



PRESS RELEASE

- **IN 2007 PIRELLI RE CREDIT SERVICING, ITALY'S LEADING PROVIDER OF SPECIAL SERVICING, CASHED IN CIRCA €550 MN FROM THE MANAGEMENT OF NON PERFORMING LOANS (NET BOOK VALUE CIRCA €2 BILLION)**
- **EXCELLENT PERFORMANCE RECORDED THANKS TO ITS COUNTRYWIDE COVERAGE, EFFICIENT ORGANIZATION AND THE SYNERGIES WITH THE OTHER PIRELLI RE GROUP SERVICE COMPANIES**

Milan, January 10th, 2008 – In 2007 **Pirelli RE Credit Servicing** (100% Pirelli RE), Italy's leading provider of special servicing, **cashd in circa €550 million (mn) from the management of non performing corporate loans and mortgages worth circa €2 billion at net book value**; this does not include the NPL portfolio originated by Banca Antonveneta and its subsidiary Interbanca worth €530 mn at net book value which the company has been managing since the second half of last December. Circa 50% of the recoveries were settled out of court.

Pirelli RE Credit Servicing offers **countrywide coverage** with 7 offices located in Milan, Florence, Rome, Naples, Bari, Palermo and Catania, and three more should be opened this year. The Company boasts an **efficient organizational structure** with a staff of **around 300 professionals** which can count on an extensive network of loan brokers with significant real estate expertise and which benefits from the **synergies with the other Pirelli RE Group service companies**: Pirelli RE Agency for real estate appraisals and the sale of significant secured properties to private parties during auctions; and Pirelli RE Property for the management of value added real estate services.

Pirelli RE Credit Servicing has received **positive ratings** from the **primary international rating agencies** thanks to the continuous generation of income and adequate profitability, in addition to its professionalism and the management team's expertise. More in detail, **Fitch assigned a "RSS2+"** rating to activities related to the **management of residential NPLs** and **"CSS2+"** to the **commercial activities**; in terms of the commercial sector, the rating assigned to the Company is just below the maximum rating of 1. **Standard & Poor's** valuation of **"Above Average with a positive outlook"**, is just below their maximum rating.

The gross book value of **non performing loans managed on an exclusive basis by Pirelli RE**, through an Asset management and special servicing platform which is

unique to the Italian market, amounts to **circa €12 bn (approximately €2.4 bn at net book value)**.

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