

Shareholders' Agreement notification pursuant to art. 122 of Legislative Decree February 24, 1998, No. 58 ("TUF") – Essential information as per art. 130 of the Consob Regulation no. 11971/1999, as amended ("Issuers' Regulation")

PIRELLI & C. S.P.A.

On April 10, 2015 China National Tire & Rubber Corporation, Ltd. ("CNRC") and Edizione S.r.l. ("Edizione") entered into a share purchase agreement (the "Agreement") relating to the ordinary shares of Pirelli & C. S.p.A. ("Pirelli" or the "Issuer") directly and indirectly owned by Edizione, representing in the aggregate 4.608% of the ordinary share capital of Pirelli.

The performance of the Agreement is subject to the acquisition by a newly incorporated Italian joint stock company indirectly controlled by CNRC ("Bidco") of the ordinary shares of Pirelli currently owned by Camfin S.p.A. ("CF"); such acquisition shall be followed, inter alia, by the launch by Bidco of a mandatory tender offer on the remaining ordinary shares of Pirelli at a price equal to Euro 15 per share ex 2014 dividend (the "Offer"). The contents of the transaction above have been communicated to the market on March 22, 2015, pursuant to art. 114 TUF.

In summary, the Agreement provides that, subject to the above-mentioned condition having been fulfilled: (i) Bidco acquires, at a price of Euro 15 per share ex 2014 dividend and in accordance with the terms and conditions of the Agreement, the ordinary shares of Pirelli owned by Edizione and by Schematrentaquattro S.p.A. ("Schematrentaquattro"), a wholly owned subsidiary of Edizione; (ii) the purchase of the shares directly owned by Edizione, representing 1.574% of the ordinary share capital of Pirelli, is carried out simultaneously with the purchase of the Pirelli shares owned by CF (the "Closing Date") or, if Edizione so elects, by tendering its shares in the Offer; (iii) the purchase of the shares owned by Schematrentaquattro, representing 3.034% of the ordinary share capital of Pirelli, is completed by Schematrentaquattro tendering such shares to the Offer, in accordance with the terms and conditions specified below.

The Agreement contains certain provisions which are relevant for the purposes of art. 122, para. 5, TUF, as described below.

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Company whose financial instruments are covered by the Agreement

Pirelli & C. S.p.A., with registered office in Milan, 25 Viale Piero e Alberto Pirelli, enrolled in the Companies' Register of Milan under No. 00860340157, with share capital equal, as at the date of execution of the Agreement, to Euro 1,345,380,534.66, represented by No. 475,740,182 ordinary shares and No. 12,251,311 savings shares.

The Issuer's shares are listed on the Milan Stock Exchange (*Mercato Telematico Azionario*) organized and managed by Borsa Italiana S.p.A..

Parties to the Agreement

- China National Tire & Rubber Corporation, Ltd., a corporation organized under the laws of the People's Republic of China, having registered office in Beijing (PRC), enrolled with the State Administration for Industry & Commerce of P.R. China under no. 100000000008065, and controlled by China National Chemical Corporation, a state owned enterprise subject to control of the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) of the People's Republic of China;
- Edizione S.r.l., an company organized under the laws of Italy, having registered office in Treviso, 23 Calmaggione, number of enrolment in the Companies' Register of Treviso, Tax Code and VAT registration number 00778570267.

Percentage and number of financial instruments covered by the Agreement

As of the signing date, the Agreement referred, in the aggregate, to No. 21,921,364 ordinary shares of Pirelli, equal to 4.608% of the ordinary share capital of the Issuer, composed as follows:

- No. 7,486,559 shares owned by Edizione, equal to 1.574% of the ordinary share capital of the Issuer (the "**Edizione Shares**");
- No. 14,434,805 shares owned by Schematrentaquattro, equal to 3.034% of the ordinary share capital of the Issuer (the "**Schematrentaquattro Shares**"), currently available for the possible exchange into Pirelli ordinary shares under the "€ 200,000,000 0.25 per cent Exchange Bonds" issued by Schematrentaquattro in 2013 (the "**Exchangeable Bonds**").

As a consequence of exchange requests notified to Schematrentaquattro pursuant to the Exchangeable Bonds' terms and conditions after the execution of the Agreement, on May 13, 2015 the Schematrentaquattro Shares amounted to **No. 9,425,934**, corresponding to **1.981%** of the ordinary share capital of the Issuer.

As a result, on May 13, 2015 the number of shares referred to by the Agreement was equal to **16,912,493**, corresponding to **3.555%** of the ordinary share capital of the Issuer.

For the sake of completeness, as of May 19, 2015, as a consequence of the above-mentioned exchange requests, the Schematrentaquattro Shares amount to **No. 8,653,673**, corresponding to **1.819%** of the ordinary share capital of the Issuer and, as a result, the number of shares referred to by the Agreement is equal to **16,140,232**, corresponding to **3.393%** of the ordinary share capital of the Issuer.

Essential contents of the shareholders' agreement set forth in the Agreement

(a) Undertakings relating to the acceptance of the Offer

Edizione Shares. Subject to the condition precedent set forth in the Agreement, Edizione has undertaken to transfer to Bidco all the Edizione Shares, simultaneously with the transfer to the same company of the Pirelli shares owned by Camfin. However, Edizione shall be entitled to postpone the transfer to Bidco of the Edizione Shares until the end of the Offer, undertaking irrevocably to tender the Edizione Shares to the Offer (the "**Right to Postpone**").

Schematrentaquattro Shares. Subject to the condition precedent set forth in the Agreement, Edizione has undertaken to cause that Schematrentaquattro, in accordance with the terms and conditions of the Exchangeable Bonds, tenders to the Offer and transfers to Bidco the Schematrentaquattro Shares for which the exchange right has not been exercised pursuant to the regulations of the Exchangeable Bonds, provided that: (i) the price of Euro 15 is at least equal to the value of the Schematrentaquattro Shares as determined by an independent adviser appointed pursuant to the regulations of the Exchangeable Bonds and (ii) the acceptance of the Offer and the transfer of the Schematrentaquattro Shares does not conflict with any provision, contractual or otherwise, governing the Exchangeable Bonds.

(b) Undertakings in case of alternative offers

In the event of launch of one or more tender offers by third parties on the ordinary shares of Pirelli prior to the Closing Date or, in case of exercise of the Right to Postpone, prior to the expiration of the period for the launch of one or more competing bids pursuant to Article 44 of the Consob Issuers Regulation (each an "**Alternative Offer**"), Edizione shall have the right to withdraw from the Agreement with reference to both the Schematrentaquattro Shares and, in case of exercise of the Right to Postpone, to the Edizione Shares, by sending to CRNC a written withdrawal notice, unless CRNC within 3 business days from the receipt of said notice announces to increase the price of the Offer at least at the same price of the last Alternative Offer.

Control

None of the parties of the Agreement shall, by virtue of same, have the right to exercise any control on the Issuer.

Type of agreement

The clauses contained in the Agreement, whose essential contents have been reproduced above, are relevant for the purposes of art. 122, para. 5, TUF.

Corporate bodies for the Agreement

No corporate body is established in relation to the Agreement.

Penalty in case of non-fulfillment

No penalties are provided for in case of non-fulfillment of any of the obligations provided for in the Agreement.

Term of the Agreement

The Agreement has been entered into on April 10, 2015 and shall remain in force until all the obligations provided for therein have been satisfied.

The Agreement shall however be terminated in case the transfer to Bidco of the shares owned by CF is not completed by December 31, 2015 and, in any event, in case the Edizione Shares or the Schematrentaquattro Shares are not transferred to Bidco by March 31, 2016.

Companies' Register

An abstract of the Agreement containing the provisions which are relevant for the purposes set forth in art. 122, para. 5, TUF, has been filed at the Companies' Register of Milan on April 15, 2015.

May 19, 2015