

**Unofficial translation – Only the Italian version is authentic**

**PIRELLI & C.  
Società per Azioni  
Registered office in Milan - Viale Piero e Alberto Pirelli no. 25  
Share capital Euro 1,556,692,865.28 fully paid in  
Tax code and Number of Registration with the  
Company Register of Milan no. 00860340157**

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### **CALL TO SHAREHOLDERS' MEETING**

The ordinary shareholders of Pirelli & C. Società per Azioni are called to an extraordinary meeting to be held at Milan, Viale Sarca no. 214:

- at 10:00am of Wednesday 14 July, 2010 on first call;
- at 10:00am of Thursday 15 July, 2010 on second call,

to discuss and resolve upon the following

#### **AGENDA**

1. Cancellation of the nominal value of the ordinary and saving shares and subsequent amendments to articles 5, 6 and 18 of the By-Laws; inherent and consequent resolutions.
2. Reverse stock split of ordinary and saving shares in a ratio of 1 new ordinary share or 1 new saving share for every 11 shares held in the same category, subject to the previous annulment of the minimum number of ordinary and savings shares necessary for the well execution of the transaction, and subsequent reduction of the share capital; subsequent amendments to Articles 5, 6 and 18 of the By-Laws; inherent and consequent resolutions.
3. Voluntary reduction of the share capital for an amount not exceeding Euro 329,620,911.48 pursuant to Article 2445 of the Italian Civil Code, to be carried out through proportional assignment to ordinary and saving shareholders of no. 487,231,561 Pirelli & C. Real Estate S.p.A. (Pirelli RE) ordinary shares held by the Company; preparatory and subsequent amendments to Article 5 of the By-Laws; inherent and consequent resolutions.

With reference to the third item of the agenda, pursuant to Article 2445, second paragraph, of the Italian Civil Code, it is specified that the reduction of the share capital to be executed by means of proportional assignment to the ordinary and saving shareholders of Pirelli RE ordinary shares owned by the Company occurs in the context of the strategy outlined in the 2009-2011 three-years industrial plan and it is mainly

aimed at separating the activities of Pirelli RE from the ones carried out by the Pirelli Group, in order to focus the Company's activities in the tyre industry. The exact amount of the share capital reduction will be determined at the date of the extraordinary shareholders' meeting, in a measure equivalent to the value of the Pirelli RE stake being assigned, on the basis of the official price of the Pirelli RE shares as calculated on the open stock exchange day preceding the date of the meeting. Such share capital reduction will also be appropriate to adequate the Company's equity to its new operating structure, as it will result after the separation of the activities of Pirelli RE. As regards to the modalities, the execution of the share capital reduction will be conditioned upon the cancellation of the nominal value of the shares of the Company and the reverse stock split of respectively the first and second point of the agenda.

Considering the Company's shareholding composition,, it is predictable that the meeting will be legally held and able to resolve on second call. In accordance with the laws, shareholders who represent, separately or jointly with other shareholders, at least one fortieth of the voting share capital may request additions to the agenda, within five days starting from the date of publication of this notice, specifying in the request the proposed new items. The requests of additions to the agenda shall be explained by the submitting shareholders in a report to be filed with the Company's registered office at least ten days prior to the date scheduled for the meeting on first call. No additions to the agenda would be possible for matters on which the shareholders' meeting is required by law to resolve upon proposal of the directors or on the basis of projects or reports prepared by the Board itself.

Any amendment to the agenda will be published in the same way as this notice.

According to the law and the By-Laws, holders of ordinary shares for which the Company has received the communication provided for by Article 2370, paragraph 2, of the Italian Civil Code, at least two days prior to the date set for each meeting, shall be entitled to attend the Shareholders' meeting. Each shareholder may request his/her intermediary to withdraw such a communication and in this way the shareholder will be no longer entitled to attend the meeting.

Any requests from the intermediaries for any prior notice for the accomplishment of their duties in due time or any incidental impossibility to dispose of the deposited shares due to usual internal procedure of the intermediaries themselves may not be ascribed to the Company.

Each shareholder entitled to attend the shareholders' meeting may be represented by granting to any third person a written proxy according to the applicable laws; a form of

such a proxy is available at the authorized intermediaries, the Company's registered office and the Company's website at [www.pirelli.com](http://www.pirelli.com).

The reports of the Board of Directors concerning all the items of the agenda, together with the informative document describing the share capital reduction will be made available to the public at the registered office of the Company and Borsa Italiana S.p.A. within the terms respectively provided by the laws.

The documentation related to the meeting will be made available also at the Company's website at [www.pirelli.com](http://www.pirelli.com).

### **Information related to the share capital and the voting shares**

The share capital of Pirelli & C. S.p.A., equal to Euro 1,556,692,865.28, is divided into no. 5,233,142,003 ordinary shares and no. 134,764,429 savings shares (only the ordinary shares have the right to vote in the ordinary and extraordinary meeting). As of today, the Company owns no. 3,867,500 ordinary shares whose voting rights are suspended.

Milan, June 12, 2010

for the Board of Directors

The Chairman

(Mr. Marco Tronchetti Provera)