



PRESS RELEASE

**PIRELLI: SALE OF 1.92% OF CAPITALIA
CONCLUDED FOR APPROXIMATELY 333 MILLION EUROS**

Milan, 26 October 2006 - Pirelli & C. SpA, following up on its communication of 28 September, announces that it has today concluded the sale of its 49,689,476 Capitalia shares (about 1.92% of the share capital) for a total amount of approximately 333 million euros.

The shares, which were offered with the right of first refusal to the parties to the Capitalia Shareholders' Agreement for a consideration of about 6.6993 euros per share, were acquired by: ABN Amro Group (24,606,761 shares), Fondazione Manodori (6,612,508 shares), Fondiaria SAI Group (10,041,915 shares), Cinecittà Centro Commerciale SpA (4,535,779 shares), Fininvest SpA (3,204,468 shares) and Fineldo SpA (688,045 shares).

Pirelli Press Office: +39 02 85354270 – pressoffice@pirelli.com
Pirelli Investor Relations: +39 02 64422949 – ir@pirelli.com
www.pirelli.com