



## PIRELLI TO SELL 100% OF STEELCORD ACTIVITIES TO BEKAERT

### THE TWO GROUPS ENTER LONG-TERM SUPPLY AND PRODUCT DEVELOPMENT AGREEMENTS AS PIRELLI FOCUSES RESOURCES ON PREMIUM TYRE ACTIVITIES

*Milan, Brussels, February 28 2014* – Pirelli & C. SpA and Bekaert have signed an agreement for the sale by Pirelli of 100% of its steelcord activities to Bekaert for a total consideration (enterprise value) of around 255 million euro.

The transaction will enable Pirelli to exit a business where it lacks competitive scale and focus resources on its higher-margin premium tyre activities and in the meantime assure a future for its steelcord activities within a group which is a technology leader in steel wire transformation and coatings.

As a part of the sale, the two groups will enter into a long-term supply agreement and a joint product development agreement, to enhance R & D activities, ensuring that the transition to the new arrangement meshes smoothly with their respective growth and development plans, making the most of existing assets, while also providing the basis for a gradual opening to the market.

The closing, subject to regulatory approvals, is expected in the second half of the year and encompasses all five Pirelli steel cord facilities located in Italy, Turkey, Romania, China and Brazil.

It is worth noting that the cash-in and P & L impact related to this operation were not included in the forecasts provided in Pirelli's industrial plan, which was presented to investors last November.

Pirelli's advisers for the operation were HSBC and Banca IMI.

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