



PRESS RELEASE

**PIRELLI: FINANCIAL INSTRUMENTS DERIVING FROM DISMISSAL
OF CABLES SECTOR SOLD TO GOLDMAN SACHS FOR
APPROXIMATELY 246 MILLION EUROS**

Milan, 30 March 2007 - Pirelli & C. S.p.A. makes it known that it sold to Goldman Sachs, for the amount of approximately 246 million euros, the financial instruments deriving from the dismissal of the former Cables and Systems sector, completed on 28 July 2005.

The instruments sold are a loan note ceded to the buyer Goldman Sachs Capital Partners (GSCP) and warrants linked to economic benefits of Prysmian (Lux) Sarl, the vehicle used by the same GSCP for the transaction.

Pirelli Press Office: +39 02 85354270 – pressoffice@pirelli.com

Pirelli Investor Relations: +39 02 64422949 – ir@pirelli.com

www.pirelli.com