

Five-year summary of selected consolidated financial data

IAS/IFRS (in millions of Euro)

	2008	2007	2006	2005	2004
Net sales	4,660	6,076	4,841	4,546	3,967
Net sales (excluding DGAG)*	4,660	4,780	4,841	4,546	3,967
Gross operating profit	252	573	614	568	470
Operating profit	43	364	401	355	269
Operating profit (loss) including earning (losses) from investments	(323)	513	1,192	622	425
Total income (loss)	(413)	324	(1,049)	399	304
Income (loss) attributable to the equity holders of Pirelli & C. S.p.A	(348)	165	(1,167)	327	251
Earnings per share (in Euros)	(0.06)	0.03	(0.22)	0.07	0.07

Fixed assets	3,665	3,815	6,924	7,624	6,097
Net working capital	418	298	463	(48)	464
Net invested capital	4,083	4,113	7,387	7,576	6,561
Equity	2,374	3,804	4,687	5,614	3,841
Provisions	681	611	720	785	1,119
Net financial (liquidity)/debt position	1,028	(302)	1,980	1,177	1,601
Equity attributable to the equity holders of Pirelli & C. S.p.A.	2,172	2,980	3,880	5,205	3,502
Equity per share (in Euros)	0.40	0.56	0.72	0.98	1.01

Net cash flows provided by (used for) operating activities	76	554	473	467	349
R&D expenditures	156	173	171	174	171
Depreciation	199	214	201	197	182
Capital expenditures	311	287	255	234	211

Gross operating profit/Net sales*	5.41%	11.99%	12.68%	12.49%	11.85%
Operating profit/Net sales* - ROS	0.93%	7.62%	8.28%	7.81%	6.78%
Income / equity** - ROE	(13.35%)	7.63%	(20.37%)	7.38%	5.77%
Operating profit / Net invested capital** - ROI	1.05%	6.33%	5.36%	5.02%	4.13%
Operating profit (post-investments)/ Net invested capital**	(7.89%)	8.92%	15.93%	8.80%	6.52%
Net financial position / Equity - gearing	0.43	n.s.	0.42	0.21	0.42
Capital expenditures / Depreciation	1.56	1.34	1.27	1.19	1.16
R & D expenditures / Net sales*	3.35%	3.62%	3.53%	3.83%	4.31%
Net sales* per employee (in thousands of Euros)	148	155	172	173	162

Pirelli & C. S.p.A. Ordinary shares (no. in millions)	5,233.1	5,233.1	5,233.1	5,180.7	3,327.5
Pirelli & C. S.p.A. Savings shares (no. in millions)	134.8	134.8	134.8	134.8	134.8
Total Pirelli & C. S.p.A. shares (no. in millions)	5,367.9	5,367.9	5,367.9	5,315.5	3,462.3
Treasury ordinary shares (no. in millions)	3.9	2.6	2.6	2.6	2.6
Treasury savings shares (no. in millions)	4.5	-	-	-	-

Factories	23	24	24	24	74
of which discontinued operations	-	-	-	-	52
Employees (at 12/31)	31,056	30,823	28,617	26,827	24,790
of which temporary employees	2,913	3,642	3,479	3,102	2,721

* On net sales excluding DGAG

** Average amount