner that sent the Notice of Deadlock failed to appoint or replace in the event of subsequent termination of the task. Whenever both New Partners sent the Notice of Deadlock, the New Partners will be obligated to appoint a single "investment bank" by mutual consent.
- (c) The valuations referred to in item (b) above and therefore the Price of the Olimpia BCI Holding and/or the Price of the Olimpia UCI Holding and the Premium determined on that basis will be definitively binding for the Parties, pursuant to Articles 1349 and 1473 of the Civil Code for the purchase and sale referred to in item (a) above.
- (d) It is furthermore agreed, including in an aleatory manner, that the price owed by Pirelli will not be lower than the amounts paid by the New Partner for the acquisition and underwriting of shares in the Company, less any dividends received ("**Floor**"), nor higher than an amount which implies, in connection to the same amounts, less any dividends received, an annual IRR, including taxes, equal to 15% ("**Cap**").
- (e) The purchase and sale will be closed within 30 (thirty) Business Days of the Parties' receipt of the communication concerning the valuation referred to in item (b) above, and the price referred to in items (b) and (d) above must be paid in cash, at the same

time with the transfer of the Olimpia BCI Holding and/or the Olimpia UCI Holding referred to in paragraph 7.06.

7.06 Transfer.

If the Olimpia BCI Holding and/or the Olimpia UCI Holding should be purchased and sold pursuant to paragraph 7.05 (a), the following provisions will apply:

- (i) the Olimpia BCI Holding and/or the Olimpia UCI Holding will be deemed transferred with regular enjoyment as of the date referred to in item (iii) below;
- (ii) the ownership right in the Olimpia BCI Holding and/or the Olimpia UCI Holding purchased and sold will be deemed transferred to the buyer as of the date referred to in item (iii) below;
- (iii) the transfer of the Olimpia BCI Holding and/or the Olimpia UCI Holding and the payment of the respective price will take place at the headquarters of the Company, at 11:00 a.m. on the 5th (fifth) Business Day after the date the purchase and sale is deemed closed pursuant to paragraph 7.05 (e), in compliance, whenever applicable, with the possible authorizations from the competent authorities with jurisdiction over the Parties in connection with the purchase and sale;
- (iv) in the act of transfer and payment referred to in item (iii) above, the Olimpia BCI Holding and/or the Olimpia UCI Holding will be free of prejudicial pledges, liens, encumbrances or rights of third parties of any nature; including in light of the absence of any managerial role of the New Partners and in an aleatory manner, the purchase and sale will take place without any further and different guarantee and responsibility of UCI and/or BCI, including the value, situation and activities of the Companies and their affiliates;
- (v) the expenses, charges and indirect taxes levied on the purchase and sale of the Olimpia BCI Holding and/or the Olimpia UCI Holding will be paid by the buyer;
- (vi) however, the taxes on any capital gains obtained by the seller will be paid by the latter;
- (vii) at the time of the transfer of the Olimpia BCI Holding and/or the Olimpia UCI Holding and the payment of the respective price, the seller will deliver to the buyer the resignations of the directors and, whenever possible, of the auditors of the Company and of the Olivetti Companies designated by it.

ARTICLE VIII

Collateral Acquisitions

8.01 Commitment of the Parties.

- (a) UCI and BCI declare that, as of September 13, 2001, including through their respective subsidiaries, pursuant to Art. 2359, first paragraph, c.c., they own Olivetti shares (including Olivetti's voting rights held under any status), in an amount not exceeding, respectively, 6,616,827 Olivetti shares in ownership and 46,694,466 Olivetti shares in pledge with voting right, concerning UCI, and 15,129,380 Olivetti shares in ownership and 13,865,712 Olivetti shares in pledge with voting right, concerning BCI.
- (b) For the entire term of this Instrument, the parties, including through their respective subsidiaries and/or parent companies, pursuant to Art. 2359, first paragraph, c.c., may not acquire Olivetti shares, bonds convertible to Olivetti shares and/or Warrants giving right to acquire shares or bonds convertible to Olivetti shares, issued by Olivetti or by the Olivetti Companies (including Olivetti's voting rights held under

any status). It is, however, permitted to UCI and BCI to acquire and hold such securities within said limit, for each of them, of 0.40% of Olivetti's capital, as of the Execution Date.

- (c) Unless otherwise agreed upon in writing between the Parties, the Company may not purchase shares and bonds and instruments indicated in item (a) above in excess of the threshold set forth therein, currently established at 30% (thirty percent), while also taking into account the incidence for this purpose of the securities referred to in item (b) above, held by BCI and UCI, as well as own shares held directly and indirectly, as set forth in the current laws and regulations, including the instructions issued by CONSOB.

ARTICLE IX

Penalty for Breach

In the event of breach of one or several commitments made pursuant to the provisions of this Instrument, the breaching Party, at the simple written request of the Parties or of the other Party, and without prejudice to any other of its/their rights (including the right to higher damages), will be obligated to pay, as penalty, to the complying party or complying Parties, which will take care of distribution internally, a single and total amount equal, for each breach, to 5% (five percent) of the amounts paid by the breaching Party for the acquisitions and subscriptions of shares made in the Company as of that date.

ARTICLE X

Term

10.01 Effective Date.

The efficacy and validity of this Instrument are subject to complete and regular execution of the Contract and therefore, secondary to obtaining the necessary authorizations, including in compliance with antitrust regulations, for the acquisition by the Company of the entire holding in Olivetti represented by the Olivetti Shares and Olivetti Warrants as set forth therein. It is, however, understood that in the event of failure to execute the Contract completely and regularly by January 31, 2002, this Instrument will be deemed cancelled ipso jure, effective ex tunc and, at the simple request of UCI and/or BCI, Pirelli will be obligated (i) to acquire the entire Olimpia BCI Holding and the entire Olimpia UCI Holding at a price exactly identical to that possibly already paid by UCI and BCI for the acquisition of the Olimpia UCI Shares, Olimpia BCI shares, the new UCI Shares and the New BCI Shares, as well as (ii) to release UCI and BCI from any commitment possibly already made to the Company.

10.02 Term.

- (a) This Instrument will have a term of three years from the Execution Date of the Contract and will be deemed tacitly renewed from time to time on expiration for the following two years, in the absence of an opt-out notice from one of the Parties, without prejudice to the provisions of paragraph 10.03 below.
- (b) Except in the cases required by law, each of the Parties may opt out of this Instrument before every expiration, with notice sent 6 (six) months in advance.

10.03 Absence of Renewal.

- (a) If, before the first expiration of this Instrument or successive ones, Pirelli should send to the New Partners, jointly or separately, in the terms set forth in paragraph 12.02, the opt-out notice referred to in item (ii), paragraph 10.02 (b) above, UCI and BCI will individually have the right to send to Pirelli which, upon simple request, will have the corresponding obligation to acquire, respectively, all but not part of the Olimpia UCI Holding and Olimpia BCI Holding held by the New Partner which exercised the option right set forth herein, under terms and conditions determined, mutatis mutandis, pursuant to paragraph 7.05 (b) above (and the provisions mentioned therein), giving notice to Pirelli within 30 (thirty) Business Days. In all events, it is agreed, including in an aleatory manner, that the price owed by Pirelli will not be lower than the amounts paid by the New Partner for the acquisitions and subscriptions of shares in the Company, less any dividends received (“**Floor**”), nor higher than an amount which implies, in connection to the same amounts, less any dividends received, an annual IRR, including *taxes, equal to 15%* (“**Cap**”). The aforementioned price will be paid in cash.
- (b) If, on the first expiration date of this Instrument, both or one of the New Partners should, jointly or separately, send to Pirelli, in the terms set forth in paragraph 12.02, the opt-out notice referred to in item (i), paragraph 10.02 (b) above, Pirelli will have the right to acquire from both New Partners opting out, or from the single New Partner opting out, which, upon simple request, will have the corresponding obligation to sell, respectively, all but not part of the Olimpia UCI Holding and Olimpia BCI Holding held by the New Partner which exercised the opt out right set forth herein, under terms and conditions determined, mutatis mutandis, pursuant to paragraph 7.05 (b) above (and the provisions mentioned therein), less the Premium, giving notice to the New Partner which sent the opt-out notice, within 30 (thirty) Business Days.
- (c) If both or one of the New Partners should send to Pirelli, in the terms set forth in paragraph 12.02, on the expiration of the first renewal in the following two years, the opt-out notice referred to in paragraph 10.02 (a) above, and therefore, on the expiration of the fifth year after the effective Date of this Instrument, or on the successive additional expiration dates, both New Partners opting out, jointly or separately, or the single New Partner opting out, will have the right to sell to Pirelli, which, upon simple request, will have the corresponding obligation to acquire, respectively, all but not part of the Olimpia UCI Holding and/or all but not part of the Olimpia BCI Holding held by the New Partner which exercised the opt out right set forth herein, under terms and conditions determined, mutatis mutandis, pursuant to paragraph 7.05 (b) above (and the provisions mentioned therein), giving notice to the New Partner that sent the opt-out notice, within 30 (thirty) Business Days. In all events, it is agreed, including in an aleatory manner, that the price owed by Pirelli will not be lower than the amounts paid by the New Partner for the acquisitions and subscriptions of shares in the Company, less any dividends received (“**Floor**”), nor higher than an amount which implies, in connection to the same amounts, less any dividends received, an annual IRR, including taxes, equal to 15% (“**Cap**”).
- (d) The payment of the amount referred to in item (a), (b) or (c) above must be made (i) immediately, at the simple written request of UCI and/or BCI to be sent to Pirelli at the end of the term of 30 (thirty) days from the communication sent to the Parties as to the decision made by the procedure referred to in paragraph 7.05 (b) above, and (ii) at the same time with the transfer of the Olimpia UCI Holding and/or the Olimpia BCI Holding.

ARTICLE XI
Changes in Stockholding

- 11.1 For the purposes of this paragraph, “Change of Control” means a substantial modification in the direct and indirect stockholding control of Pirelli, which means the stoppage of the control of Pirelli & C s.a.p.a. over Pirelli S.p.A., as exercised today.
If the Change of control occurs, each of the New Partners will have the right to transfer, respectively, all but not part of the Olimpia UCI Holding and/or all but not part of the Olimpia BCI Holding owned by Pirelli which, upon simple request, will have the obligation to acquire, under terms and conditions determined, mutatis mutandis, pursuant to paragraph 7.05 (b) above (and the provisions mentioned therein), giving notice to Pirelli within 30 (thirty) Business Days of the date the New Partners, separately or jointly, declared in writing that they have learned about the Change of Control, or received written communication about this circumstance. It is, however, agreed, including in an aleatory manner, that the price owed by Pirelli will not be lower than the amounts paid by the New Partner for the acquisitions and subscriptions of shares in the Company, less any dividends received (“**Floor**”), nor higher than an amount which implies, in connection to the same amounts, less any dividends received, an annual IRR, including taxes, equal to 15% (“**Cap**”).
- 11.2 If Pirelli intends to divest, in any form, part of its holding in the Company, so that Pirelli would hold less than a majority of the capital thereof, Pirelli may not sign any agreement in this sense, being first obligated to give prior timely notice to both the New Partners about the planned transfer, fully indicating the terms and conditions of the transfer operation and any possible outside agreements (of blockage and vote) with the buyers.
Within 30 (thirty) Business Days of receipt of the aforementioned communication, UCI and/or BCI will, individually, have the right to sell to Pirelli, which, upon simple request, will have the corresponding obligation to acquire, respectively, all but not part of the Olimpia UCI Holding and/or all but not part of the Olimpia BCI Holding held by the New Partner that exercised the Option Right set forth herein, under terms and conditions determined, mutatis mutandis, pursuant to paragraph 7.05 (b) above, with the understanding, including in an aleatory manner, that the price owed by Pirelli will not be lower than the amounts paid by the New Partner for the acquisitions and subscriptions of shares in the Company, less any dividends received (“**Floor**”).

ARTICLE XII
General Provisions

- 12.01 Amendments.
Any amendment to this Instrument will be valid and binding only if it arises from a written document signed by each of the Parties concerned.
- 12.02 Communications and Notices.
Any communication required or allowed by the provisions of this Instrument must be made in writing, and will be deemed efficiently and validly made upon its receipt, if sent by letter or telegram, or at the time of the acknowledgement of receipt by the appropriate declaration (including by fax), if by fax, provided it is addressed as follows:
- (i) if to UCI, to the following address:

Via San Protaso No. 3
20121 MILAN
Attn.: Dr. Pietro Modiano
Fax No. 02-88622196

(ii) if to BCI, to the following address:
Piazza Paolo Ferrari No. 11
20121 MILAN
Attn.: Managing Director Lino Benassi
Fax No. 02-88503086

(iii) if to Pirelli, to the following address:
Viale Sarca No. 222
20126 MILAN
Attn.: Dr. Carlo Buora
Fax No. 02-64423454

or to a different address, which each Party has the right to communicate to the other, by the methods set forth in this paragraph 12.02; it is understood that the aforementioned addresses or different addresses that may be communicated in the future, are also elected by the Parties as their own domicile for all aspects related to this Instrument, including possible legal notices or notices related to the arbitration proceeding referred to in Article XIII below.

12.03 Tolerance.

Any possible tolerance of acts committed in violation of the provisions hereof does not constitute a waiver of the rights arising from the provisions violated, nor of the right to require exact performance of all terms and conditions hereof.

12.04 Headings.

The headings of the individual articles are included for the sole purpose of facilitating their reading and therefore must not be taken into consideration in any way for the interpretation of this Instrument.

12.05 Allocation of Option Rights.

The Parties mutually acknowledge and agree that the compensation for the mutual rights to buy and sell governed by this Instrument was considered in the framework of the transfer values and prices of the respective holdings, so that, for the allocation of said rights, no further and other compensation is planned or intended.

12.06 Exercise of Rights and Performance of Obligations.

It is understood that (i) all rights allocated under this Instrument to UCI and BCI must be deemed enforceable also individually, whenever not otherwise specified in this Instrument, and the failure to exercise its right by one of the New Partners may not be interpreted as a waiver thereof; (ii) in the event of failure to exercise or waiver by one of the New Partners of the right to designate a director, this right may be exercised in its stead by the other New Partner, in addition to its own right; (iii) all obligations undertaken by the New Partners in this Instrument are individual and not joint.

ARTICLE XIII
Disputes

13.01 Arbitration.

Any dispute arising from this Instrument, or from possible execution, amendment or expending agreements, will be submitted to the unappealable judgment of an Arbitration Board made up of five arbitrators, who will decide without procedural formalities, in compliance with the principle of hearing both parties, but will apply Italian substantive law. The arbitration will be formal pursuant to the provisions of the Code of Civil procedure and will be conducted in Milan.

13.02 Appointment of the Arbitrators.

- (a) The Party which requests the beginning of the arbitration proceeding must indicate its claims, at least in general lines.
- (b) The Party which begins the arbitration proceeding must designate its own arbitrator at the same time, under penalty of invalidity. Each of the Parties called to arbitration must designate its own arbitrator within twenty (20) calendar days. The three arbitrators of the parties will designate the fourth and fifth arbitrator by mutual consent, indicating the arbitrator who will fill the position of President of the Arbitration Board. Whenever the arbitrators appointed as indicated above cannot reach an agreement on the appointment of the fourth and/or fifth arbitrator within twenty (20) calendar days of the appointment of the second arbitrator, he (they) will be appointed by the Chief Justice of the Court of Milan, who will take the position if the Party(s) called to arbitration fails (fail) to appoint its (their) own arbitrator within the aforementioned term.

If the dispute concerns only two parties, the Parties calling the arbitration proceeding must designate its own arbitrator at the same time, under penalty of invalidity. The Party called to arbitration must designate its own arbitrator within twenty (20) calendar days. The arbitrators so appointed will designate the third arbitrator by mutual consent, to fill the position of President of the Arbitration Board.

Whenever one of the parties fails to appoint its own arbitrator in a timely fashion, or whenever the two arbitrators appointed fail to designate the third arbitrator within twenty (20) calendar days of the appointment of the second arbitrator, he will be appointed by the Chief Justice of the Court of Milan.

Whenever the dispute involves more than two parties, the Board will be made up of three arbitrators appointed by the same methods indicated in the preceding section, in the event that the parties spontaneously regroup into two opposed centers of interest.

13.02 Court of Jurisdiction.

Without prejudice to the above, it is agreed that any lawsuit related to this Instrument will be under the exclusive jurisdiction of the Court of Milan.”

If you agree with all of the above, please send us a letter reproducing the content hereof, signed by you in token of confirmation and agreement.

Best regards.

signed UniCredito Italiano S.p.A.

signed IntesaBCI S.p.A.

We confirm that we agree to the above.
Best regards.

PIRELLI S.P.A.

Milan, September 26, 2001

To:
INTESABCI S.p.A.
Piazza Paolo Ferrari, 10
20121- MILAN

To:
UNICREDITO ITALIANO S.p.A.
Piazza Cordusio
20121 - MILAN

Gentlemen:

We have received your letter dated September 26, 2001, which we transcribe in its entirety below:

* * *

Milan, September 26, 2001

PIRELLI S.p.A. Viale Sarca, 222 20126 - MILAN

Dear Sirs:

Pursuant to our discussions, we propose the following:

INSTRUMENT OF AMENDMENT OF THE SHAREHOLDERS' AGREEMENT

Between Pirelli S.p.A., with registered office in Milan, Viale Sarca 222, capital € 1,043,094,358.28, recorded with the Registry of Companies of Milan, Taxpayer Code and VAT ID No. 00886890151, in the person of the Chairman of the Board of Directors, Dr. Marco Tronchetti Provera, holding the necessary powers of attorney pursuant to the decision of the Board of Directors of July 28, 2001, (hereinafter "Pirelli")

- party of the first part

UniCredito Italiano S.p.A., with registered office in Genoa, Via Dante 1, Central Address in Milan, Piazza Cordusio, capital €2,523,215,059, recorded in the Registry of Companies of Genoa, Taxpayer Code and VAT ID No. 00348170101, in the person of the General Deputy Director Dr. Peter Modiano, holding of the necessary powers of attorney following the decision of the Board of Directors of August 3, 2001 (hereinafter "UCI")

and IntesaBCI S.p.A., with registered office in Milan, Piazza Paolo Ferrari 10, capital €3,488,995,258.84, recorded with the Registry of Companies of Milan, Taxpayer Code 00799960158, VAT ID No. 10810700152, in the person of Managing Director Lino Benassi, holding the necessary powers of attorney following the decision of the Board of Directors of September 14, 2001 (hereinafter "BCI")

- party of the second part

whereas

- (a) Pirelli, UCI and BCI signed on September 14, 2001, a Shareholders' Agreement (the "Agreement") for the acquisition by UCI and BCI individually of a holding equal to 10% each of the capital of Olimpia S.p.A. held from Pirelli, as well as the acquisition of the option rights related to the Capital Increase of Olimpia (as defined in the Agreement), to allow for the subscription and payment, individually by UCI and BCI, under the conditions decided upon by the shareholders' meeting of August 29, 2001, of 38,460,183 shares;
- (b) by signing the Agreement, Pirelli, UCI and BCI also agreed to establish the discipline of their mutual relationships as shareholders of Olimpia S.p.A.;
- (c) In consideration of the new agreements reached on September 19, 2001 between Pirelli, Edizione and Bell S.A. concerning the acquisition of the Olivetti Shares and Olivetti Warrants (as defined in the Agreement), while leaving unchanged all other provisions of the Shareholders' Agreement (as defined in the Agreement), agree on the appropriateness of amending recital j, as well as Article II and paragraph 10.01 of said Agreement;
- (d) except to the extent otherwise established below, in this amendment act (hereinafter "Amendment Acts"), taking the same definitions contained in the Agreement and with the same meaning set forth therein;

with these recitals,

effective as of the date of this Amendment Act, the Parties agree that the Shareholders' Agreement must be deemed amended by the adoption of the new text of recital j, as well as Article II and paragraph 10.01, as reproduced below, to replace the provisions agreed upon on September 14, 2001.

(j) Pirelli offered to UCI and BCI to purchase each a minority interest in the Company; it is **the will** of each of the New Partners to purchase individually a holding of 10% of the company's capital and, in particular, to purchase from Pirelli, respectively, 140,000,000 shares and 140,000,000 shares of the Company, including the option rights concerning the New Olimpia Capital Increase (as defined below);

ARTICLE II

Transfer of Olimpia UCI Securities and Olimpia BCI Securities and subscription of the New UCI shares and the New BCI Shares.

- 2.0 Except as set forth in the provisions of paragraph 10.01 below concerning the perfecting and complete and regular closing of the contract as an essential condition of the agreements referred to in this instrument, the commitments made by UCI and BCI referred to below are also subject to the condition that, on September 28, 2001 or, should Pirelli so require, on October 1, 2001 (a) The Current Partners have subscribed a total of 222,019,235 shares arising from a tranche of the Olimpia Capital Increase and paid the shares to which they are entitled in a total amount of € 2,309,000,044 and (b) the Shareholders' Meeting of Olimpia has (i) revoked the

Olimpia Capital Increase, in the non-performed part, (ii) have decided to increase the capital free of charge using reserves up to €1,400,000,000; and (iii) have decided on a new capital increase by a total disbursement of €1,690,999,960, to be carried out by issuing 162,596,150 new common shares reserved under option to the shareholders, in proportion to the number of shares owned, at the price of €10.40 per share, of which €9.40 as issue premium (the “New Olimpia Capital Increase”).

2.01 Except as set forth in paragraph 10.01 below, UCI and BCI pledge, not jointly, to purchase from Pirelli, on September 28, 2001 or, should Pirelli so require, on October 1, 2001, 140,000,000 Olimpia Shares (“Olimpia UCI Shares”) with their option rights, so as to allow for the subscription and payment of a quota equal to 10% of the capital arising from the New Olimpia Capital Increase (“UCI Option Rights”) (hereinafter the “UCI Olimpia Shares and the UCI Option Rights, jointly the “UCI Olimpia Securities”), as well as 140,000,000 Olimpia Shares (“Olimpia BCI Shares”) with their option rights, so as to allow for the subscription and payment of a quota equal to 10% of the capital arising from the New Olimpia Capital Increase (hereinafter “BCI Option Rights”) (hereinafter the “BCI Olimpia BCI Shares and the BCI Option Rights, jointly the “BCI Olimpia Securities”), under the following terms and conditions:

2.01.01 Total Price of Olimpia UCI Securities and Olimpia BCI Securities

(a) Olimpia UCI Securities will be sold by Pirelli and purchased by UCI at the total price agreed upon, including in a tentative manner, of €350,900,006.40 (the “Total UCI Price”);

(b) The Olimpia BCI Securities will be sold by Pirelli and purchased by BCI at the total price agreed upon, including in a tentative manner, of € 350,900,006.40 (the “Total BCI Price”).

2.01.02 Payment Time and Terms

On September 28, 2001 or, should Pirelli so require, on October 1, 2001, UCI and BCI will pay to Pirelli, respectively, the Total UCI Price and the total BCI Price by separate fund credits, with the same value date, to the following checking accounts:

- checking account with Credito Italiano No. 16421 ABI 02008 CAB 01600 in the name of “Pirelli S.p.A.”;

- checking account with Banca Commerciale Italiana No. 1686542177 ABI 02002 CAB 01700 in the name of “Pirelli S.p.A.”

At the same time as the payment of, respectively, the Total UCI Price and the Total BCI Price, BCI, UCI and BCI will each deliver to Pirelli the original of the bank document attesting the credit of the respective amounts in the aforementioned checking accounts.

2.01.03 Transfer of the Olimpia UCI Securities and Olimpia BCI Securities

The Transfer of the Olimpia UCI Securities and Olimpia BCI Securities will take place, simultaneously, on September 28, 2001 or, should Pirelli so require, on October 1, 2001, at the same time with the payment of the Total UCI Price and the Total BCI Price, without need for any further expression of will between the parties,

and will be valid between the parties as of that moment. On the same date, at the same time, all acts necessary or appropriate will be carried out pursuant to applicable law—including tax law—in order to perform the transfer of the Olimpia UCI Securities and the Olimpia BCI Securities, making it valid for third parties as well, including the following actions:

(a) Pirelli:

(i) will deliver to UCI and BCI the certificates representing, respectively, the Olimpia UCI Shares and the Olimpia BCI Shares, duly endorsed in favour of UCI and BCI, by methods appropriate, based on applicable laws in the matter, to transfer to UCI and BCI full title and full availability of the Shares and allow the registration of UCI and BCI in the book of partners of Olimpia, as well as the option warrants representing the BCI Option rights and the UCI Option Rights;

(ii) will sign and exchange and/or cause signature and exchange of all other acts and documents (including tax stamps, whenever necessary) that may be required pursuant to the law;

(iii) will deliver to each of the New Partners an original of the declaration under the signature of Edizione Finance, as referred to in recital 1);

(b) UCI and BCI, each to the extent applicable to it:

(i) will pay to Pirelli, respectively, the Total UCI price and the Total BCI Price;

(ii) will sign and exchange all other acts and documents (including tax stamps, whenever necessary) that may be required pursuant to the law.

2.01.04 Expenses and charges

All expenses, costs and charges, including of a tax nature, related to the transfer of the Olimpia UCI Holding and of the Olimpia BCI Holding will be borne half by UCI and BCI, and the other half by Pirelli.

2.02 Without prejudice to the provisions set forth in paragraph 10.01 below, on the Execution Date, UCI and BCI pledge non-jointly to subscribe and pay the New Capital Increase of Olimpia, respectively (i) with a par value of €16,259,615, equal to 16,259,615 new Olimpia shares (the “New UCI Shares”) with a total disbursement of €169,099,996 and (ii) with a **par value of €16,259,615**, equal to 16,259,615 new Olimpia shares, with a total disbursement of €169,099,996 (the “New BCI Shares”).

2.03 At the same time with the subscription of the New Olimpia Capital Increase, (i) **each of the New Partners**, to the extent applicable to it, pledges to fully pay up the New BCI Shares and the New UCI Shares, and (ii) Pirelli and Edizione Finance (to which Pirelli guarantees performance pursuant to art. 1381 of the **Civil Code**), **to the extent** applicable to them, pledge to subscribe and pay the residual part of the New Olimpia Capital Increase, respectively, for a par value of €97,557,690 equal to 97,557,690 shares, and a par value of €32,519,230, equal to 32,519,230 shares, to assure that, at the end of the execution of the New Olimpia Capital Increase, Pirelli will own 60%, Edizione Finance 20% and each of the New Partners 10% of the new capital of the Company.

2.04 Pirelli will take steps so that, within 30 (thirty) Business Days from the Execution Date, the Bylaws are amended so as to set forth the qualified quorum of 91% of the capital for the validity of the decisions to amend or eliminate the list voting clause for the appointment of the directors, as well as to modify the number of the members of the Board of Directors.

ARTICLE X

Term

10.01 Effective Date

Except as set forth in Article II above, whose efficacy and validity are subject only to the provisions thereof, the efficacy and validity of this Instrument are subject to complete and regular execution of the Contract and therefore, secondary to obtaining the necessary authorizations, including in compliance with antitrust regulations, for the acquisition by the Company of the entire holding in Olivetti represented by the Olivetti Shares and Olivetti Warrants as set forth therein. It is, however, understood that in the event of failure to execute the Contract completely and regularly by January 31, 2002, after the acquisition by BCI and UCI of 10% each of the capital of the Company by the methods indicated in Article II above, this instrument will be deemed cancelled *ipso jure*, effective *ex tunc* and, in this case, at the simple request of UCI and/or BCI, Pirelli will be obligated (i) to acquire the entire UCI Olimpia Holding and the entire BCI Olimpia Holding at a price exactly identical to that possibly already paid by UCI and BCI for the acquisition of the Olimpia UCI Shares, Olimpia BCI shares, the new UCI Shares and the New BCI Shares, and (ii) to release UCI and BCI from any commitment possibly already made to the Company.

If you agree with all of the above, please send us a letter reproducing the content hereof, signed by you in token of confirmation and agreement. Best regards.

signed UniCredito Italiano S.p.A.

signed IntesaBCI S.p.A.

We confirm to you that we agree with all of the above.
Best regards.
PIRELLI S.P.A.

Milan, October 24, 2001

To:
INTESABCI S.p.A.
Piazza Paolo Ferrari, 10
20121 – MILAN

To:
UNICREDITO ITALIANO S.p.A.
Piazza Cordusio
20121 – MILAN

Dear Sirs:

We have received your letter dated October 24, 2001, which we transcribe in its entirety below:

* * *

Milan, October 24, 2001

To:
PIRELLI S.p.A.
Viale Sarca, 222
20126 – MILAN

Dear Sirs,

following our talks, we propose the following:

SECOND INSTRUMENT OF AMENDMENT OF THE PARTNERS' AGREEMENT

Between Pirelli S.p.A., with headquarters in Milan, Viale Sarca 222, company capital € 1,043,094,358.28, recorded with the Registry of Companies of Milan, Taxpayer Code and VAT Number 00886890151, in the person of the Chairman of the Board of Directors, Dr. Marco Tronchetti Provera, holding the necessary powers of attorney pursuant to the decision of the Board of Directors of July 28, 2001 (hereinafter "Pirelli")

- party of the first part -

and

UniCredito Italiano S.p.A., with headquarters in Genoa, Via Dante 1, Central Address in Milan, Piazza Cordusio, company capital € 2,523,215,059, recorded in the Registry of Companies of Genoa, Taxpayer Code and VAT Number 00348170101, in the person of the General Deputy Director Dr. Peter Modiano, holding of the necessary powers of attorney following the decision of the Board of Directors of August 3, 2001 (hereinafter "UCI")
and IntesaBCI S.p.A., with registered office in Milan, Piazza Paolo Ferrari 10, capital Euro 3,488,995,258.84, recorded with the Registry of Companies of Milan, taxpayer identification

number 00799960158, VAT code 10810700152, in the person of Managing Director Lino Benassi, holding the necessary powers of attorney following the decision of the Board of Directors of September 14, 2001 (hereinafter “BCI”)

- party of the second part -

(Pirelli, UCI and BCI hereinafter referred to as “the Parties”)

whereas

- (a) Pirelli, UCI and BCI signed on September 14, 2001, a Partners’ Agreement (the “Agreement”) for the acquisition by UCI and BCI individually of a holding equal to 10% each of the capital of Olimpia S.p.A. held from Pirelli, as well as the acquisition of the option rights related to the Capital Increase of Olimpia (as defined in the Agreement), to allow for the subscription and payment, individually by UCI and BCI, under the conditions decided upon by the shareholders’ meeting of August 29, 2001, of 38,460,183 shares;
- (b) by signing the Agreement, Pirelli, UCI and BCI also agreed to establish the discipline of their mutual relationships as partners of Olimpia S.p.A.;
- (c) in consideration of the agreements reached on September 19, 2001 between Pirelli, Edizione and Bell S.A. concerning the acquisition of the Olivetti Shares and Olivetti Warrants (as defined in the Agreement), on September 26, 2001, the Parties amended the Agreement, amending recital j, Article II and paragraph 10.01;
- (d) by this act (the “second Amendment Act”), the Parties intend to amend Article VIII of the Agreement, in which (i) they correct a material error present in item (a) of said article and (ii) make the clauses under items (b) and (c) consistent with the actual will of the Parties;
- (e) except as otherwise set forth below, the same definitions used in the Agreement, and with the same meaning, are used in this Second amendment Act;

with these recitals,

effective as of the date of this Second Amendment Act, the Parties agree that Article III of the Agreement is amended by the adoption of the new text reproduced below.

ARTICLE VIII

Collateral Acquisitions

8.1 Commitment of the Parties.

- (a) UCI and BCI declare that, on September 13, 2001, they hold, including through their respective subsidiaries, pursuant to Art. 2359, paragraph one, civil code, Olivetti common shares (including the Olivetti voting rights held under any status), in an amount not exceeding, respectively, 6,616,827 Olivetti common shares in ownership and 46,694,466 Olivetti common shares in pledge with voting rights, concerning ICU, and 15,129,380 Olivetti common shares in ownership and 13,865,712 Olivetti common shares in pledge with voting rights, concerning BCI.
- (b) For the entire term of this Agreement, the Parties, including through their respective subsidiaries and/or parent companies, pursuant to Art. 2359, paragraph one, civil code, the parties may not acquire Olivetti common shares (or acquire voting rights in Olivetti common shares under any status), or exercise conversion or acquisition or subscription rights in Olivetti common shares arising from convertible bonds and warrants.

It is, however, permitted for UCI and BCI to acquire and hold Olivetti common shares (including those arising from the conversion of convertible bonds and/or exercise of warrants) provided the Olivetti common shares held overall at any time by UCI and BCI do not exceed, for each of them, the total maximum limit of 0.40% of the capital, as of the Execution Date.

- (c) Unless otherwise agreed upon in writing between the Parties, the Company may not acquire Olivetti common shares (or exercise conversion or acquisition or subscription rights in Olivetti common shares arising from the bonds and warrants referred to in item (b) above), so as to exceed the current OPA [take-over bid] floor, currently established at 30% (thirty percent), taking into account for this purpose the effect of the Olivetti common shares pursuant to the preceding item (b), held by BCI and UCI, as well as the common shares held directly and indirectly by Olivetti S.p.A., as set forth in the current laws and regulations, including the regulations issued by CONSOB.

* * *

With the understanding that any other provision of the Agreement (including the arbitration clause, which must be understood referred to herein as if it were transcribed) remain firm, valid and enforceable, if you agree with the above, please send us a letter reproducing the contents hereof, signed by you in token of confirmation and agreement.

Best regards.

signed UniCredito Italiano S.p.A. **signed IntesaBCI S.p.A.**

* * *

We confirm to you that we accept all of the above.

Best regards.

PIRELLI S.P.A.

Messrs.
Pirelli & C. S.p.A.
Via G. Negri, 10
20123 Milan

Milan, December 16, 2003

Dear Sirs,

We received your letter of December 16, 2003 which we fully transcribe below:

Milan, December 16, 2003

Messrs.
Banca Intesa S.p.A.
Piazza Paolo Ferrari, 10
20121 Milan

Messrs.
UniCredito Italiano S.p.A.
Piazza Cordusio
20121 Milan

Dear Sirs,

Following our conversations we propose the terms of this

THIRD AMENDMENT OF THE SHAREHOLDERS' AGREEMENT

Between

Pirelli & C. S.p.A., headquartered in Milan, via G. Negri N. 10, capital of Euro 1,799,399,399.20, recorded with the Register of Companies of Milan, taxpayer and VAT code 00860340157, in the person of the Chairman of the Board of Directors, Dr. Marco Tronchetti Provera, holding the necessary authorization pursuant to the decision of the Board of Directors of November 11, 2003 (hereinafter "**Pirelli**")

Party of the first part

And

UniCredito Italiano S.p.A., headquartered in Genova, via Dante 1, Central Management in Milan, Piazza Cordusio, capital of Euro 3,158,168,076, recorded with the Register of Companies of Genova, taxpayer and VAT code 00348170101, in the person of Dr. Pietro Modiano, who has the necessary powers pursuant to the decision of the Board of Directors of November 13, 2003 (hereinafter "UCI")

And Banca Intesa S.p.A., headquartered in Milan, Piazza Paolo Ferrari 10, with capital of Euro 3,561,062,849.24, recorded with Register of Companies of Milan, taxpayer 00799960158,

VAT code 10810700152, in the person of Dr. Gaetano Micciche, who has the necessary powers pursuant to the decision of the Board of Directors of November 13, 2003 (hereinafter “BCI” and, together with UCI, the “Banks” and each of them individually the “Bank”)

Party of the second part

Recitals

- (a) Pirelli and the Banks are, together with others, shareholders of Olimpia SpA (hereinafter “**Olimpia**”), a company with a total holding in the common capital of Telecom Italia SpA of approximately 14.16% (17.02% as of December 18, 2003); in particular, Pirelli holds 937,557,690 common shares, equal to 50.40% of the capital, while BCI and UCI hold each 156,259,615 common shares, equal to 8.40% of Olimpia’s capital;

- (b) On November 13, 2003, Olimpia’s Shareholders’ Meeting, in the presence of all shareholders, approved a capital increase with payment up to a maximum of Euro 770 million in two tranches, the first up to a maximum of Euro 700 million (the “**First Tranche**”) and the second up to a maximum of Euro 70 million (the “**Second Tranche**”) by issuing a maximum of 770,000,000 new common shares, subscription of which is reserved under option to the shareholders pursuant to art. 2441, paragraph 1, of the civil code; the issue price of the new common shares, to be paid fully in money, was established by the meeting at the par value of Euro 1 each;

- (c) Pirelli, on the one hand, and the Banks on the other hand, signed on September 14, 2001 a para-corporate agreement referring to their holding in Olimpia, titled “**Shareholders’ Agreement**,” subsequently amended by document dated September 26, 2001 and further amended by document dated October 24, 2001 (the “Shareholders’ Agreement,” together with its amendments are collectively referred to hereinafter as the “**Agreement**”);

- (d) the Agreement, inter alia, in the case of transfer to Pirelli by each of the Banks of the Olimpia shares held by them, in the occurrence of certain conditions established therein, sets forth for such transfers the criteria for the determination of the price of the transfer of the shares, establishing however that the price must be within the limits of a minimum price (“**Floor**”) and in certain circumstances a maximum price expressing a ceiling for the valuation of the investment (“**Cap**”);

- (e) Pirelli is interested that the Banks subscribe, within the term established by the meeting, the new Olimpia common shares for the entire share of the capital increase to which each of them is entitled under the option right;

- (f) the Banks are willing to sign Olimpia's capital increase for their respective share under option, confirming the strategic validity of the operation, even though they deem it necessary that the economic agreements previously reached concerning the hypothesis of transfer of their shares of the holding in Olimpia pursuant to the agreement, referred to in recital (d) above, be partially amended, exclusively referring to the newly issued Olimpia common shares subscribed by them in execution of the capital increase referred to in recital (b) above.

With these recitals

The following is stipulated and agreed between Pirelli and the Banks.

ARTICLE I

Recitals, definitions

- 1.01 The recitals of this Document are an integral part thereof.
- 1.02 Except for the definitions reported and shown graphically in this Document, the terms reported therein with initial capital letter and not otherwise defined will have the meaning given to them in this document, as defined in recital (c) hereof.

ARTICLE II

Capital increase

- 2.01 BCI and UCI, each for itself and without joint responsibility, undertake to subscribe, within the term established by the Shareholders' Meeting of November 13, 2003, the entire portion to which they are entitled of the first tranche of the capital increase of Olimpia referred to in premise (b) hereof, and to pay the subscription price for the 58,800,000 Olimpia common shares reserved to each of them under the option right (hereinafter the "New Shares"), equal to Euro 1 each.
- 2.02 Without prejudice to the subscription commitment in the preceding paragraph 2.01, the execution of the payment of the amounts owed as underwriting by BCI and UCI is subject to the condition precedent that, by December 17, 2003, Pirelli must subscribe and pay its own share of the first tranches of the capital increase referred to in recital (b) hereof.

ARTICLE III

Status of the new shares

- 3.01 The New Shares, and whenever issued, the Subsequent New Shares (as defined below) will be, by express acceptance of Pirelli and of the Banks and by the effect of this Document, the object of the Agreement when subscribed, without need for further confirmation, including written, between the Parties.

- 3.02 With the exception of the provisions of Article IV below, as a consequence of paragraph 3.01 above, for the purposes of the Agreement, the New Shares and, when issued, the Subsequent New Shares (as defined below) subscribed by the Banks will be considered for all purposes part, respectively, of the BCI Olimpia Holding and of the UCI Olimpia Holding, and also with the exception of the provisions set forth in Article IV below, the New Shares and the Subsequent New Shares will be subject to all the provisions of the Agreement referring to the BCI Olimpia Holding and the UCI Olimpia Holding, respectively, to the extent that they are compatible.

ARTICLE IV

Transfer price of the New Shares and of the Subsequent New Shares

- 4.01 Pirelli and the Banks agree, in derogation to the provisions to the contrary of the Agreement, that:
- (a) in the event of sale by UCI and/or BCI pursuant to paragraph 7.05, Article VII of the Agreement, for the determination of the price of the transfer to Pirelli of the respective New Shares and Subsequent New Shares, according to the criteria established in letter (d) of the aforementioned paragraph 7.05 of the Agreement, the Cap set forth therein will not apply, but the Floor identified therein will continue applying;
 - (b) in the event of sale by UCI and/or BCI pursuant to paragraph 10.03, Article X of the Agreement, for the determination of the transfer price to Pirelli of the respective New Shares and Subsequent New Shares according to the criteria established in the same paragraph 10.03, the Cap set forth therein will not apply, but the Floor identified will continue applying;
 - (c) in the event of sale by UCI and/or BCI pursuant to Article XI of the Agreement, for the determination of the transfer price to Pirelli of the respective New Shares and Subsequent New Shares according to the criteria established in the aforementioned Article XI, the Cap set forth therein will not apply, but the Floor identified therein will continue applying;
 - (d) in reference to the New Shares and without prejudice to the fact that the premium referred to in paragraph 7.05 (b) (y) of the Agreement will not apply, the total transfer price to Pirelli will be equal, including in an aleatory manner, to the highest between (I) Euro 3.53 and (II) the weighted average of the reference price recorded by the Telecom Italia shares in the 30 trading days prior to the request for sale, multiplied by a number of Telecom Italia Spa shares equal to 16,657,224.
In the event that BCI and/or UCI subscribe the 5,880,000 new Olimpia common shares representing the portion respectively reserved to them from the Second Tranche of Olimpia's capital increase referred to in recital (b) hereof (the "Subsequent New Shares") and they pay the respective subscription price, the total transfer price to Pirelli of the New Shares and of the Subsequent New Shares will be equal, including in an aleatory manner, to the highest between (I) Euro 3.53 and (II) the weighted average of the reference price recorded by the Telecom Italia

shares in the 30 trading days prior to the request for sale, multiplied by a number of Telecom Italia Spa shares equal to 18,322,946.

It is understood that if Telecom Italia engages in capital operations not implying a change in net equity (such as merely for illustration, free capital increases, capital reduction due to losses or modification of the par value of the Telecom Italia shares) changing the formulas referred to in this paragraph, Pirelli, BCI and UCI will agree on the adjustments of such formulas that become necessary in order to neutralize the effect of such capital operations on the transfer price of the New Shares and of the Subsequent New Shares.

- (e) for the determination of the Floor, the New Shares, when issued, together with the Subsequent New Shares and the Company shares held today by the Banks (the “**Old Shares**”) will be considered separately and, for this purpose: (i) the Floor for the Old Shares will be the amounts paid by the Banks to subscribe them, minus the dividends possibly received, and (ii) the Floor for the New Shares and, when issued, the subsequent New Shares will be equal to the amounts paid by the Banks to subscribe them, minus the dividends possibly received, without average or offset between the two Floors.

- 4.02 Pirelli and the Banks give note and agree, each for the aspects regarding them, that the derogation established in the letters (a) through (e) in the previous paragraph 4.01 will apply exclusively to the possible sale to Pirelli by UCI and/or BCI of the New Shares and of the Subsequent New Shares, without prejudice to the provisions set forth in the Agreement, including the Cap referred to therein, concerning the possible sale by UCI and/or BCI of Olimpia shares owned by them other than the New Shares and the Subsequent New Shares.

ARTICLE V
Edizione and Hopa

Pirelli undertakes to obtain – by December 17, 2003 for the New Shares and by December 31, 2003 for the Subsequent New Shares – for Edizione and Hopa to confirm, in connection to the possible sale by UCI and/or BCI of the respective New Shares and the Subsequent New Shares, of the provisions of art. 6.09 (iii) and (iv) of the contract of 02/21/03 in connection with the possible sale of the respective original holding in Olimpia.

Without prejudice to the validity and efficacy of every provisions of the Agreement (including the arbitration clause which must be considered, repeated here as if transcribed) which has not been expressly modified or derogated to in this Document, if you agree with the above, please send us a letter reproducing in full the content hereof, duly signed by you in token of confirmation and acceptance of all its provisions.

Best regards,

Signed Pirelli & C. S.p.A.

We confirm that we accept all of the above.

Best regards,

UNICREDITO ITALIANO S.P.A.
Dr. Pietro Modiano
[signature]

BANCA INTESA S.P.A.
Dr. Gaetano Micciche
[signature]