

The Pirelli logo, consisting of the word "PIRELLI" in a bold, red, sans-serif font, is centered within a bright yellow rectangular background.

PIRELLI

PIRELLI 1H 2015 RESULTS

MILANO – AUGUST 06, 2015



AGENDA



KEY MESSAGES



1H 2015 RESULTS



2015 OUTLOOK & TARGETS



1H 2015 TYRE OVERVIEW



APPENDIX

KEY MESSAGES

> **Solid H1 2015 results despite market volatility in South America and Russia**

- Quality top-line growth: Premium outperformance and best price/mix improvement in the industry
- Profitability confirmed at high level: yoy Ebit improvement by internal levers (price/mix and efficiencies)

> **FY 2015 targets confirmed in a more cautious South American market scenario**

- Backed by better performance of NAFTA, stronger Consumer business offsets Industrial business trend
- Recovery plan in South America already in place: cost cutting measures and production adjustments to secure profitability and cash flow

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1H 15 TYRE OVERVIEW



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PIRELLI KEY FINANCIAL RESULTS

€/Mln	1H 14	1H 15	Δ yoy	2Q 14	2Q 15	Δ yoy	Q2 highlights
Revenues	2,986.9	3,178.5	+6.4%	1,513.7	1,610.1	+6.4%	Progressive improvement in organic growth driven by Premium outperformance, Industrial volume rebound and strong price/mix
<i>Organic Growth*</i>			+3.2%			+4.0%	
EBITDA before Restr. Costs	582.8	609.6	+4.6%	305.5	317.7	+4.0%	
<i>Margin</i>	19.5%	19.2%	-0.3 p.p.	20.2%	19.7%	-0.5 p.p.	
EBIT before Restr. Costs	438.9	451.4	+2.8%	232.2	238.0	+2.5%	<ul style="list-style-type: none"> • Profitability performance sustained by internal levers • Efficiency program well on track with FY 2015 targets (50% achieved in 1H)
<i>Margin</i>	14.7%	14.2%	-0.5 p.p.	15.3%	14.8%	-0.5 p.p.	
Restructuring Costs	(12.7)	(4.8)		(7.0)	(1.5)		
EBIT	426.2	446.6	+4.8%	225.2	236.5	+5.0%	
<i>Margin</i>	14.3%	14.1%	-0.2 p.p.	14.9%	14.7%	-0.2 p.p.	
Results from Equity Investments	(27.2)	(4.0)		(13.4)	(1.5)		
Financial Income / (Charges)	(92.1)	(113.4)		(48.8)	(61.3)		<ul style="list-style-type: none"> • Financial charges discount Bolivar impact on trade receivables (14€/mIn), in line with guidance, and interest rate increase in Russia • 1H'15 tax rate in line with FY 2015 guidance
PBT	306.9	329.2		163.0	173.7		
<i>Tax Rate</i>	-37.4%	-35.8%		-37.6%	-36.7%		
Net income before discontinued operations	192.1	211.4	+10.0%	101.7	110.0	+8.2%	
Discontinued operations	1.7	(14.9)		0.6	1.9		
Net Income	193.8	196.5		102.3	111.9		
Attributable Net Income	189.1	190.8		99.4	108.8		
Investments**	143.6	188.8		78.3	103.2		212 €/mIn Net Cash Flow before dividends and Steelcord cash-in
Net Debt	1,935.2	1,664.4		1,935.2	1,664.4		

* Excluding exchange rate effects

** Tangible and Intangible investments

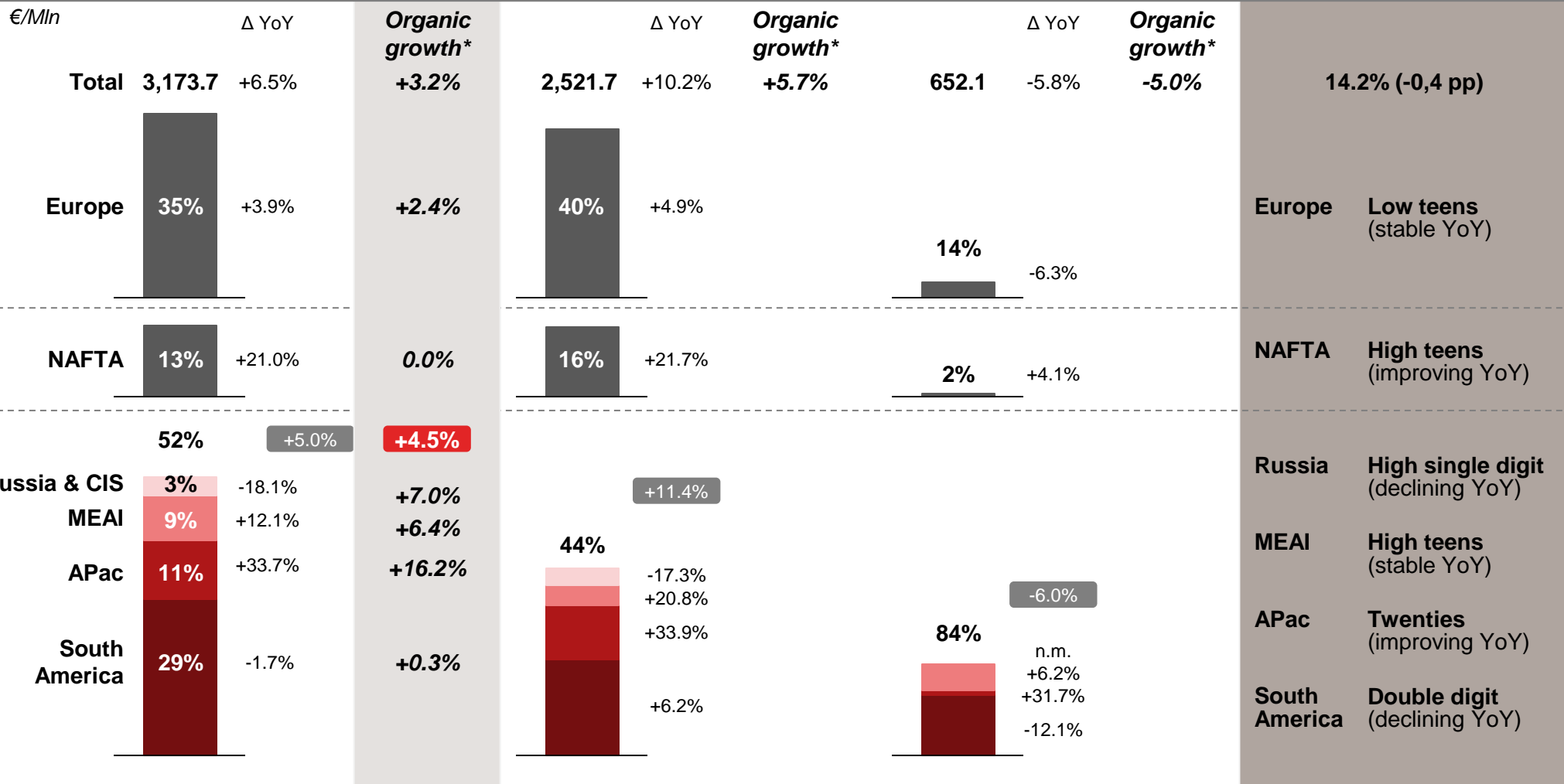
1H 2015 PERFORMANCE BY REGION

Tyre Sales

Consumer Sales

Industrial Sales

Tyre EBIT Margin



* Excluding exchange rate effects

PREMIUM PERFORMANCE BY REGION

€/Mln

Δ YoY

Organic growth*

Total 1,285.1

1,497.4

+17%

+8%

Europe

52%

47%

+5%

- Strong QoQ improvement in revenue growth:
 - Volume outperformance in the ≥18 replacement channel, improving sell-out market share
 - Continued mix growth and pricing in line with Q1 trend
- Progress in selective distribution channel strategy: higher weight of retail (+2pp yoy YTD) and car dealership (+2pp yoy YTD)
- Reinforced leadership in technological niches, such as RunFlat, SUV and marked items

NAFTA

23%

24%

+26%

- Outperformance in SuperPremium with market share increasing by ~ 1 p.p.;
- Mix improvement underpinned by strong growth of OE-marked sales in US-tailored products, such as P7 All Season, P Zero and Cinturato P7 All Season Plus;

25%

29%

-10%
+29%
+21%

Russia & CIS
MEAI
South America
APac

2%

4%

5%

14%

2%

4%

5%

18%

+42%

+31%

- **Russia and CIS:** keep outperforming the market reaching a low teen mkt share in the Premium segment
- **MEAI:** strong performance in all major markets
- **South America:** Premium leadership confirmed
- **APac:** solid Q2 performance with a strong mkt share increase in Super Premium driven by OE pull-through and extended mkt coverage

1H 2014

1H 2015

Weight on Consumer Revenues

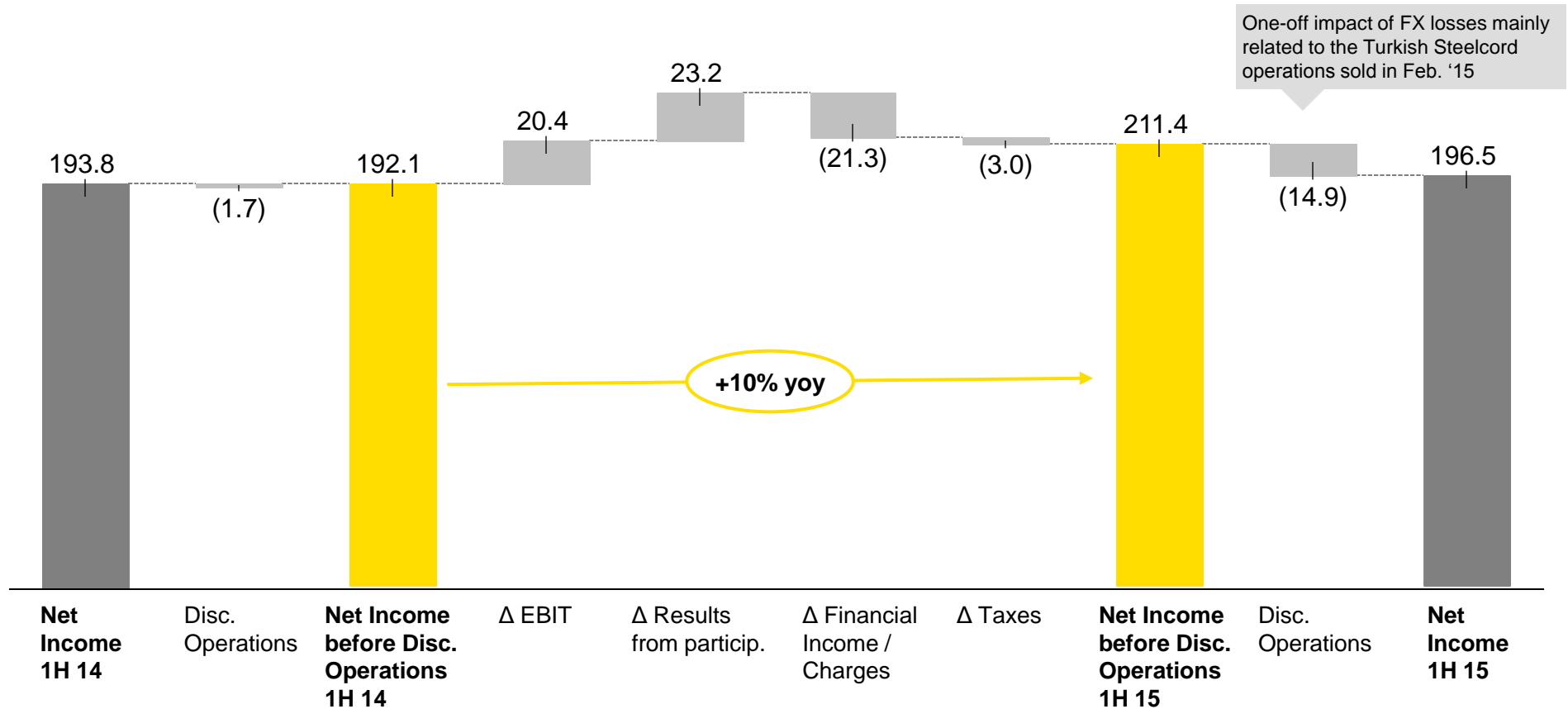
56%

59%

* Excluding exchange rate effects

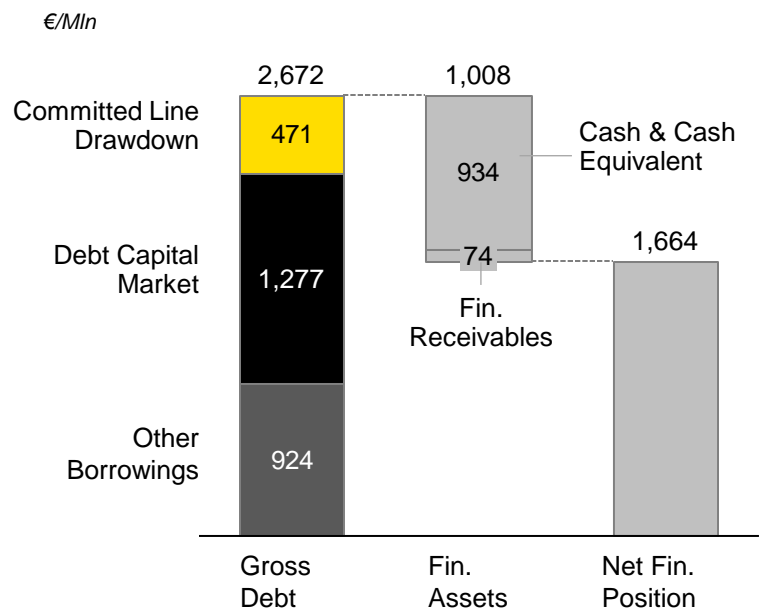
PIRELLI NET INCOME 1H 2015 VS 1H 2014

€/Mln

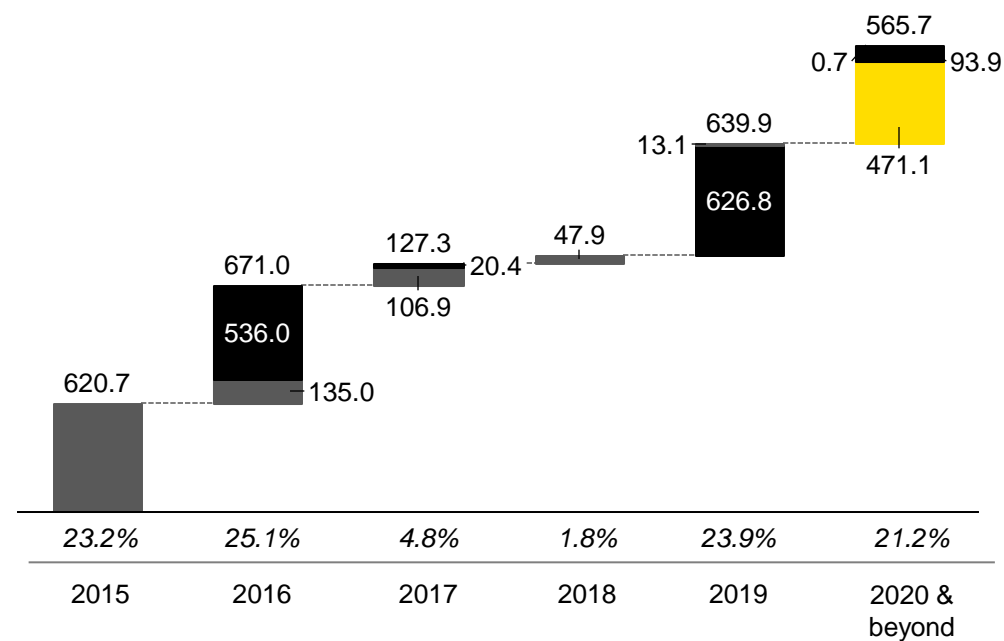


PIRELLI DEBT STRUCTURE AS OF JUNE 30, 2015

Net Financial Position



Gross Debt Maturity



Liquidity Profile

€/Mln

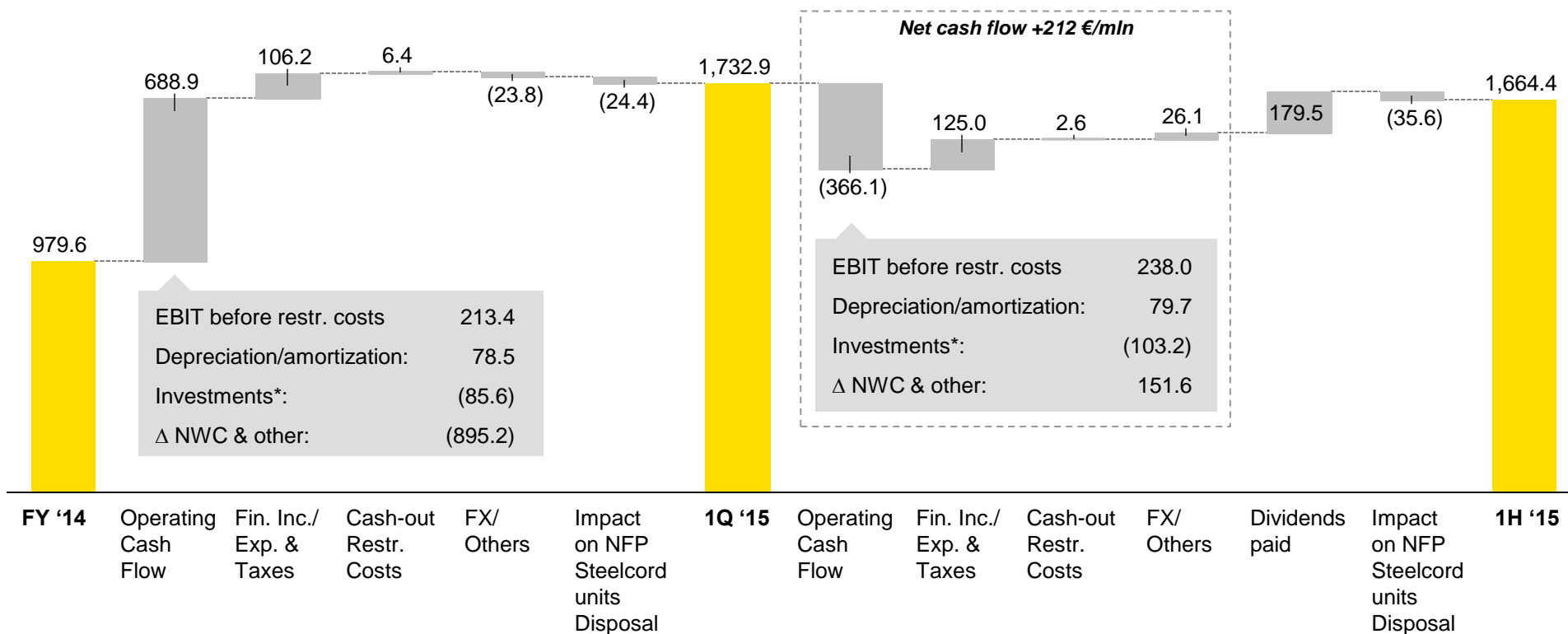
Liquidity position	933.8
Total committed lines not drawn due 2015	728.9
Liquidity Margin	1,662.7

Debt Profile

- ~ 50% of the debt maturity beyond 2016
- Cost of debt 6.24% as of June 30th, 2015
- Gross debt profile ~70% Fixed and ~30% Floating
- Average debt maturity: ~ 2.5 years

PIRELLI 1H 2015 NET FINANCIAL POSITION

€/Mln



* Tangible and intangible investments

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1H 2015 TYRE OVERVIEW






































APPENDIX



2015 REGIONAL TARGETS UPDATE: BETTER NAFTA OFFSETS LATAM

Tyre Market (Δ yoy)

2015 Pirelli Tyre Business Target

What has changed vs. the previous guidance

			Revenues	EBIT Margin**			
NAFTA		Car ~ +1% o/w Premium >+5% Truck* > +3%	  	Mid single-digit organic growth (>20% in €)	= = =	Low twenties increasing YOY 	<ul style="list-style-type: none"> Supportive ForEx, mix improvement and favourable impact from Mexico and Latam production sources
APac		Car ~ +4% o/w Premium > +10% Truck* -2%	  	Mid-teen organic growth (>20% in €)	= = =	Twenties increasing YOY =	<ul style="list-style-type: none"> Strategy confirmed: outperforming Premium market leveraging on OE pull-through and retail development
MEAI		Car ~ +5% o/w Premium ~+9% Truck* > +2%	  	High single-digit organic growth (mid teens in €)	= = =	High teens stable YOY =	<ul style="list-style-type: none"> Outgrowing Premium segment in key countries
EUROPE		Car ~ +2% o/w Premium ~ +11% Truck* > +2%	  	Mid single-digit organic growth	= = =	Mid teens stable YOY =	<ul style="list-style-type: none"> Strategy confirmed: Premium leadership consolidating fully benefitting on OE pull-through, new product launch and selected retail approach
LATAM		Car OE ~ -14%  Repl. ~+1%  o/w Premium > +15%  Truck* OE -36%  Repl. -6% 	  	Low single-digit organic growth (low single digit in €)	 = =	Double-digit declining YOY 	<ul style="list-style-type: none"> Market weakness in non-Premium and OE, unchanged focus on value Temporary reduction of production output in Brazil against lower demand
RUSSIA		Car ~ -18% o/w Premium ~ -15% Truck* -10%	  	Mid single-digit organic growth (mid-teen decline in €)	= = =	High single-digit increasing YOY =	<ul style="list-style-type: none"> Coping with market contraction by focusing on value, efficiencies and higher exports
TOTAL		Car ~ +1% o/w Premium +7% Truck* ~ -1%	  				

  = Δ vs previous guidance

* All steel only

** Before Restructuring Costs



FY 2015 GUIDANCE

	2015 targets May 2015	2015 targets August 2015	
Revenues	~ 6.4 € bln	> 6.35 € bln	
• Volumes	~+2%	+0.5% ÷ +1%	Lower Industrial volumes (Latam and APac) and weaker Car OE demand in Latam and Russia
- o/w Premium	≥+10%	<i>confirmed</i>	
• Price/mix	~+4%	<i>confirmed</i>	
• Foreign Exchange	~+1%	<i>confirmed</i>	2015 FX Guidance confirmed
Total revenues growth	~ +6.5%/+7%	~ +6%	
EBIT post restructuring	~ 930 € mln	<i>confirmed</i>	
• Non-recurring expenses	~40	~30	
		<i>lower valuation adjustments (restructuring costs confirmed)</i>	
		<i>confirmed</i>	
<i>2015 EBIT risk of 30€/mln should Venezuela and Argentina scenarios further deteriorate, with utilization rate down to 30% in Venezuela and volumes -10/-15% YoY in Argentina</i>			
Capex	< 400 € mln	<i>confirmed</i>	
Net cash flow before dividends and Steelcord disposal	≥ 300 € mln	<i>confirmed</i>	
Net Financial Position	~850 € mln	<i>confirmed</i>	

	Yearly avg
EUR/USD	1.10
EUR/RUB	65.0
USD/BRL	3.0
USD/VEF	20.0
USD/ARS	11.5

2015 CONSUMER & INDUSTRIAL GUIDANCE

Consumer Business

	2015 targets May 2015	2015 Targets August 2015
Revenues	~ 5.0 € bln	> 5.0 € bln
• Volumes	>+2%	+1.5% ÷ +2%
- o/w Premium	≥+10%	<i>confirmed</i>
• Price/mix	≥+4%	~ +4.5%
• Forex	~ +2%	<i>confirmed</i>
Total	>+8%	<i>confirmed</i>
EBIT margin before non-recurring items	≥16%	>16%

Industrial Business

	2015 targets May 2015	2015 Targets August 2015
Revenues	~1.4 € bln	~1.35 € bln
• Volumes	~ +1%	~ -3%
• Price/mix	>+2.5%	~ +1%
• Forex	~ -2%	<i>confirmed</i>
Total	~ +1.5%	~ -4%
EBIT margin before non-recurring items	~ 11%	~ 10%

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1H 2015 TYRE OVERVIEW



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KEY TYRE RESULTS

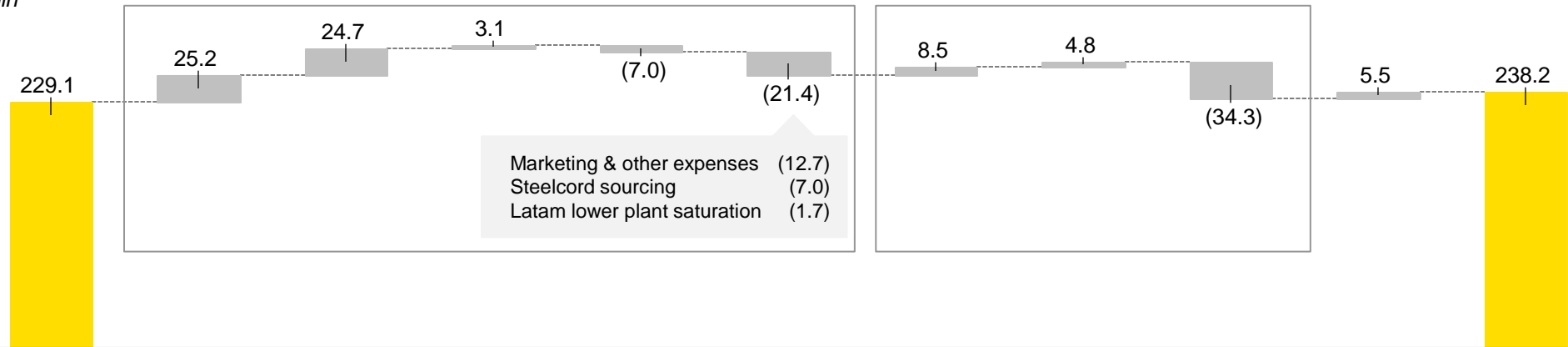
€/Min

	1Q'15	Δ %	2Q'15	Δ %	1H'15	Δ %
Revenues	1,565.3	+6.5%	1,608.4	+6.4%	3,173.7	+6.5%
<i>o/w Premium</i>	726.9	+13.6%	770.5	+19.4%	1,497.4	+16.5%
EBITDA before restr. costs	293.5	+4.7%	319.1	+3.4%	612.6	+4.0%
<i>Margin</i>	18.8%	-0.3 p.p.	19.8%	-0.6 p.p.	19.3%	-0.5 p.p.
EBIT before restr. costs	215.3	+2.4%	239.7	+1.5%	455.0	+1.9%
<i>Margin</i>	13.8%	-0.5 p.p.	14.9%	-0.7 p.p.	14.3%	-0.7 p.p.
EBIT	213.3	+4.1%	238.2	+4.0%	451.5	+4.0%
<i>Margin</i>	13.6%	-0.3 p.p.	14.8%	-0.4 p.p.	14.2%	-0.4%

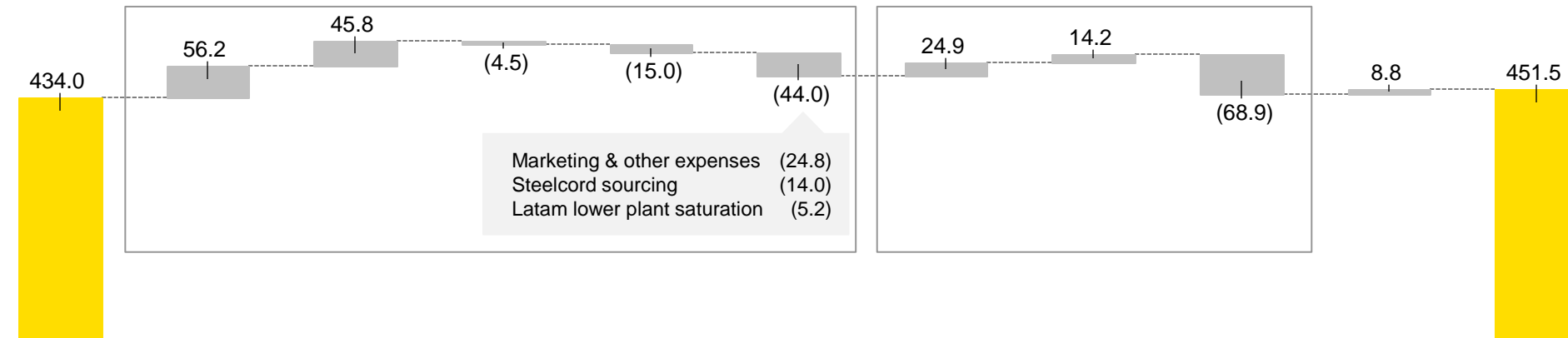
Revenue drivers	1Q'15	2Q'15	1H'15
Δ Price/Mix	+3.7%	+3.4%	+3.5%
Δ Volumes	-1.3%	+0.6%	-0.3%
<i>o/w Premium</i>	+10.0%	+11.0%	+10.4%
Δ Revenues (before exchange rate impact)	+2.4%	+4.0%	+3.2%
Δ Exchange Rate	+4.1%	+2.4%	+3.3%

PIRELLI TYRE OPERATING PERFORMANCE

€/Mln



EBIT 2Q '14 Price/Mix Efficiencies Volume D&A Other costs Raw Materials FX Other Input Costs (Labour / Energy / other) Restr. costs **EBIT 2Q '15**



EBIT 1H '14 Price/Mix Efficiencies Volume D&A Other costs Raw Materials FX Other Input Costs (Labour / Energy / other) Restr. costs **EBIT 1H '15**

CONSUMER BUSINESS: PIRELLI PERFORMANCE

€/Min

	1Q'15	Δ %	2Q'15	Δ %	1H'15	Δ %
Revenues	1,237.4	+9.6%	1,284.3	+10.8%	2,521.7	+10.2%
<i>o/w Premium</i>	726.9	+13.6%	770.5	+19.4%	1,497.4	+16.5%
% revenues	58.7%	+2.0 p.p.	60.0%	+4.4 p.p.	59.4%	+3.2 p.p.
EBITDA before restr. costs	246.3	+12.3%	276.8	+12.9%	523.1	+12.6%
<i>Margin</i>	19.9%	+0.5 p.p.	21.6%	+0.5 p.p.	+20.7%	+0.4 p.p.
EBIT before restr. costs	182.0	+11.9%	210.0	+12.4%	392.0	+12.2%
<i>Margin</i>	14.7%	+0.3 p.p.	16.4%	+0.3 p.p.	15.5%	+0.2 p.p.
EBIT	180.4	+13.6%	208.5	+15.0%	388.9	+14.3%
<i>Margin</i>	14.6%	+0.5 p.p.	16.2%	+0.6 p.p.	15.4%	+0.5 p.p.
Revenue drivers	1Q'15		2Q'15		1H'15	
Δ Price/Mix	+4.7%		+4.1%		+4.4%	
Δ Volumes	+0.4%		+2.2%		+1.3%	
<i>o/w Premium</i>	+10.0%		+11.0%		+10.4%	
Δ Revenues (before exchange rate impact)	+5.1%		+6.3%		+5.7%	
Δ Exchange Rate	+4.5%		+4.5%		+4.5%	

INDUSTRIAL BUSINESS: PIRELLI PERFORMANCE

€/Min

	1Q'15	Δ %	2Q'15	Δ %	1H'15	Δ %
Revenues	327.9	-3.8%	324.1	-7.8%	652.0	-5.8%
EBITDA before restr. costs	47.2	-22.5%	42.3	-33.5%	89.5	-28.1%
<i>Margin</i>	14.4%	-3.5 p.p.	13.1%	-5.0 p.p.	13.7%	-4.3 p.p.
EBIT before restr. costs	33.3	-30.0%	29.7	-39.8%	63.0	-35.0%
<i>Margin</i>	10.2%	-3.8 p.p.	9.2%	-4.8 p.p.	9.7%	-4.3 p.p.
EBIT	32.9	-28.6%	29.7	-37.9%	62.6	-33.3%
<i>Margin</i>	10.0%	-3.5 p.p.	9.2%	-4.4 p.p.	9.6%	-4.0 p.p.

-2.7pp vs. 1H 2014 excl.
Steelcord business

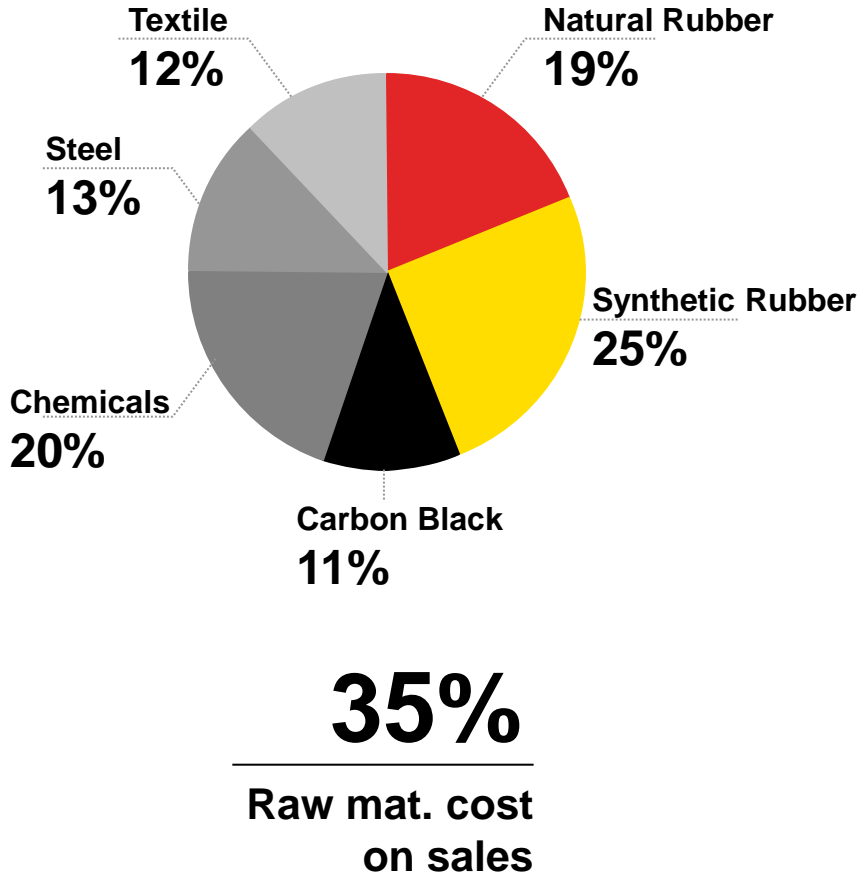
Revenue drivers	1Q'15	2Q'15	1H'15
Δ Price/Mix	-0.1%	+1.3%	+0.7%
Δ Volumes	-6.7%	-4.7%	-5.7%
Δ Revenues (before exchange rate impact)	-6.8%	-3.4%	-5.0%
Δ Exchange Rate	+3.0%	-4.4%	-0.8%

2015 PROFITABILITY GUIDANCE

Driver	2015 targets May 2015 Impact	2015 targets Aug 2015 Impact	Δ vs. previous guidance
Volumes	+2% of sales	+0.5% ÷ +1% of sales	-20 € mln on Ebit (lower volumes with below-average profitability)
Price/Mix	~ +4% of sales	Confirmed	
Forex	+1% of sales	confirmed	
	Δ YoY on EBIT	Δ YoY on EBIT	
Efficiencies	~ +90 €/mln	confirmed	
Raw Materials	+30 €/mln	+40 €/mln	+10 €/mln
Other Input Costs	~ -135 €/mln	~ -145 €/mln	-10 €/mln due to lower saturation of plants in South America and higher inflation
D&A	-30 €/mln	confirmed	
Other Costs	-60€/mln	-50€/mln	+10 €/mln due to lower commercial costs in line with the new volume scenario
Minor businesses	~ Δ YoY slightly positive (FY15E EBIT: < -10 €/mln)	confirmed	
Non recurring expenses	-10 €/mln	0 €/mln	+10 €/mln due to lower valuation adjustments
Ebit	930 €/mln	Confirmed	

2015 RAW MATERIAL GUIDANCE

Raw material breakdown 1H 2015



	2015 Old Guidance			2015 New Guidance	
	2014A	2015E	Δ YOY	2015E	Δ YOY
Average cost of goods sold (€/Mln)					
Natural Rubber TSR20 (\$/ton)	~1.950	~1.550	+105	~1.500	+111
Brent Oil (\$/barrell)	109	70	+130	70	+130
Butadiene EU (€/Ton)	~950	~750	+39	~750	+39
FX			-244		-240
Total			+30		+40

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KEY MESSAGES



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1H 2015 TYRE OVERVIEW



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PIRELLI GROUP – 2Q 2015 RESULTS

Profit & Loss Statement and Net Financial Position by Business Unit

€/Mln	Pirelli tyre		Other		Pirelli & C. Cons.	
	2Q'14	2Q'15	2Q'14	2Q'15	2Q'14	2Q'15
SALES	1,511.3	1,608.4	2.4	1.7	1,513.7	1,610.1
EBITDA before Restr. Costs	308.7	319.1	(3.2)	(1.4)	305.5	317.7
<i>% of sales</i>	20.4%	19.8%			20.2%	19.7%
EBIT before Restr. Costs	236.1	239.7	(3.9)	(1.7)	232.2	238.0
<i>% of sales</i>	15.6%	14.9%			15.3%	14.8%
Restructuring Costs	(7.0)	(1.5)	0.0	0.0	(7.0)	(1.5)
EBIT	229.1	238.2	(3.9)	(1.7)	225.2	236.5
<i>% of sales</i>	15.2%	14.8%			14.9%	14.7%
Results from equity participations					(13.4)	(1.5)
Financial income/charges					(48.8)	(61.3)
EBT					163.0	173.7
Fiscal Charges					(61.3)	(63.7)
Net income before discontinued operations					101.7	110.0
Discontinued operations					0.6	1.9
Net Income					102.3	111.9
Attributable Net Income					99.4	108.8
Net Financial Position					1,935.2	1,664.4

PIRELLI GROUP – 1H 2015 RESULTS

Profit & Loss Statement and Net Financial Position by Business Unit

€/Mln	Pirelli tyre		Other		Pirelli & C. Cons.	
	1H'14	1H'15	1H'14	1H'15	1H'14	1H'15
SALES	2,980.8	3,173.7	6.1	4.8	2,986.9	3,178.5
EBITDA before Restr. Costs	589.0	612.6	(6.2)	(3.0)	582.8	609.6
<i>% of sales</i>	<i>19.8%</i>	<i>19.3%</i>			<i>19.5%</i>	<i>19.2%</i>
EBIT before Restr. Costs	446.4	455.0	(7.5)	(3.6)	438.9	451.4
<i>% of sales</i>	<i>15.0%</i>	<i>14.3%</i>			<i>14.7%</i>	<i>14.2%</i>
Restructuring Costs	(12.4)	(3.5)	(0.3)	(1.3)	(12.7)	(4.8)
EBIT	434.0	451.5	(7.8)	(4.9)	426.2	446.6
<i>% of sales</i>	<i>14.6%</i>	<i>14.2%</i>			<i>14.3%</i>	<i>14.1%</i>
Results from equity participations					(27.2)	(4.0)
Financial income/charges					(92.1)	(113.4)
EBT					306.9	329.2
Fiscal Charges					(114.8)	(117.8)
Net income before discontinued operations					192.1	211.4
Discontinued operations					1.7	(14.9)
Net Income					193.8	196.5
Attributable Net Income					189.1	190.8
Net Financial Position					1,935.2	1,664.4

PIRELLI GROUP – 2014 QUARTERLY RESULTS

€/Mln	Q1'14		Q2'14		Q3'14		Q4'14		FY'14	
	Tyre	Group	Tyre	Group	Tyre	Group	Tyre	Group	Tyre	Group
SALES	1,469.5	1,473.2	1,511.3	1,513.7	1,539.2	1,541.8	1,487.5	1,489.4	6,007.5	6,018.1
EBITDA before Restr. Costs	280.3	277.3	308.7	305.5	287.2	284.9	300.7	300.3	1,176.9	1,168.0
% of sales	19.1%	18.8%	20.4%	20.2%	18.7%	18.5%	20.2%	20.2%	19.6%	19.4%
EBIT before Restr. Costs	210.3	206.7	236.1	232.2	211.7	208.9	222.3	221.4	880.4	869.2
% of sales	14.3%	14.0%	15.6%	15.3%	13.8%	13.5%	14.9%	14.9%	14.7%	14.4%
Restructuring Costs	(5.4)	(5.7)	(7.0)	(7.0)	(5.4)	(5.4)	(10.0)	(13.2)	(27.8)	(31.3)
EBIT	204.9	201.0	229.1	225.2	206.3	203.5	212.3	208.2	852.6	837.9
% of sales	13.9%	13.6%	15.2%	14.9%	13.4%	13.2%	14.3%	14.0%	14.2%	13.9%
Results from equity participations		(13.8)		(13.4)		(5.1)		(54.7)		(87.0)
Financial Income / (Charges)		(43.3)		(48.8)		(43.6)		(126.7)		(262.4)
EBT		143.9		163.0		154.8		26.8		488.5
Fiscal Charges		(53.5)		(61.3)		(49.5)		(9.0)		(173.3)
Net Income before discontinued operations		90.4		101.7		105.3		47.8		350.4
Discontinued Operations		1.1		0.6		0.9		15.0		17.6
Net Income		91.5		102.3		106.2		32.8		332.8
Attributable Net Income		89.7		99.4		101.4		28.8		319.3
Net Financial Position		1,965.6		1,935.2		2,003.9		979.6		979.6

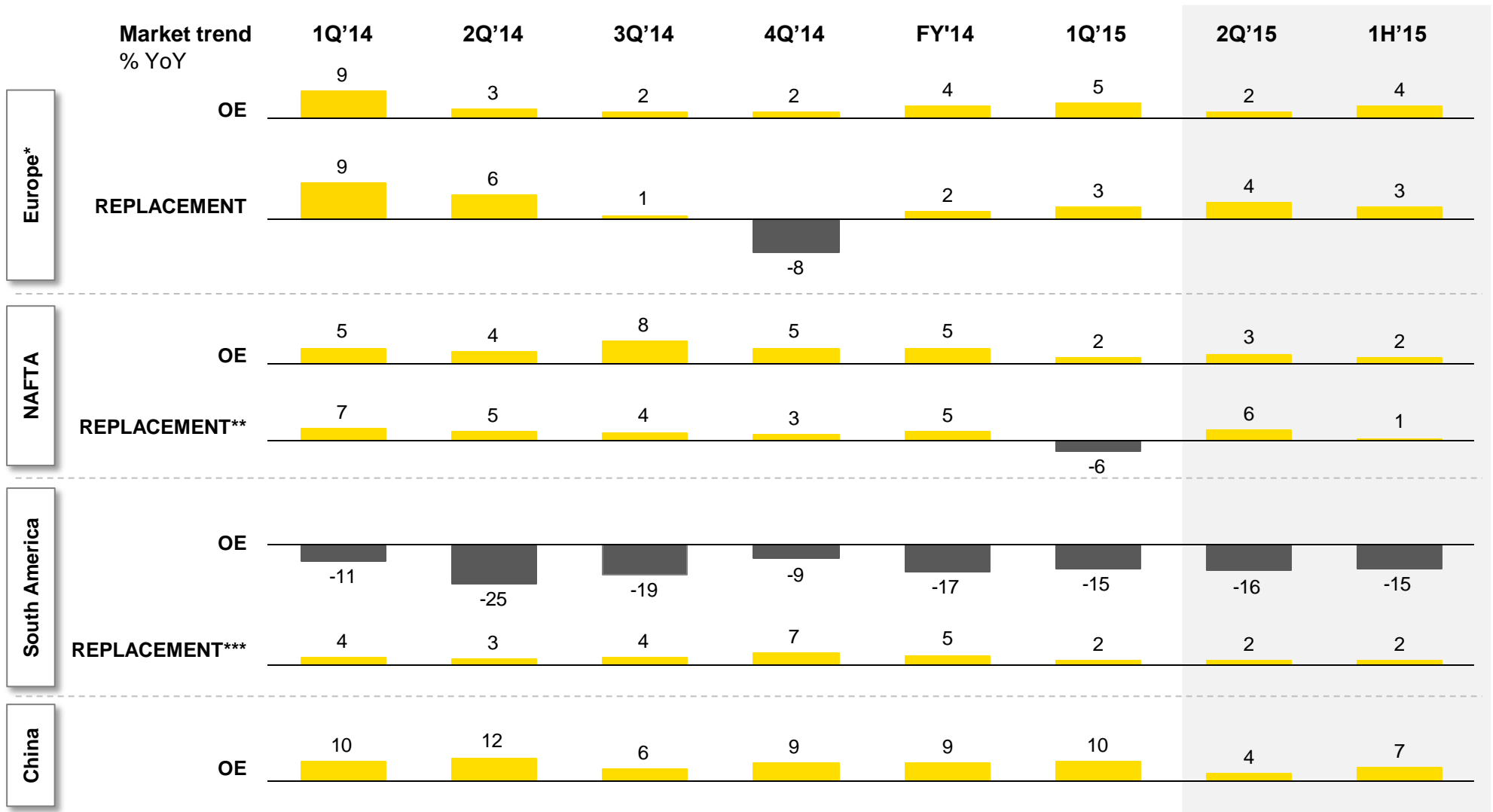
PIRELLI GROUP CASH FLOW

€/Mln	1Q'14	2Q'14	1H'14	1Q'15	2Q'15	1H'15
EBIT before restructuring costs	206.7	232.2	438.9	213.4	238.0	451.4
Depreciation / Amortization	70.6	73.3	143.9	78.5	79.7	158.2
Net investments	(65.3)	(78.3)	(143.6)	(85.6)	(103.2)	(188.8)
Working capital / other variations	(686.6)	77.4	(609.2)	(895.2)	151.6	(743.6)
OPERATING CASH FLOW	(474.6)	304.6	(170.0)	(688.9)	366.1	(322.8)
Financial income / (expenses)	(43.3)	(48.8)	(92.1)	(52.1)	(61.3)	(113.4)
Taxes	(53.5)	(61.3)	(114.8)	(54.2)	(63.7)	(117.8)
NET OPERATING CASH FLOW	(571.4)	194.5	(376.9)	(795.1)	241.1	(554.0)
Financial investments/divestments	(3.7)	2.8	(0.9)	(14.4)	(0.4)	(14.8)
Other dividends paid	(0.5)	(2.9)	(3.4)	(7.6)	(2.5)	(10.1)
Cash-out for restructuring	(12.9)	(5.9)	(18.8)	(6.4)	(2.6)	(9.0)
Deval. Venezuela incl. in financial charges	-	-	-	-	14.2	14.2
Net cash flow from discontinued operations	(8.7)	10.5	1.8	-	-	-
Exchange rate differentials / others	(46.0)	(11.9)	(57.9)	45.8	(37.4)	8.4
NET CASH FLOW BEFORE DIVIDENDS & STEELCORD	(643.2)	187.1	(456.1)	(777.7)	212.4	(565.3)
Dividends paid	-	(156.7)	(156.7)	-	(179.5)	(179.5)
Impact on NFP Steelcord units disposal	-	-	-	24.4	35.6	60.0
NET CASH FLOW	(643.2)	30.4	(612.8)	(753.3)	68.5	(684.8)

PIRELLI BALANCE SHEET

€/Mln	FY'14	1H'15
FIXED ASSETS	3,874.0	4,012.6
Inventories	1,055.0	1,131.8
Trade receivables	673.8	1,002.0
Trade payables	(1,394.4)	(1,163.5)
NET OPERATING WORKING CAPITAL	334.4	970.3
Other payables/receivables	33.9	119.2
Net Working Capital	368.3	1,089.5
Net Invested Capital held for sale	30.8	-
NET INVESTED CAPITAL	4,273.1	5,102.1
Total Net Equity	2,611.5	2,772.3
Provisions	682.0	665.4
Net Financial Position	979.6	1,664.4
TOTAL	4,273.1	5,102.1
Attributable Net Equity	2,548.3	2,707.5
Equity per Share (euro)	5.22	5.55

CONSUMER BUSINESS: KEY MARKET TRENDS



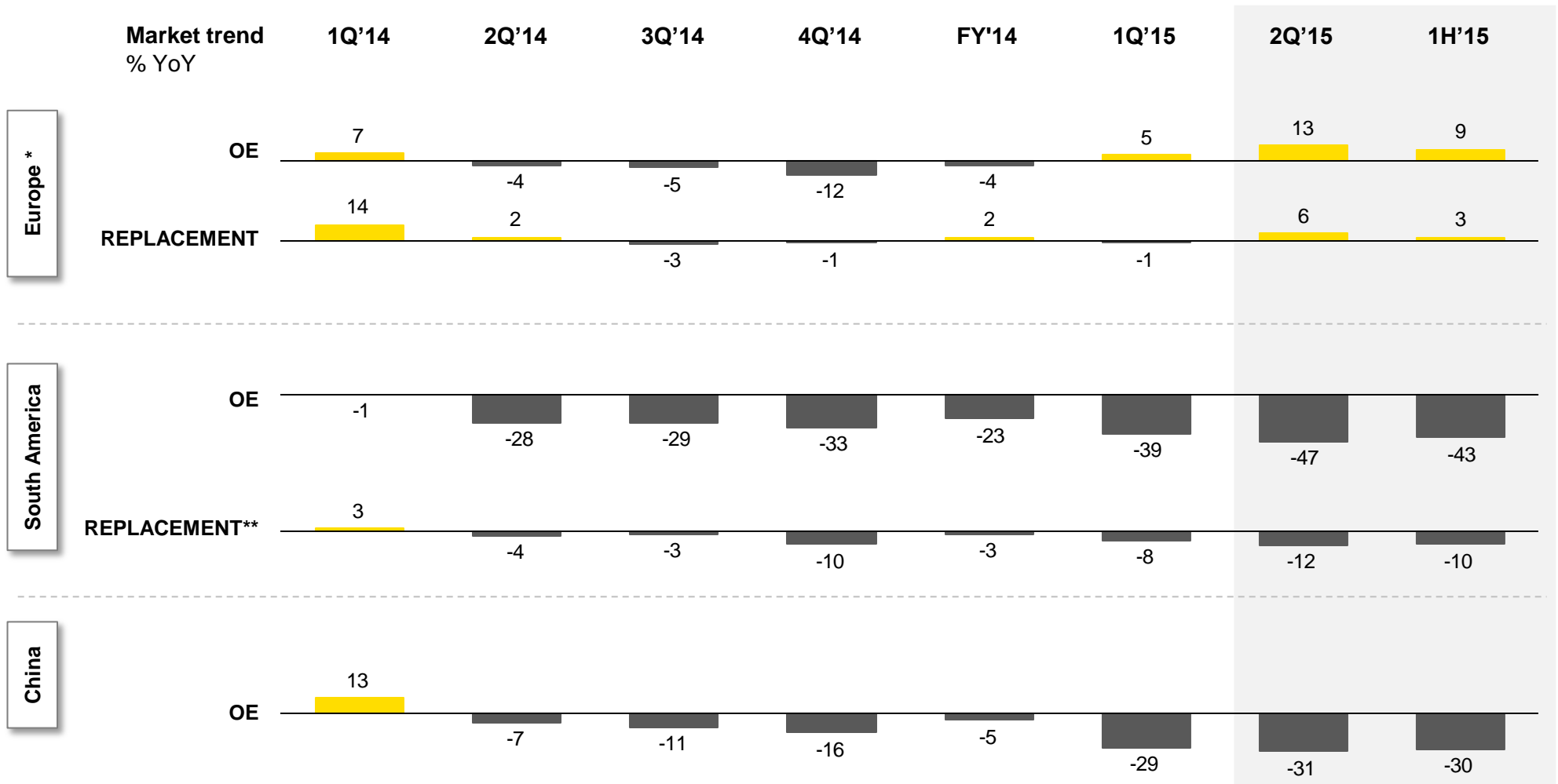
* Turkey included, Russia excluded

** NAFTA Replacement includes imports

*** South America Replacement restated to include Brazilian imports

Source: Local tire manufacturer associations

INDUSTRIAL BUSINESS: KEY MARKET TRENDS



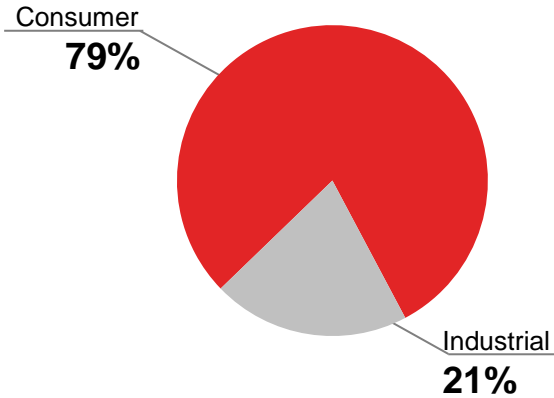
* Turkey included and Russia excluded

** Non-pool members' imports not included

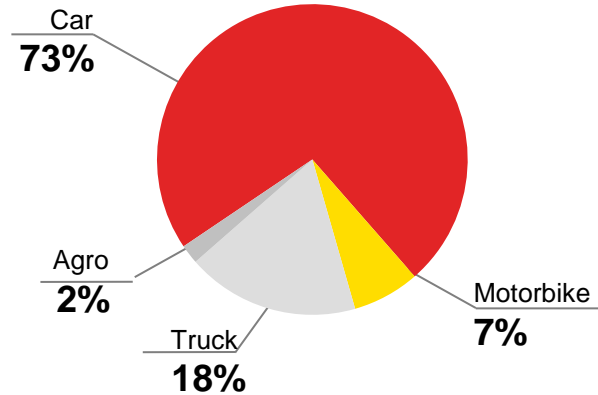
Source: Major external data providers for each Region and Pirelli Estimates

1H 2015 PIRELLI TYRE MIX

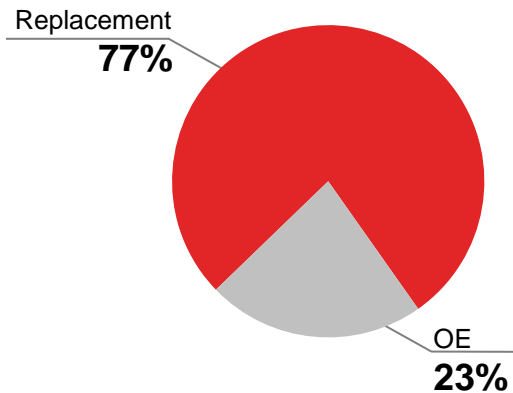
Sales by Business



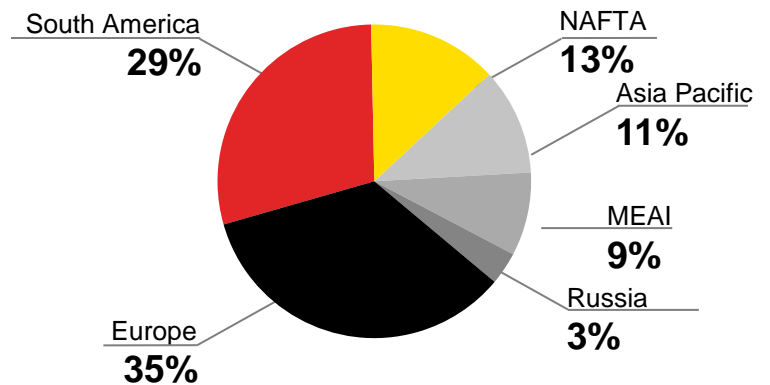
Sales by Segment



Sales by Channel

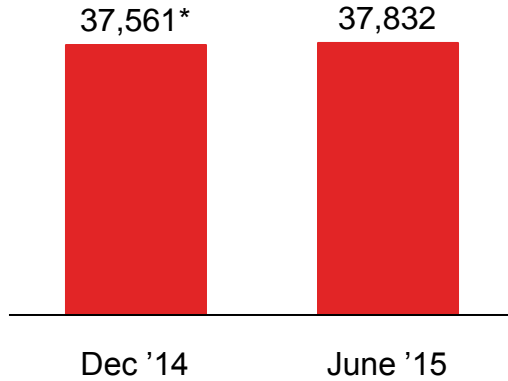


Sales by Region



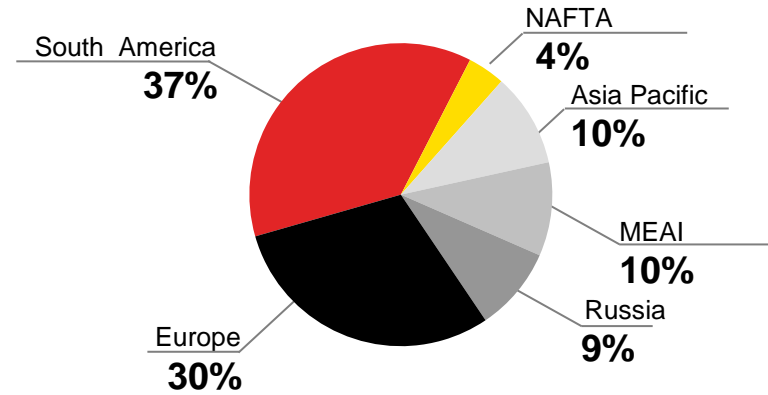
JUNE 2015 PIRELLI PEOPLE

Headcount

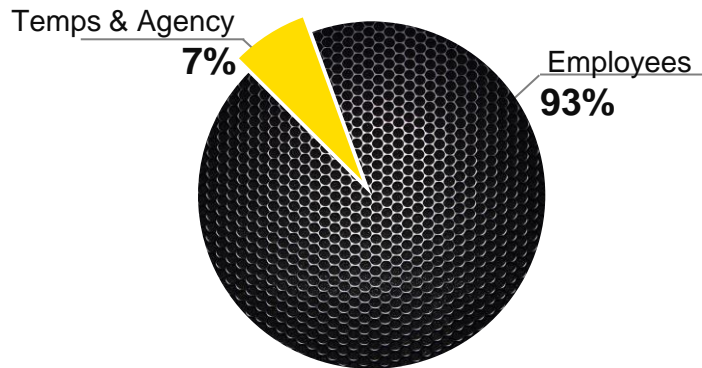


* Without Steelcord headcount

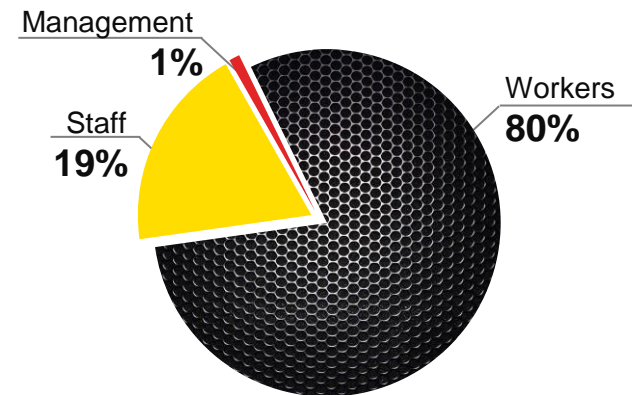
People by Region



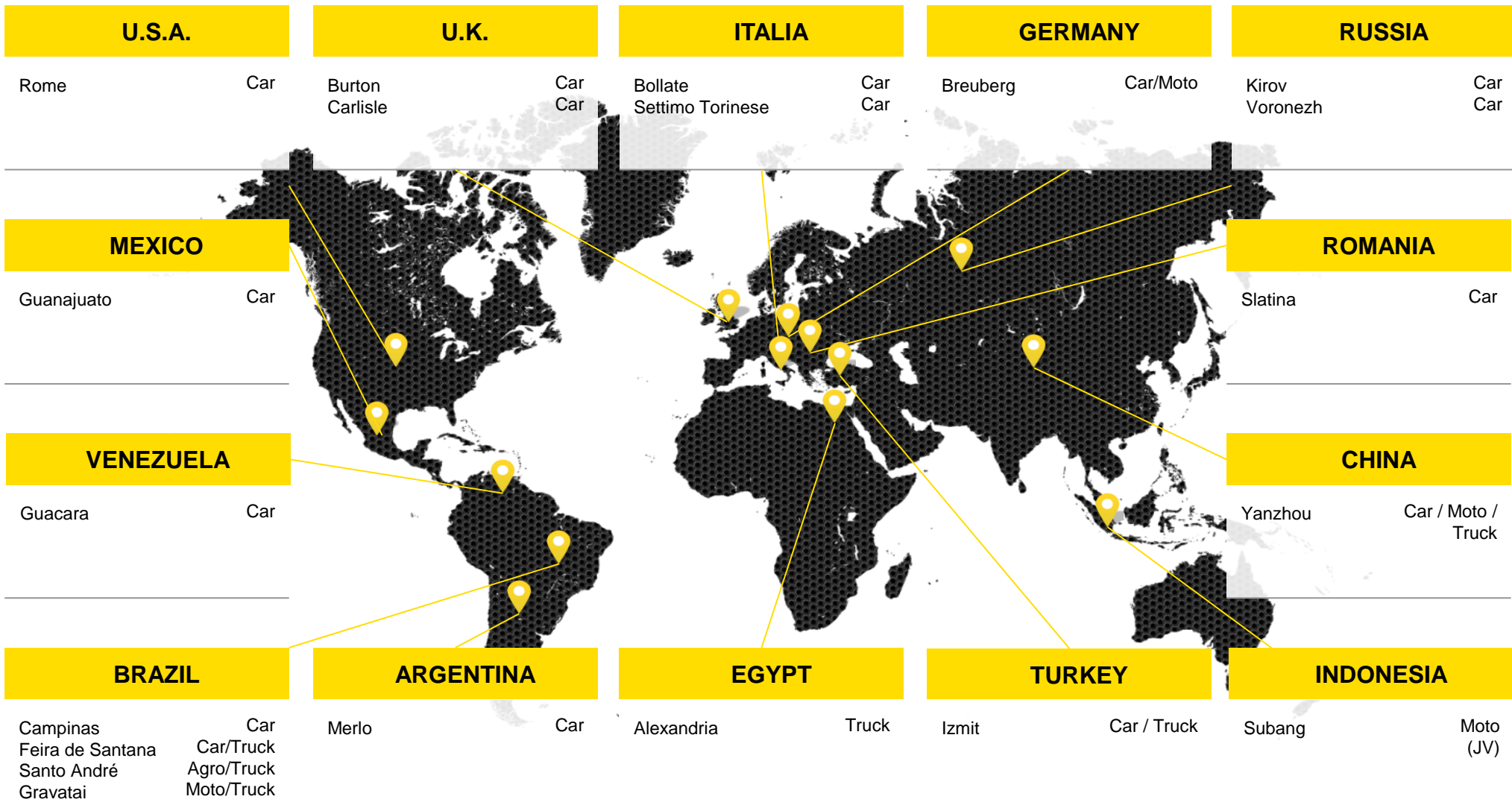
People by Contract



People by Cluster

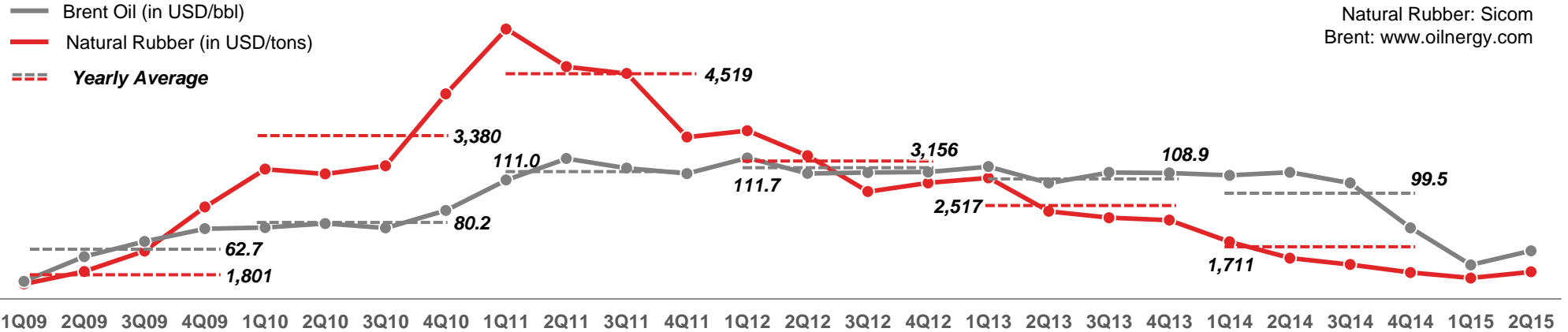


PIRELLI PLANTS IN THE WORLD



RAW MATERIALS

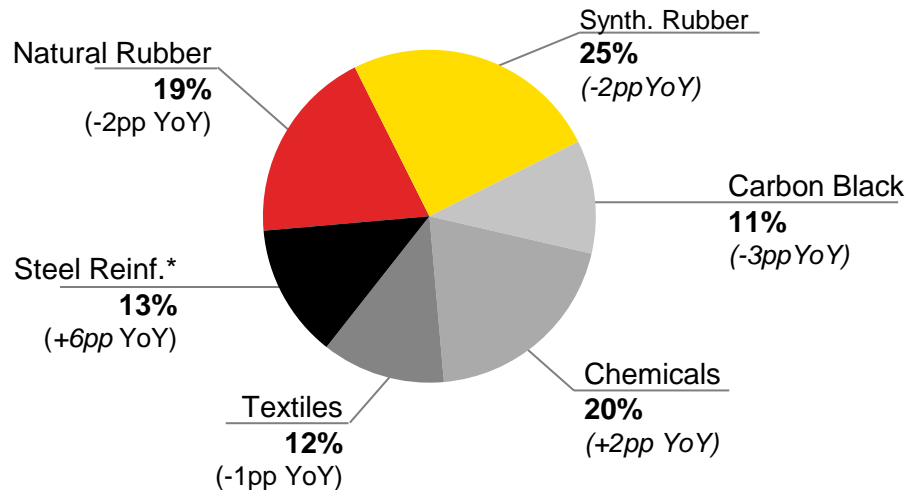
Raw Material Price Trend



1H 2015 Mix (Based on Purchasing Cost)

35%

Raw mat. costs on sales



* Beadwire + Rodwire up to 2014 / Beadwire + Steelcord starting from 2015

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