



PRESS RELEASE

**PIRELLI BUYS BACK FROM CISCO SYSTEMS
10% OF SUBMARINE TELECOM SYSTEMS**

Milan, 12 January 2004 – Pirelli today bought back from Cisco Systems the 10% stake of Pirelli Submarine Telecom Systems sold in 2000 for an amount of approx. 75 million dollars. The operation was completed after Cisco Systems exercised its option – stated in the agreements signed on 3 August 2000 – to sell such stake to Pirelli for the same amount. After this operation, Pirelli fully owns Pirelli Submarine Telecom Systems.