

SHAREHOLDERS AGREEMENT NOTIFIED TO CONSOB PURSUANT TO ART. 122 OF LEGISLATIVE DECREE 24.2.1998, N. 58 ESSENTIAL INFORMATION PURSUANT TO ART. 130 OF CONSOB REGULATION N. 11971/1999, AS SUBSEQUENTLY AMENDED

SHAREHOLDERS' AGREEMENT BETWEEN COINV S.P.A. AND LONG-TERM INVESTMENTS LUXEMBOURG S.A.

This essential information is updated on November 6, 2015 in the paragraph "Parties to the Shareholders Agreement", at the end of the mandatory tender offer launched by Marco Polo Industrial Holding S.p.A. over the ordinary shares of Pirelli, pursuant to articles 106, paragraph 1-bis and 109 of Legislative Decree 24 February 1998, n. 58 ("TUF"), and of the completion of the sell-out procedure provided by art. 108, paragraph 1, TUF and of the squeeze-out provided by art. 111 TUF, as well as in certain paragraphs of the Premises to take into account the completion of the Restructuring of the CF Stake (as defined below).

Please find below in italics and underlined, the provisions added or reformulated compared to the draft of the essential information updated on October 6, 2015.

With reference to:

- (i) the sale and purchase agreement and co-investment (the "**SPA and Co-Investment Agreement**") executed on March 22, 2015 between China National Chemical Corporation ("**CC**"), China National Tire & Rubber Corporation, Ltd. ("**CNRC**"), Camfin S.p.A. ("**CF**"), Long-Term Investments Luxembourg S.A. ("**LTI**") and Coinv S.p.A. ("**Coinv**"), which governs the terms and conditions for the completion of a large corporate and industrial transaction (the "**Transaction**") aimed at the acquisition of the control over Pirelli & C. S.p.A. ("**Pirelli**"), its possible de-listing and the subsequent reorganization and long-term industrial value creation of Pirelli in view of its possible re-listing, and
- (ii) the shareholders agreement attached to the SPA and Co-Investment Agreement - filed on the date hereof with the Companies Register of Milan and whose essential information under art. 130 of Consob Regulation n. 11971/1999 are published in accordance with the terms of the current legislation on the website www.pirelli.com - (the "**CC Shareholders Agreement**") which sets forth the rules and the contractual undertakings regarding, inter alia, (a) the governance of the corporate chain used in the context of the Transaction and of Pirelli, (b) the possible re-listing of Pirelli in the case the de-listing of the same is achieved and (c) the exit by CF and LTI from the respective investment both in the case of non de-listing of Pirelli, and in case of de-listing of the same Pirelli,

please note that, on the same March 22, 2015, Nuove Partecipazioni S.p.A. ("**NP**"), Coinv, LTI (Coinv and LTI, collectively, the "**Internal Parties**") and, for the sole purposes of certain provisions to the extent specified below, UniCredit S.p.A. ("**UC**") and Intesa Sanpaolo S.p.A. ("**ISP**") have also executed a restatement agreement (the "**Restatement**"), to which Manzoni has adhered on April 16, 2015, and to which, amongst others, is attached a shareholders agreement (the "**Shareholders Agreement**") which governs, as better indicated below, the relations between the Internal Parties in relation to and upon completion of the agreements and transactions under the SPA and Co-Investment Agreement and which includes provisions relevant under art. 122, paragraph one and paragraph five of Legislative Decree 24.2.1998, no. 58, as subsequently amended (the "**TUF**").

Please note that the SPA and Co-Investment Agreement provides that the Transaction is implemented, on the terms and conditions provided therein, through the completion of the following activities:

- the establishment by CNRC of the corporate structure necessary to implement the Transaction through the incorporation of (a) a Hong Kong-based company ("**SPV HK1**"), which shall be controlled by CNRC, (b) a newly incorporated Luxembourg company ("**SPV Lux**"), directly participated by an Hong Kong-based company participated by SPV HK1 and by Silk Road Fund Co. Ltd. with 25% of the share capital ("**SPV HK2**"), (c) a newly incorporated Italian joint stock company ("**Newco**"), directly participated by SPV Lux; (d) a newly incorporated Italian joint stock

company (“**Holdco**”), directly participated by Newco; and (e) a newly incorporated Italian joint stock company (“**Bidco**”), directly participated by Holdco;

- the acquisition by Bidco, at the date of the first closing of the Transaction, as identified and defined in the SPA and Co-Investment Agreement subject to the prior satisfaction of the conditions precedent provided therein (the “**First Closing Date**”), of the Pirelli shares held directly by CF (the “**Initial Acquisition**”);
- the undertaking by CF (and, after completion of the Restructuring of the CF Stake, as defined below, by CF and LTI pro-quota to the participation held by the same upon completion of the above restructuring), to reinvest in Newco a portion of the proceeds from the Initial Acquisition up to a maximum aggregate amount equal to Euro 1,149 million;
- for the purposes of the above *alinea*, the right of CF (and, after completion of the Restructuring of the CF Stake, as defined below, by CF and LTI pro-quota to the participation held by the same upon completion of the above restructuring) to subscribe, on the conditions set forth in the SPA and Co-Investment Agreement, certain capital increases of Newco, it being understood that: (a) the participation held by CF following the above subscriptions (the “**CF Stake**”) – and, following completion of the Restructuring of the CF Stake, by CF and LTI, jointly considered – shall not be lower than 35% nor higher than 49% if Pirelli, following the Offer (as defined below), is not de-listed, or than 49.9% if Pirelli, following the Offer, is de-listed, and that (b) the participation held by CNRC in Newco shall never be reduced below 51% Pirelli, following the Offer, is not de-listed, or 50.1% if Pirelli, following the Offer, is de-listed;
- the undertaking by CNRC to invest in Newco up to a maximum aggregate amount equal to Euro 2,133 million, subscribing in one or more solutions certain capital increases of Newco;
- the launch by Bidco of a mandatory tender offer on the remaining ordinary share capital of Pirelli pursuant to Section 106 and Section 109 of the TUF at the same price per share paid by Bidco for the acquisition of the Pirelli shares in the context of the Initial Acquisition, and of a voluntary tender offer on the entire saving share capital of Pirelli at a price of Euro 15.00 per saving share (the above offers, collectively, the “**Offer**”), with the goal to de-list Pirelli;
- following completion of the Transaction, in accordance with the applicable laws and corporate governance procedures and subject to reaching the necessary quorum in the shareholders meeting of Pirelli, the merger, as the case may be, of Pirelli and/or Bidco and/or – if and to the extent consented by the financing banks – also of Holdco, depending on whether Pirelli is de-listed or remains listed following completion of the Offer.

With the execution of this Restatement, Coinv and LTI have, amongst others, agreed to participate directly to the Transaction through the same class of shares (that is, the class B shares issued by Newco), and for the effect to allocate between them the capitalization obligations of CF in relation to Newco pursuant to the SPA and Co-Investment Agreement in the percentages indicated below. In particular, with the execution of the Restatement, CF and LTI have agreed that (a) the maximum aggregate amount of the investment of Coinv (through CF), in order to fulfill the capitalization obligations of CF in relation to Newco pursuant to the SPA and Co-Investment Agreement is equal to 64% of the portion of the aggregate investment in the share capital of Newco that CF shall be required to make from time to time pursuant to the SPA and Co-Investment Agreement, and in any event shall not exceed, in the aggregate, the maximum amount of Euro 735 million; and that (b) the maximum aggregate amount of the investment of LTI (including the 36% of the initial capitalization of Newco made by CF on the First Closing Date) in order to fulfill its capitalization obligations in relation to Newco pursuant to the SPA and Co-Investment Agreement is equal to 36% of the portion of the aggregate investment in the share capital of Newco that CF shall be required to make from time to time pursuant to the said Agreement and in any case shall not exceed, in the aggregate, the maximum amount of Euro 414 million.

For the purposes above, the Internal Parties have agreed to implement a reorganization of the CF Stake (the “**Restructuring of the CF Stake**”) so that, upon completion of the reorganization:

- Coinv owns a participation representing the entire share capital of CF, which, in turn, shall own a participation in Newco equal to 64% of the CF Stake, and

- LTI owns (directly and through its subsidiary LTI Holding S.r.l. (“**LTI Ita**”)) a participation in Newco equal to 36% of the CF Stake,

it being understood that the above apportionment shall remain the same also upon completion of the Offer and without prejudice, in any event, to the possibility for CF to subscribe, on the terms and conditions under the SPA and Co-Investment Agreement, an additional capital increase of Newco (the “**Additional Capital Increase**”); in such case the above apportionment (64%-36%) of the CF Stake shall be adjusted accordingly, it being understood that under no circumstances it shall allow a dilution of the participation owned by LTI and LTI Ita, jointly considered, in Newco below 12.6% of the share capital of Newco.

In particular, Coinv and LTI have also acknowledged and agreed to implement the Restructuring of the CF Stake through the purchase by CF of the entire participation held by LTI and LTI Ita in CF itself (the “**Buy-back**”). The Buy-back *has been completed on November 4, 2015*, in accordance with the terms which have been agreed upon by the parties.

In any event, the Restructuring of the CF Stake, and any other transaction connected thereto, shall always ensure that neither Coinv nor LTI receive a see-through price or other form of remuneration exceeding the price per share of the mandatory tender offer under the Offer.

The Restatement also provides as follows:

- NP, ISP, UC, Coinv and LTI have undertaken, each as far as concerned, until the expiry of the applicable term, not to purchase directly or indirectly Pirelli shares and/or financial instruments relating to the same and not to carry out any transaction which may cause an increase of the Offer price;
- on the First Closing Date the Parties and ISP and UC shall terminate by mutual agreement the existing shareholders agreement over CF and Pirelli among NP, Manzoni, ISP, UC, Coinv and LTI, dated May 24, 2014, as subsequently amended (the “**Existing CF Shareholders Agreement**”);
- ISP and UC have executed the Restatement only to assume the undertakings regarding the termination of the Existing CF Shareholders Agreement and the standstill obligations.

Finally, with the execution of the Restatement, the Internal Parties have agreed the terms and conditions of the Shareholders Agreement to be entered into on the date of the First Closing exclusively once, subject to the terms and conditions of the SPA and Co-Investment Agreement, the activities to be carried out on the First Closing Date shall take place and CC, CNRC, CF, Coinv and LTI shall execute the CC Shareholders Agreement.

Whereas all the above, on August 11, 2015 the First Closing of the Transaction has been completed and, for the effect, the Internal Parties have terminated the Existing CF Shareholders Agreement and entered into the Shareholders Agreement, it being understood that the latter shall enter into force only on the date of completion of the Restructuring of the CF Stake, as better described below.

SHAREHOLDERS AGREEMENT

The Shareholders Agreement completes and integrates, in certain provisions and with regard only to the relations between Coinv and LTI, the CC Shareholders Agreement, providing, in particular, the terms and conditions designed to reflect, with effect from the completion of the Restructuring of the CF Stake, the internal agreements between Coinv and LTI with reference to their respective stakes held (directly or indirectly) in Newco and to the corporate governance and to the anticipated rights of exit provided in the CC Shareholders Agreement.

PARTIES TO THE SHAREHOLDERS AGREEMENT AND FINANCIAL INSTRUMENTS OBJECT OF THE SHAREHOLDERS AGREEMENT

Parties to the Shareholders Agreement.

The following companies (the “**Parties**”) are parties to the Shareholders Agreement:

- (i) **Coinv S.p.A.**, with registered office in Milan, Piazza Borromeo, no. 12, share capital, fully paid-in of Euro 167,767,088.50, registration number at the Companies Register of Milan, tax code and VAT number 08264530968, owned by (a) Nuove Partecipazioni S.p.A. (a company indirectly controlled by Mr. Marco Tronchetti Provera through Marco Tronchetti Provera & C. S.p.A.) for 76% of the share capital, (ii) Manzoni S.r.l. (a company controlled by Intesa Sanpaolo S.p.A.), with registered office in Milan, tax code and number of registration at the Companies Register of Milan 08852240962, capital of Euro 8,285,457.00 fully paid-in for 12% of the share capital and (iii) UC for 12% of the share capital;
- (ii) **Long-Term Investments Luxembourg S.A.**, with registered office in L-2086, Luxembourg, 412F, route d’Esch, share capital, fully paid-in, equal to Euro 31,000.

Long-Term Investments Luxembourg S.A. is a wholly-owned subsidiary of Long-Term Investments LLC (“**LTI LLC**”), a company incorporated under the laws of the Russian Federation, which is in turn wholly-controlled on behalf of the long-term closed-end direct investment fund “RFR Long- Term Investments” (the “**Fund**”) managed by a management company named “RegionFinanceResurs Management Company” (the “**Management Company**”). The Management Company, as trust manager of the assets of the Fund, exercises all the rights of the Fund, as sole shareholder, in LTI LLC, including the voting rights; the sole shareholder of the Management Company is Ms. Natalia Bogdanova, who is the ultimate decision-maker as sole shareholder of the same.

Any reference to LTI in the Shareholders Agreement shall be deemed as a reference to LTI acting through its subsidiary LTI Holding S.r.l. (“**LTI Ita**”), which, upon completion of the Restructuring of the CF Stake, shall become a class B shareholder of Newco, owning, jointly with LTI, a stake equal to 36% of the CF Stake in Newco.

Percentages and number of financial instruments subject to the Shareholders Agreement.

Newco

Newco (that is, Marco Polo International Italy S.p.A.) has been incorporated by SPV Lux and, as at the First Closing Date, following completion of the Initial Acquisition and of the subscription by CF of part of the share capital of Newco, the shares representing 100% of the share capital of Newco are held in the percentages indicated below:

Newco Shareholders	Percentage of participation in Newco (range)
SPV Lux	65%
CF	35%
Total	100%

From the date of completion of the Restructuring of the CF Stake, the shares representing 100% of the share capital of Newco shall be held – as a result of the subscription of the Additional Capital Increase by CF or CNRC, as the case may be – in the percentages indicated below:

Newco Shareholders	Percentage of participation in Newco post Restructuring of the CF Stake (range)
SPV Lux	from 65% to 50.1%

CF	from 22.4% to <u>37.3%</u>
LTI	12.6%
Total	100%

Holdco

Holdco (that is, Marco Polo International Holding Italy S.p.A.) has been incorporated by Newco and is entirely participated and controlled by Newco.

Bidco

Bidco (that is, Marco Polo Industrial Holding S.p.A.) has been incorporated by Holdco and is entirely participated and controlled by Holdco.

Pirelli

The shares syndicated to the Shareholders Agreement shall be represented by (a) the see-through participation held in Pirelli through the corporate chain composed of Newco, which holds, indirectly through Holdco and Bidco, as at November 6, 2015, all the ordinary shares of the company, save for no. 351,590 treasury shares still held by Pirelli. As for the participation held in Pirelli by CAM 2012 S.p.A. (100% controlled by CF), which is equal to 3.08% of the voting share capital of Pirelli (taking into account the transfers of a portion of the exchange shares perfected in the meantime in accordance with the conditions of the convertible bond issued by Cam 2012 on October 26, 2012 and named “€150,000,000 5.625 per cent. Guaranteed Exchangeable Bonds due 2017 guaranteed by Camfin S.p.A.”), the same has been transferred to Bidco, on October 12, 2015, at the same price of the Offer.

CONTENT OF THE SHAREHOLDERS AGREEMENT

Governance of Newco, Holdco, Bidco and Pirelli

Prior consultation commitments in relation to certain matters of the corporate bodies of Newco, Holdco, Bidco and/or Pirelli provided by the CC Shareholders Agreement

Coinv and LTI have agreed that any decision related to:

- (i) if Pirelli is listed, the matters within the competence of the board of directors and/or of the shareholders' meeting of Pirelli subject to super-majority on the terms and conditions of the CC Shareholders Agreement; as well as
- (ii) if Pirelli is de-listed, any matters related to the exclusive power and authority of the Pirelli CEO and Vice Executive Chairman to ask and cause the re-listing of Pirelli in accordance with the provisions of the CC Shareholders Agreement,

shall be preceded by a meeting of the representatives of Coinv and LTI and, upon consultation between the Parties, the following shall apply:

- (a) if Coinv and LTI are unable to reach an agreement following conclusion of the above consultation with respect to matters referred to in point (i) above, none of the representatives of LTI and Coinv will attend the meeting of the relevant company (i.e., Newco, Holdco, Bidco or Pirelli, as the case may be);
- (b) if Coinv and LTI are unable to reach an agreement following conclusion of the above consultation with reference to the matters referred to in point (ii) above, the position to be taken by the directors designated by LTI in the relevant corporate bodies shall be the position taken by the Pirelli CEO and Vice Executive Chairman. In such case, LTI shall procure that the directors it has designated in Pirelli, to the extent allowed by applicable law, shall exercise their vote in compliance with the written indications which will be made in this respect by the Pirelli CEO and Vice Executive Chairman;

- (c) if, however, Coinv and LTI reach an agreement as a result of the above consultation with respect to any of the matters referred to in points (i) and (ii) above, the Parties will cause their representatives to exercise their voting rights in the meetings of the related companies (i.e., Newco, Holdco, Bidco or Pirelli, as the case may be) in accordance with the agreement reached by Coinv and LTI.

Internal Committees of Pirelli

Coinv and LTI have agreed that, with reference to the composition of the Internal Committees of Pirelli provided under the CC Shareholders Agreement, LTI shall also have the right to designate an independent director in the Internal Control and Risks Committee of Pirelli.

Exercise of other rights of CF and/or Coinv under the SPA and Co-Investment Agreement and/or the CC Shareholders Agreement

The Parties have agreed, amongst the others, that the right of CF to subscribe the Additional Capital Increase on the terms and conditions set forth under the SPA and Co-Investment Agreement will be the exclusive prerogative of Coinv (to be exercised through CF once the Restructuring of the CF Stake has been completed), it being understood that, if any Additional Capital Increase is made (a) the relevant contribution to the share capital of Newco shall be made only by Coinv (through CF) and/or CNRC (as the case may be) pursuant to the SPA and Co-Investment Agreement, and (b) the LTI (direct or indirect) shareholding in Newco shall not be reduced below 12.6%.

The Parties have also agreed that the right of CF to cause CNRC to sell a stake in Newco up to 14.9% to investors designated by CF (not being related parties either to CF or LTI) on the terms and conditions of the CC Shareholders Agreement shall be exercised by CF solely with the prior written consent of LTI.

Provisions relating to the transfer of participations in Newco - Exit Procedures

Restrictions on the transfer of participations in Newco under the CC Shareholders Agreement

The Parties agree and undertake that, as from the completion of the Restructuring of the CF Stake, the restrictions on the transfer of the respective participations held by each of them, directly or indirectly, in Newco shall be subject to the provisions of the CC Shareholders Agreement.

Exit solutions and procedures under the CC Shareholders Agreement

The Parties acknowledge and agree that, as from the completion of the Restructuring of the CF Stake, certain exit procedures, rights and prerogatives provided under the CC Shareholders Agreement shall apply between LTI and Coinv in accordance with the following principles:

- (a) in case LTI intends to exercise, as the case may be (i) the put option in favor of LTI exercisable under the terms and conditions provided in the CC Shareholders Agreement, or (ii) the right to request and obtain the non-proportional demerger of Newco exercisable under the terms and conditions provided in the CC Shareholders Agreement (each of the rights referred to in points (i) and (ii) above, the “**Right to Exit**”), LTI shall be required to send a notice to Coinv, it being understood and agreed that the failure by LTI to send such notice shall be considered as the intention of LTI not to exercise the relevant Right to Exit;
- (b) in case LTI sent the notice referred to under point (a) above, Coinv shall be entitled to communicate to LTI its intention not to exercise the relevant Right to Exit and for the effect to stop the triggering of the relevant exit procedure under the CC Shareholders Agreement, provided, however, that:
- (1) Coinv offers, within such communication to LTI, to purchase from LTI, within the next 30 business days, the entire participation held, directly or indirectly, by LTI in Newco at a price equal to (as the case may be):
- (x) if LTI has notified its intention to exercise the put option under the CC Shareholders Agreement and mentioned in the previous paragraph (a)(i), the pro-rata of the exercise price of the put option as determined on the terms and conditions of the CC Shareholders Agreement; or

- (y) if LTI has notified its intention to exercise the right to request and obtain the non-proportional demerger of Newco under the CC Shareholders Agreement and mentioned in the previous paragraph (a)(ii), an amount equal to the sum of (a) the market price of the share price of Pirelli, calculated based on the weighted average share of the closing prices of the Pirelli shares in the 3 months before the date of receipt of the Coinv notice and the indirect participation held pro-rata in Pirelli, less (b) the net financial position of Newco and/or Holdco and/or Bidco (as the case may be), calculated in accordance with the relevant IFRS principles consistently applied, all pro rata with respect to the participation held, directly or indirectly, by LTI in Newco;
- (2) Coinv, directly or indirectly through CF, delivers together with its communication referred to in point (b), a first demand bank guarantee issued by a primary bank of international standing to secure the payment by the same of the purchase price determined in compliance with paragraphs (1) (x) or (y) (as the case may be);
- (c) should Coinv not send any communication under the previous paragraph (b) or not complete the acquisition of the entire participation held, directly or indirectly, by LTI in Newco within the term set forth in paragraph (b)(1) above, then LTI shall have the right to exercise the relevant Right to Exit pursuant to the CC Shareholders Agreement;
 - (d) for the entire period provided by the Shareholders Agreement for the delivery and receipt of the Coinv communication referred to in paragraph (b) above and, if such communication is sent, for the entire period following receipt by LTI of the above communication and until the expiry of the period of 30 business days referred to in paragraph (b)(1) above, LTI will not exercise any Right to Exit pursuant to the CC Shareholders Agreement.

Tag-Along Right in favor of LTI and LTI Ita

For so long as CF holds a participation in Newco higher than 20% of the share capital of Newco, should CF intend to transfer to CNRC – or to any Affiliate of CNRC to which the CNRC participation has been transferred in whole or in part by virtue of a “Permitted Transfer” under the CC Shareholders Agreement (the “CNRC Affiliate”) – all or part of its participation so that the remaining participation of CF would fall below 13% of Newco’s share capital, then CF – as a condition of its Transfer – shall grant to LTI and LTI Ita, jointly and not severally, a tag-along right to transfer, jointly and not severally, a portion of the shares held by each of them corresponding to the percentage of Newco share capital represented by the CF’s participation to be transferred, upon the same terms and conditions.

Anti-embarrassment provisions in case of exercise by LTI of the put option under the CC Shareholders Agreement

If Coinv has not exercised the right to request the re-listing of Pirelli on the terms and conditions of the CC Shareholders Agreement and, as a result, LTI has exercised the put option exercisable by it on the terms and conditions of the CC Shareholders Agreement, and within the following 12 months one of the following relevant events occurs (each the “**Trigger Event**”):

- (a) any transfer of Pirelli shares;
- (b) any transfer of Newco shares;
- (c) the listing of Pirelli or Newco (as the case may be);
- (d) any contribution in kind of Pirelli shares or Newco shares (as the case may be);
- (e) any merger between Pirelli (or Newco, as the case may be) and a third company; or
- (f) any agreement to do any of the foregoing,

in this case, and save as otherwise provided in the following paragraph, Coinv shall pay to LTI an amount in cash (the “**Excess Amount**”) equal to the positive difference between:

- (x) (as the case may be), (1) the implied value of each Newco share in case of transfer of Pirelli’s shares or in the event of a Trigger Event under points (d) and (e), or (2) the purchase price per share of the Newco shares paid to Coinv (including any deferred or contingent component thereof), or (3) the price per share of the Pirelli shares on the first day of trading in case of listing, in each case multiplied by the number of shares of Newco sold by LTI upon the exercise of the put option under the CC Shareholders Agreement; and

(y) the exercise price of the put option as determined pursuant to the terms and conditions of the CC Shareholders Agreement,

it is being expressly understood that (i) for any Trigger Event other than that referred to under point (e) above, Coinv shall be required to pay to LTI the Excess Amount only in the event that one or more Trigger Event(s) concern(s), in the aggregate, more than 20% of the Pirelli shares indirectly held by Coinv, while (ii) in case of a Trigger Event under point (e) above, Coinv shall be required to pay to LTI the Excess Amount regardless of the number of Newco shares or of Pirelli shares concerned by such Trigger Event.

ADDITIONAL UNDERTAKINGS

Standstill.

Each of the Parties undertakes, as of the entry into force of the Shareholders Agreement and until the expiration of the applicable period, not to purchase directly or indirectly shares of Pirelli and/or related financial instruments and not to engage in any transaction that could result in an increase in the mandatory tender offer price under the Offer as provided in the SPA and Co-Investment Agreement, or the sell-out price and/or the squeeze-out price pursuant to the TUF without the prior written consent of the other Parties.

Restrictive Measures.

If any competent authority of the European Union or any of its Member States or the United States of America imposes any restrictive measure affecting the assets of LTI, including its participation in Newco which, even though not affecting such participation, may reasonably be expected to be, directly or indirectly, materially adverse to (i) the business or condition (financial or otherwise) of CF or Pirelli or (ii) the ability of any Party to exercise its rights or perform its obligations under the Shareholders Agreement, then, to the maximum extent legally permitted under any applicable laws, the Parties shall negotiate in good faith the solutions to overcome the situation in the spirit of the provisions set out therein.

TERM AND EFFECTIVENESS OF THE SHAREHOLDERS AGREEMENT

The Shareholders Agreement has been executed on the First Closing Date, that is on August 11, 2015, when, in compliance with the terms and conditions of the SPA and Co-Investment Agreement, the activities and the transactions provided at the First Closing Date have been completed and CC, CNRC, CF, Coinv and LTI have executed the CC Shareholders Agreement. The Shareholders Agreement has entered into force on November 4, 2015, date of completion of the Restructuring of the CF Stake, and shall remain valid and effective until (i) the fifth anniversary of the date of completion of the Restructuring of the CF Stake and (ii) with respect to the sole provisions concerning Pirelli, the third anniversary of the date of completion of the Restructuring of the CF Stake, and at such date it will be automatically renewed for a further period of two years unless either Party notifies the other parties of its intention not to renew the Shareholders Agreement at least four months before the expiry of the initial period of three years.

CONTROL

There is no person having the right, through the Shareholders Agreement, to exercise control over Pirelli.

TYPE OF AGREEMENT

The provisions of the Shareholders Agreement are relevant for the purposes of article 122, paragraphs 1 and 5, of the TUF.

BODIES OF THE AGREEMENT

Not provided.

LIQUIDATED DAMAGES IN CASE OF BREACH OF OBLIGATIONS

No liquidated damages are provided for the breach of the obligations under the Shareholders Agreement.

OFFICE OF THE COMPANIES REGISTER

The Shareholders Agreement has been filed within the terms provided by law with the Companies Register of Milan on August 12, 2015.

Milan, November 6, 2015