PIRELLI 9M 2015 RESULTS

MILANO – NOVEMBER 11, 2015

KEY MESSAGES

9M Financial results and updated 2015 Guidance

- > Sound results despite ~1/3 of our business being in countries (e.g. South America and Russia) where the external scenario suddenly deteriorated in mid-August; FX volatility increased, demand fell sharply in the OE Channel (both Car and Truck) and in the Industrial Business.
- > In this scenario, we achieved industry-leading organic growth and sound profitability, boosted by Premium outperformance across markets, top price/mix improvement and progress on the efficiency plan. Strong performance in Consumer business offset weakness in Industrial.
- > 2015 guidance update: cash flow and NFP target confirmed. Our internal value drivers (efficiency and price/mix) and a prompt recovery plan will mitigate the impact of the external scenario on profitability.

Next chapter of our equity story

- > Completion of Public Tender Offer is a testimony to the positive response by Financial Markets to ChemChina-Pirelli industrial partnership
- > Partnership will strengthen Pirelli's presence in a strategic geographic area characterized by strong growth as well as give birth to a global leader in the Industrial tyre segment
- > Re-listing expected by at least the fourth year following the transaction

Pirelli Management wish to thank investors and analysts who took part in the Company's value creation journey, and is looking forward to a prompt return to equity market with a new growth story

AGENDA

9M 2015 RESULTS

2015 OUTLOOK & TARGETS

9M 15 TYRE OVERVIEW

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PIRELLI KEY FINANCIAL RESULTS

€/Mln	9M 14	9M 15	Δ yoy	3Q 14	3Q 15	Δ yoy
Revenues	**4,528.7**	**4,711.9**	*+4.0%*	**1,541.8**	**1,533.4**	*-0.5%*
*Organic Growth**			*+3.3%*			*+3.7%*
EBITDA before Restr. Costs	**867.7**	**893.4**	*+3.0%*	**284.9**	**283.8**	*-0.4%*
Margin	*19.2%*	*19.0%*	*-0.2 p.p.*	*18.5%*	*18.5%*	*0.0 p.p.*
EBIT before Restr. Costs	**647.8**	**657.2**	*+1.5%*	**208.9**	**205.8**	*-1.5%*
Margin	*14.3%*	*13.9%*	*-0.4 p.p.*	*13.5%*	*13.4%*	*-0.1 p.p.*
Restructuring Costs	(18.1)	(9.1)		(5.4)	(4.3)	
EBIT	**629.7**	**648.1**	*+2.9%*	**203.5**	**201.5**	*-1.0%*
Margin	*13.9%*	*13.8%*	*-0.1 p.p.*	*13.2%*	*13.1%*	*-0.1 p.p.*
Results from Equity Investments	(32.3)	(6.2)		(5.1)	(2.2)	
Financial Income / (Charges)	(135.7)	(180.5)		(43.6)	(67.1)	
PBT	**461.7**	**461.4**	-0.1%	**154.8**	**132.2**	*-14.6%*
Tax Rate	*-35.6%*	*-36.9%*		*-32.0%*	*-39.6%*	
Net Income before discontinued operations	**297.4**	**291.2**		**105.3**	**79.8**	
Discontinued operations	2.6	(14.6)		0.9	0.3	
Net Income	**300.0**	**276.6**		**106.2**	**80.1**	
Attributable Net Income	**290.5**	**269.0**		**101.4**	**78.2**	
Investments**	**244.7**	**261.8**		**101.1**	**73.0**	
Net Debt	**2,003.9**	**1,685.5**		**2,003.9**	**1,685.5**	

Q3 Highlights

- Sound organic growth despite South American and Russian market deterioration
- Increasing Premium weight at 62% (+6 p.p. yoy)
- Profitability performance sustained by strong price/mix, best quarterly result ytd
- Stable margin overall: profitability growth in the Consumer business compensating Industrial weakness
- Financial charges negatively impacted by the effect of Bolivar devaluation on trade receivables (23€/mln in 9M) and interest rate increase in Russia
- Higher tax rate in 3Q ’15 reflects the impact of the Bolivar devaluation
- Net Debt trend in line with seasonality of the net working capital, to be reversed in the last quarter

* *Excluding exchange rate effects*
** *Tangible and Intangible investments*

9M 2015 PERFORMANCE BY REGION

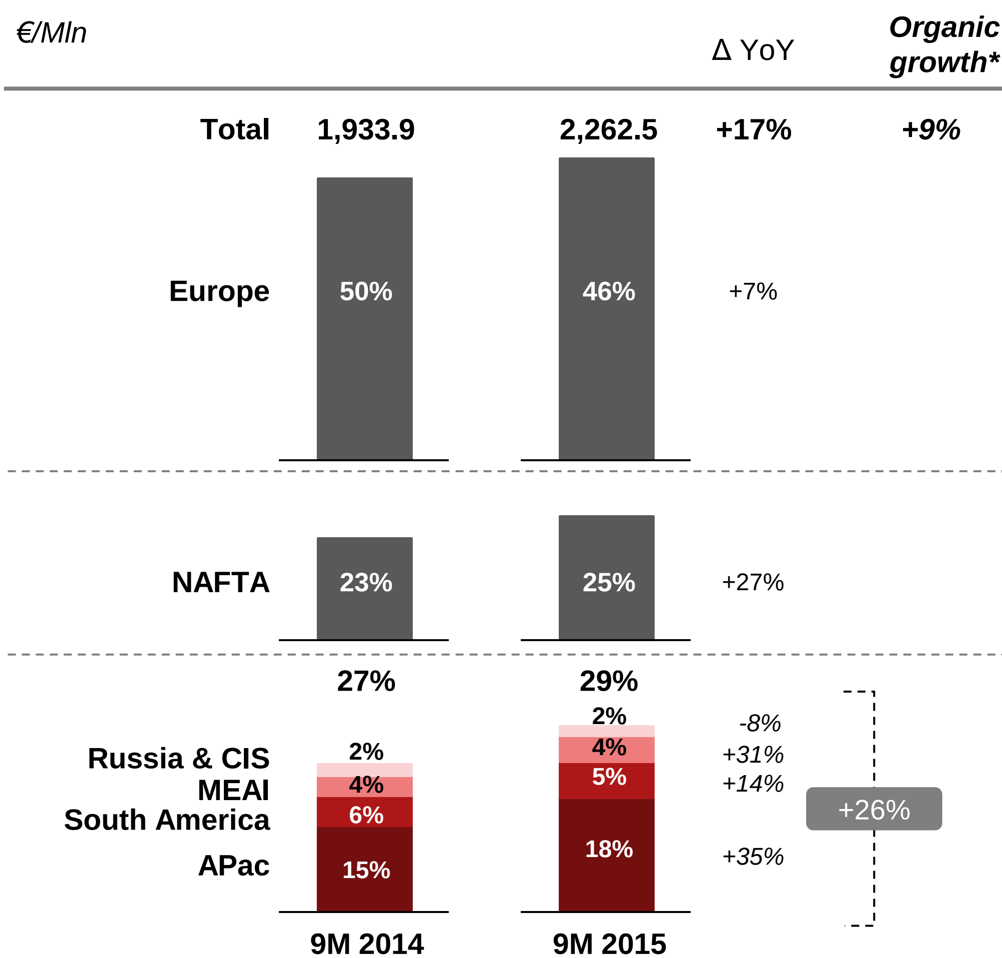
€/Mln

	Tyre Sales	Δ YoY	*Organic growth**	Consumer Sales	Δ YoY	*Organic growth**	Industrial Sales	Δ YoY	*Organic growth**	Tyre EBIT Margin
Total	**4,705.0**	+4.1%	***+3.4%***	**3,761.6**	+8.5%	***+5.9%***	**943.4**	-10.5%	***-5.1%***	**13.9% (-0.3 pp)**
Europe	**35%**	+5.0%	***+3.6%***	**40%**	+5.9%		**15%**	-4.3%		**Low-teens** (stable YoY)
NAFTA	**14%**	+23.5%	***+4.0%***	**17%**	+24.4%		**2%**	+1.5%		**Low-twenties** (improving YoY)
	51%	-0.7%	***+3.1%***	**43%**	+5.6%		**83%**	-11.8%		
Russia & CIS	**3%**	-20.7%	***+6.8%***		-19.8%			n.m.		**Mid single-digit** (declining YoY)
MEAI	**9%**	+11.8%	***+8.4%***		+21.5%			+5.4%		**High-teens** (stable YoY)
APac	**11%**	+28.4%	***+12.8%***		+28.8%			+24.1%		**Twenties** (improving YoY)
South America	**28%**	-9.4%	***-1.4%***		-2.1%			-19.1%		**Double-digit** (declining YoY)

* *Excluding exchange rate effects*

PIRELLI

PREMIUM PERFORMANCE BY REGION



- Strong performance in Q3 (best quarter ytd):
  - Premium volumes outperformance vs. market
  - Sustained mix improvement
- Leadership in Super Premium confirmed, increasing QoQ;
- Outperformance in Premium Winter segment thanks to better product portfolio and more solid presence in the Car Dealer channel;
- Reinforced leadership in technological niches, such as RunFlat, SUV and marked items.

- Premium volumes growth ~2x the market in the nine-month period;
- Super Premium growth supported by Tier 1 Customers, especially driven by the exceptional growth of Dealer Tire;

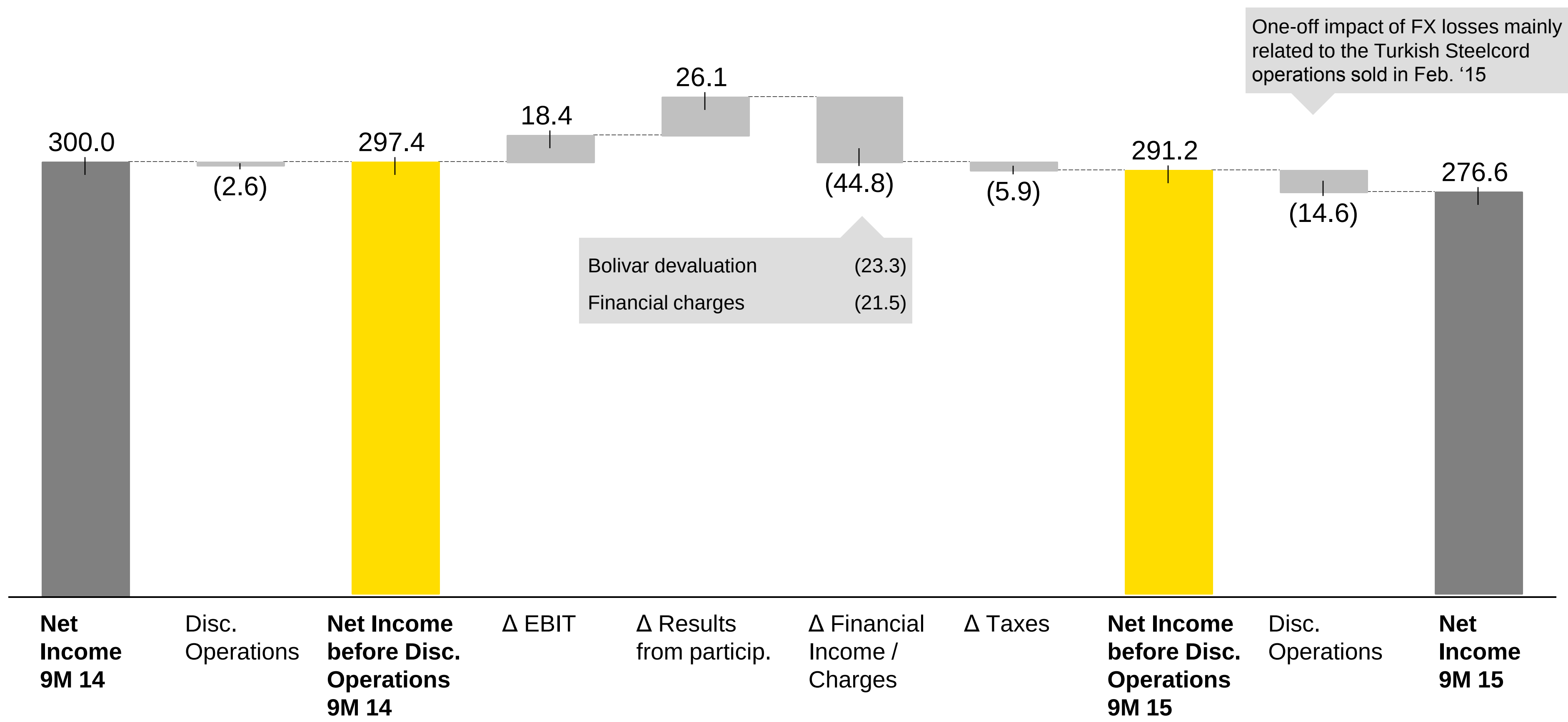
- **Russia and CIS:** market outperformance continues, increasing market share in Premium and Super Premium segments (+3 p.p.) in Q3;
- **MEAI:** strong performance in all major markets with significant market share growth in replacement sales in GCC area;
- **South America:** Premium leadership confirmed;
- **APac:** strong Q3 performance and leadership on ≥18'' confirmed; geo-marketing and retail expansion plan on track, Premiumization of Pirelli POS continues.

	9M 2014	9M 2015
Weight on Consumer Revenues	***56%***	**60%**

* *Excluding exchange rate effects*

PIRELLI NET INCOME 9M 2015 VS 9M 2014

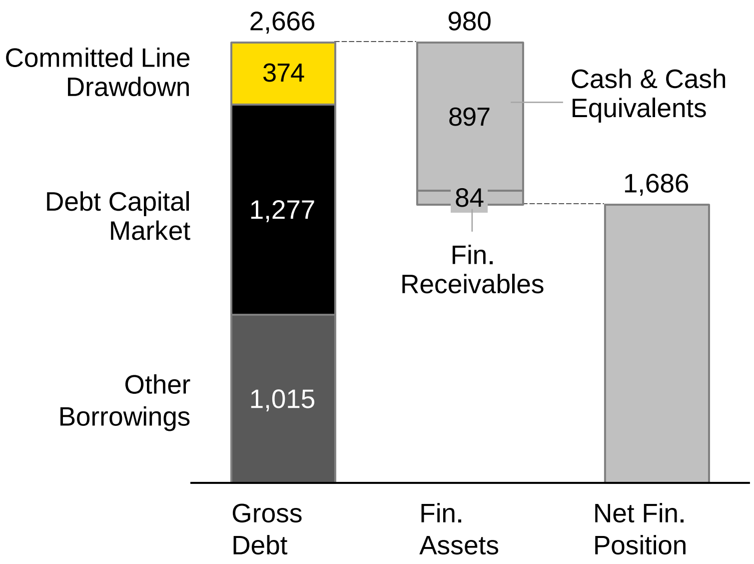
€/Mln



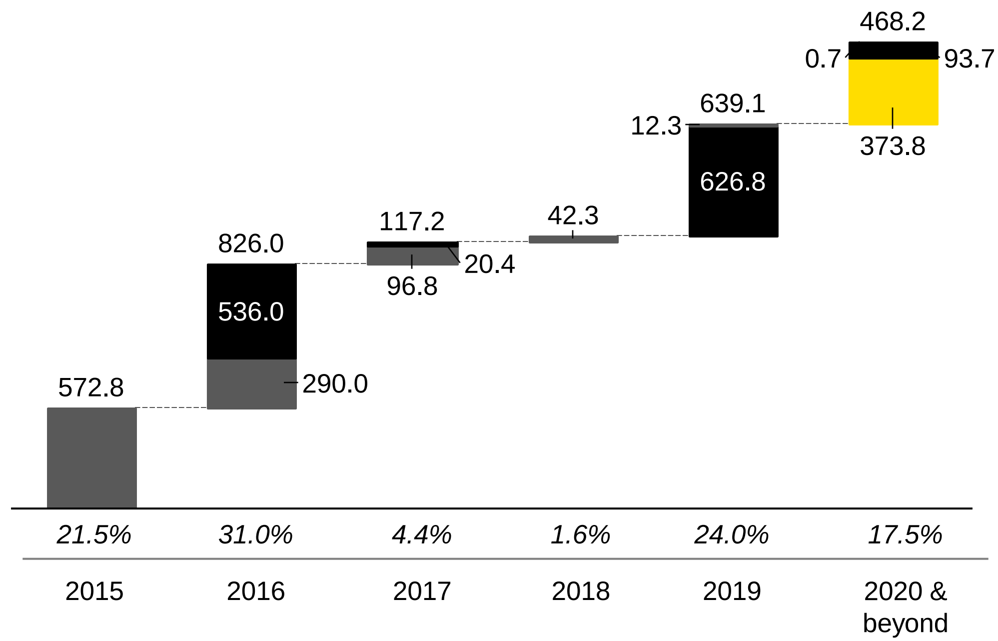
PIRELLI DEBT STRUCTURE AS OF SEPTEMBER 30, 2015

Net Financial Position

€/Mln



Gross Debt Maturity



Liquidity Profile

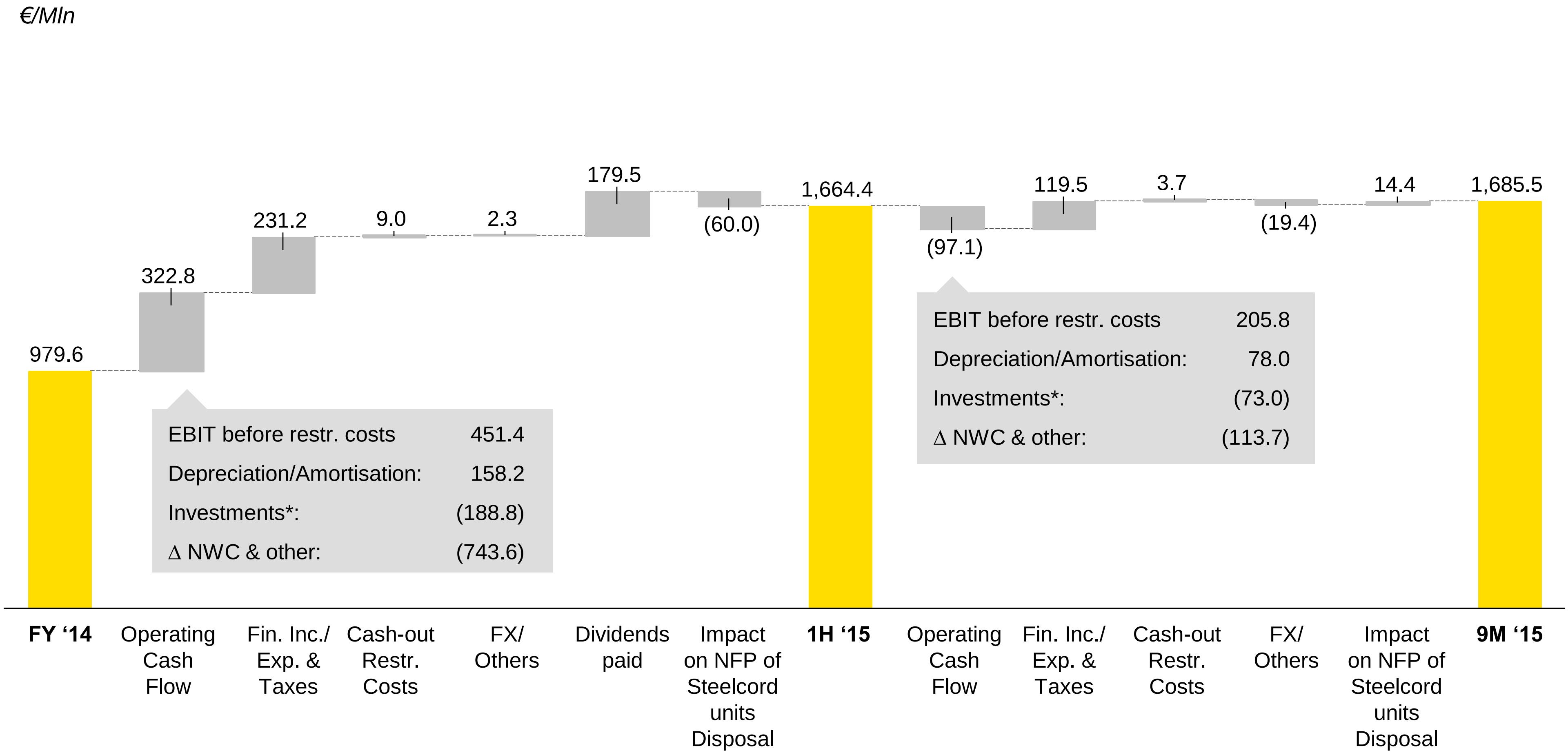
€/Mln

Liquidity position	896.6
Total committed lines not drawn due 2020	826.2
Liquidity Margin	**1,722.8**

Debt Profile

- ~ 50% of the debt maturity beyond 2016
- Cost of debt 6.04% as of September 30th, 2015
- Gross debt profile ~ 75% Fixed and ~ 25% Floating
- Average debt maturity: ~ 2.1 years

PIRELLI 9M 2015 NET FINANCIAL POSITION



* *Tangible and intangible investments*

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2015 MACROECONOMIC SCENARIO
WHAT HAS CHANGED vs 1H 2015: BRAZIL AND RUSSIA IN DEEPER RECESSION

GDP $/Trillion
Δ %YOY

Mature Economies

Europe

	14A	15E Old*	15E New*
GDP	20.7	21.1	21.1
Δ YoY %		+1.8%	**+1.8%**

USA

	14A	15E Old*	15E New*
GDP	17.3	17.7	17.8
Δ YoY %		+2.2%	**+2.5%**

RDEs

Brazil

	14A	15E Old*	15E New*
GDP	2.3	2.3	2.3
Δ YoY %		-1.5%	**-3.0%**

China

	14A	15E Old*	15E New*
GDP	10.3	11.0	11.0
Δ YoY %		+6.5%	**+6.5%**

Russia

	14A	15E Old*	15E New*
GDP	1.9	1.8	1.8
Δ YoY %		-3.8%	**-4.2%**

MEAI

	14A	15E Old*	15E New*
GDP	7.9	8.3	8.2
Δ YoY %		+4.4%	**+4.0%**

> **Brazil**: deterioration of macroeconomic scenario in mid-August (2Q GDP -2.6% vs. -1.6% in 1Q, inflation above 9%) led S&P to downgrade government debt to “junk” status which weakened currency (BRL devaluation vs. USD -36% in 3Q, -28% in 9M). Prospects continue to be weak in 2016.

> **Russia**: deeper recession (2Q GDP -4.6% vs. -2.2 in 1Q) driven by weaker domestic demand, low oil prices, and sanctions. Renewed burst of inflation exacerbated by depreciation of the Ruble (-43% vs. USD in 3Q, 41% in 9M). Recovery expected in early 2017.

** Old: July 2015 estimates; New: Oct. 2015 estimates. Source: Global Insight*

CAR TYRE MARKET:
WEAKER EMERGING MARKET TREND vs. 1H 2015 EXPECTATIONS

Car tyre market – FY '15 changes in estimates

Mln pcs

GLOBAL

	FY15E Old*	FY15E New*
Δ YoY %	+1%	+1%
Total	1,450	1,441
OE share	30%	30%
OE	+2%	+1%
Replacement	+1%	+1%

EMERGING

	FY15E Old*	FY15E New*
Δ YoY %	+1%	*flat*
Total	734	724
OE share	36%	36%
OE	+1%	-1%
Replacement	+2%	+1%

MATURE (Europe + NAFTA)

	FY15E Old*	FY15E New*
Δ YoY %	+2%	+2%
Total	716	717
OE share	24%	24%
OE	+3%	+4%
Replacement	+1%	+1%

Focus on key Emerging Markets

OE Replacement

LATAM

	FY15E Old*	FY15E New*
Δ YoY %	-1%	-3%
Total	83	82
OE share	19%	18%
OE	-14%	-18%
Replacement	+2%	+2%

- **OE**: weak trend expected in 4Q due to OEMs extended halt in production
- **Replacement**: still benefitting from the renewal of the new car market in recent years
- **Premium**: double-digit growth expected (from >15%)

RUSSIA

	FY15E Old*	FY15E New*
Δ YoY %	-18%	-23%
Total	49	46
OE share	16%	16%
OE	-26%	-27%
Replacement	-17%	-22%

- **OE**: weak trend expected to continue
- **Replacement**: rise in inflation eroding consumer spending
- **Premium**: low-teens decline confirmed

APAC

	FY15E Old*	FY15E New*
Δ YoY %	+4%	+2%
Total	484	475
OE share	43%	43%
OE	+2%	*flat*
Replacement	+5%	+3%

- More moderate market growth
- Premium continues to outperform with high-teens growth

** Old: July 2015 estimates; New: Oct. 2015 estimates. Source: Pirelli estimates on local pools*

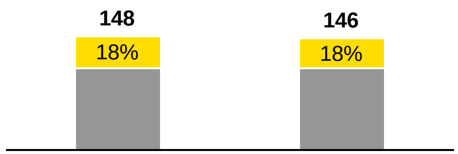
TRUCK TYRE* MARKET:
WORSENING LATAM DEMAND AND CHINA SLOWDOWN

Truck tyre market – FY '15 changes in estimates

Mln pcs

GLOBAL

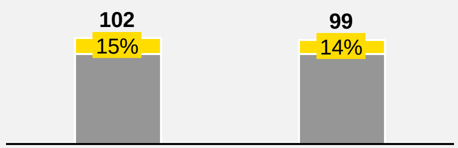
Δ YoY %	-1%	-2%



	FY15E Old*	FY15E New*
OE	**-8%**	**-11%**
Replacement	**+1%**	**+1%**

EMERGING

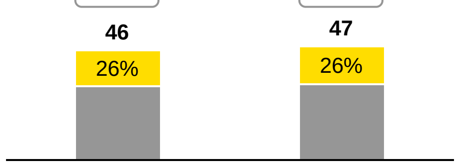
Δ YoY %	-2%	-5%



	FY15E Old*	FY15E New*
OE	**-17%**	**-23%**
Replacement	**+1%**	**-1%**

MATURE (Europe + NAFTA)

Δ YoY %	+3%	**+6%**



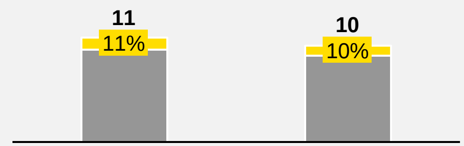
	FY15E Old*	FY15E New*
OE	**+8%**	**+9%**
Replacement	**+2%**	**+5%**

Focus on key Emerging Markets

OE Replacement

LATAM

Δ YoY %	~ -9%	> -15%

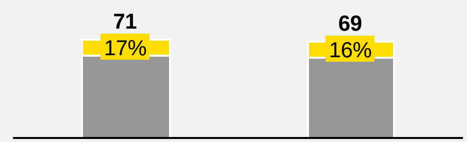


	FY15E Old*	FY15E New*
OE	**-36%**	**-47%**
Replacement	**-3%**	**-9%**

- **OE**: steep decline in vehicle production
- **Replacement**: negatively impacted by lower economic activity

APAC

Δ YoY %	-2%	> -4%

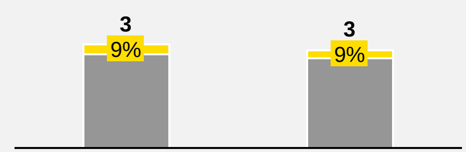


	FY15E Old*	FY15E New*
OE	**-17%**	**-22%**
Replacement	**+2%**	***flat***

- Replacement tyre market now expected to be stable yoy in FY15E while contraction in OE continues

RUSSIA

Δ YoY %	-10%	-16%



	FY15E Old*	FY15E New*
OE	**-40%**	**-40%**
Replacement	**-7%**	**-12%**

- **OE**: still no signs of vehicle production recovery in short-term
- **Replacement**: negatively impacted by the prolonged contraction in economic activity, which further deteriorated in 3Q

** All steel only*

** Old: July 2015 estimates; New: Oct. 2015 estimates. Source: Pirelli estimates on local pools*

2015 REGIONAL TARGETS UPDATE: NAFTA AND EUROPE MITIGATE THE SLOWDOWN IN LATAM AND RUSSIA

Region	Tyre Market (Δ yoy)		2015 Pirelli Tyre Business Target: Revenues		2015 Pirelli Tyre Business Target: EBIT Margin**		Highlights
NAFTA	**Car ~ +2%** o/w Premium ~ +6% **Truck* ~ +6%**	▲ ▲ ▲	Mid single-digit organic growth (>20% in €)	▲	Low twenties increasing YOY	=	• Supportive ForEx, mix improvement and favourable impact from Mexico and LatAm production sources
EUROPE	**Car ~ +2%** o/w Premium ~ +12% **Truck* ~ +7%**	= ▲ ▲	Mid single-digit organic growth	▲	Mid teens stable YOY	=	• Strategy confirmed: Premium leadership consolidating fully benefitting on OE pull-through, new product launch and selected retail approach
MEAI	**Car ~ +7%** o/w Premium ~+10% **Truck* > +2%**	▲ ▲ =	High single-digit organic growth (mid-teens in €)	=	High teens stable YOY	=	• Outgrowing Premium segment in key countries
APac	**Car ~ +2%** o/w Premium > +10% **Truck* >-4%**	▼ = ▼	Low-teen organic growth (>20% in €)	▼	Twenties increasing YOY	=	• Strategy confirmed: outperforming Premium market leveraging on OE pull-through and retail development
LATAM	**Car OE ~ -18%** ▼ **Repl. ~+2%** o/w Premium ~ +10% **Truck* OE -47%** ▼ **Repl. -9%**	= ▼ ▼	Low single-digit organic growth (high single-digit decline in €)	= ▼	Double-digit declining YOY	▼	• Recovery plan already in action: further price increases, cost cutting and efficiency enhancement, export increase towards Nord America
RUSSIA	**Car ~ -23%** o/w Premium ~ -15% **Truck* -16%**	▼ = ▼	Mid single-digit organic growth (high-teen decline in €)	▼	Low single-digit declining YOY	▼	• Coping with market contraction by focusing on efficiencies and higher exports in Europe
TOTAL	**Car ~ +1%** o/w Premium +7% **Truck* ~ -2%**	= = ▼					

▲ ▼ = Δ vs previous guidance

** All steel only* *** Before Restructuring Costs*

PIRELLI

FY 2015 GUIDANCE

	2015 targets August 2015	2015 targets November 2015
Revenues	***> 6.35 € bln***	***> 6.25 € bln***
• Volumes	+0.5% ÷ +1%	-0.5% ÷ -1%
- o/w Premium	*≥ +10%*	*confirmed*
• Price/mix	~+4%	≥+5.5%
• Foreign Exchange	*~+1%*	*~ -1.5%*
Total Revenues Growth	*~ +6%*	*~+4%*
EBIT before non recurring items and restructuring costs	***~ 960 €/mln***	***~ 925 €/mln***
Non recurring items and restructuring costs	*~ 30 €/mln*	*~ 55 €/mln*
EBIT	***~ 930 €/mln***	***~ 870 €/mln***
Capex	***<400 €/mln***	***confirmed***
Net Cash Flow before Dividends and Steelcord disposal	***≥ 300 €/mln***	***confirmed***
Net Financial Position	***~850 €/mln***	***confirmed***

Main changes vs. previous Guidance

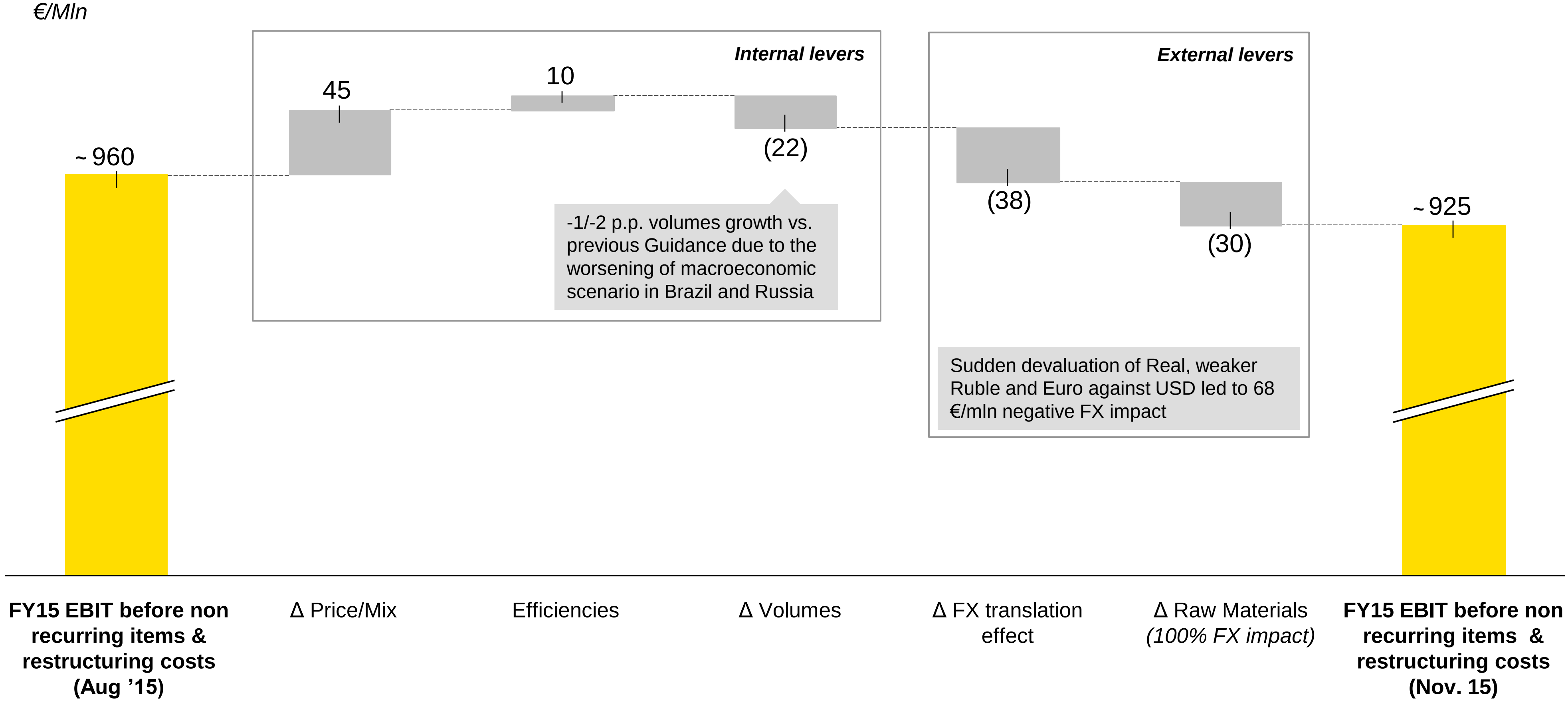
- **Volumes**: -1/-2 p.p. in growth due to market drop in Brazil (in deeper recession since mid-August 2015) and Russia
- **Price/Mix**: Stronger action on product and channel mix
- **FX**:

	EUR/ USD	EUR/ RUB	USD/ BRL	USD/ VEF	USD/ ARS
Aug ‘15	1.10	65.0	3.0	20.0	11.5
Nov ‘15	1.12	68.0	3.4	*confirmed*	9.5

Stronger Price/Mix (+45 €/mln) and higher efficiencies (+10 €/mln) partially offsetting the worsening external scenario (-22 €/mln volumes drop, -68 €/mln FX)

Additional 25 €/mln of non recurring items related to further restructurings in LatAm and additional Industrial BU separation costs

FY'15 EBIT (Before non recurring items & restructuring costs): NEW vs. OLD



Stronger push on Price/Mix and higher efficiencies to fully offset the drop in volumes and mitigate the stronger than expected volatility in FX rates

2015 CONSUMER & INDUSTRIAL GUIDANCE

Consumer Business

	2015 targets August 2015	2015 Targets November 2015
Revenues	***> 5.0 € bln***	***confirmed***
• Volumes	*+1.5% ÷ +2%*	*~+1%*
- o/w Premium	*≥+10%*	*confirmed*
• Price/mix	*~ +4.5%*	*> +6.5%*
• Forex	*~ +2%*	*flat*
Total	*>+8%*	*>+8%*
EBIT margin before non-recurring items and restr. costs	**>16%**	**~ 16%**

Industrial Business

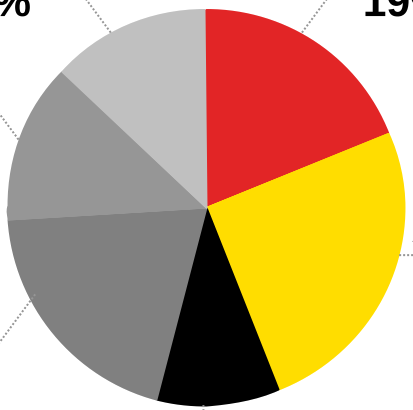
	2015 targets August 2015	2015 Targets November 2015
Revenues	***~1.35 € bln***	***~1.25 € bln***
• Volumes	~ -3%	~ -6%
• Price/mix	~ +1%	> +2%
• Forex	*~ -2%*	*~ -7%*
Total	*~ -4%*	*~ -11%*
EBIT margin before non-recurring items and restr. costs	**~ 10%**	**≥ 8%**

2015 PROFITABILITY GUIDANCE

Driver	2015 targets Aug 2015	2015 targets Nov 2015	Δ vs. previous guidance on revenues	Δ vs. previous guidance on Ebit
Volumes	*+0.5% ÷ +1% of sales*	*-0.5% ÷ -1% of sales*	*-80 € /mln*	*-22 € mln (lower volumes with below-average profitability)*
Price/Mix	*~ +4% of sales*	*≥+5.5% of sales*	*+110 €/mln*	*+45 €/mln (mainly higher channel and regional mix)*
Forex	*~+1% of sales*	*~-1,5% of sales*	*-130 €/mln*	*-38€/mln*
Efficiencies	*~ +90 €/mln*	*~+100 €/mln*		*+10 €/mln due to acceleration actions in LatAm*
Raw Materials	*+40 €/mln*	*+10 €/mln*		*-30 €/mln (100% FX impact)*
Other Input Costs	*~ -145 €/mln*	*confirmed*		
D&A	*-30 €/mln*	*confirmed*		
Other Costs	*-60€/mln*	*confirmed*		
Minor businesses	*ΔYoY slightly positive (FY15E EBIT: ~-10 €/mln)*	*confirmed*		
EBIT before non rec. items & restr. costs	***960 €/mln***	***925 €/mln***		**-35 € mln**
Non recurring & restr. costs	*-30 €/mln*	*-55€/mln*		*-25 €/mln due to additional costs for BU Industrial separation and restructuring costs*
EBIT	**930 €/mln**	***870 €/mln***		

2015 RAW MATERIAL GUIDANCE

Raw Material Breakdown 9M 2015



34%

Raw mat. cost on sales

Average cost of goods sold (€/Mln)	2015 Old Guidance			2015 New Guidance	
	2014A	2015E	Δ YOY	2015E	Δ YOY
Natural Rubber TSR20 ($/ton)	~1.950	~1.500	+111	~1.450	+120
Brent Oil ($/barrel)	109	70	+130	68	+135
Butadiene EU (€/Ton)	~950	~750	+39	~750	+40
FX			-240		-285
Total			+40		+10

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KEY TYRE RESULTS

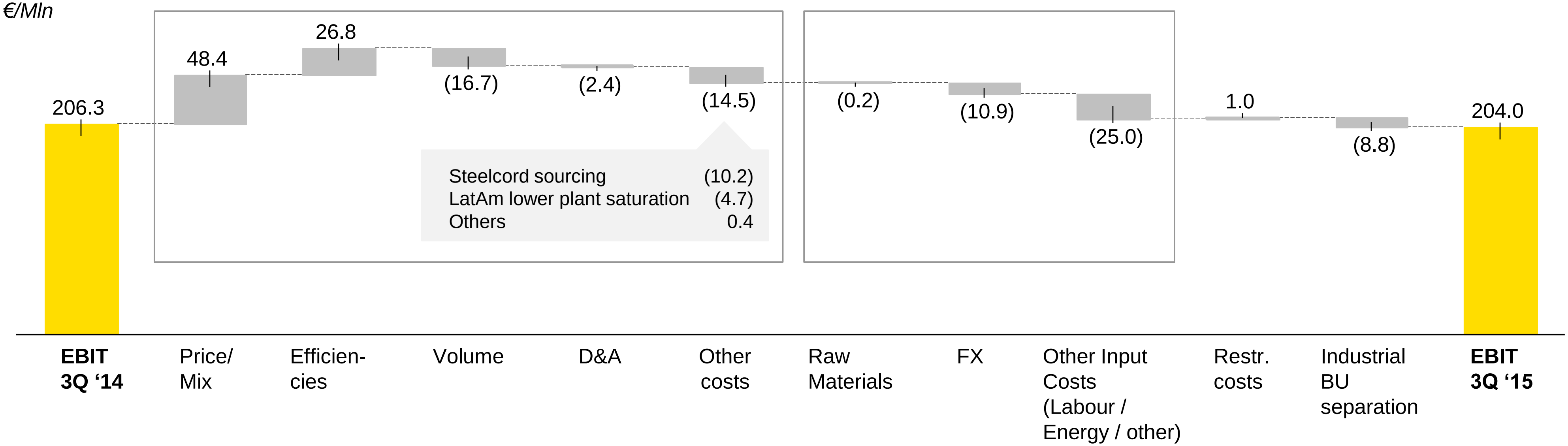
€/Mln

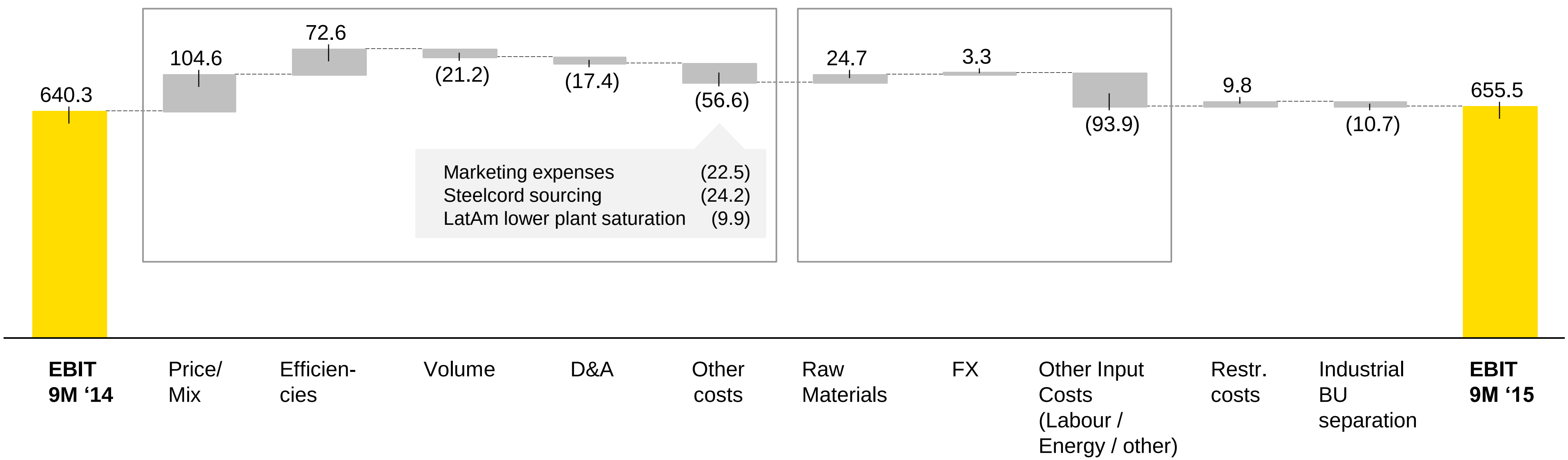
	1Q'15	Δ %	2Q'15	Δ %	3Q'15	Δ %	9M'15	Δ %
Revenues	**1,565.3**	**+6.5%**	**1,608.4**	**+6.4%**	**1,531.3**	**-0.5%**	**4,705.0**	**+4.1%**
o/w Premium	*726.9*	*+13.6%*	*770.5*	*+19.4%*	*765.1*	*+17.9%*	*2,262.5*	*+17.0%*
EBITDA before restr. costs	**293.5**	**+4.7%**	**319.1**	**+3.4%**	**285.4**	**-0.6%**	**898.0**	**+2.5%**
Margin	*18.8%*	*-0.3 p.p.*	*19.8%*	*-0.6 p.p.*	*18.6%*	*-0.1 p.p.*	*19.1%*	*-0.3 p.p.*
EBIT before restr. costs	**215.3**	**+2.4%**	**239.7**	**+1.5%**	**207.8**	**-1.8%**	**662.8**	**+0.7%**
Margin	*13.8%*	*-0.5 p.p.*	*14.9%*	*-0.7 p.p.*	*13.6%*	*-0.2 p.p.*	*14.1%*	*-0.5 p.p.*
EBIT	**213.3**	**+4.1%**	**238.2**	**+4.0%**	**204.0**	**-1.1%**	**655.5**	**+2.4%**
Margin	*13.6%*	*-0.3 p.p.*	*14.8%*	*-0.4 p.p.*	*13.3%*	*-0.1 p.p.*	*13.9%*	*-0.3 p.p.*

Revenue drivers	1Q'15	2Q'15	3Q'15	9M'15
Δ Price/Mix	**+3.7%**	**+3.4%**	**+7.0%**	**+4.8%**
Δ Volumes	**-1.3%**	**+0.6%**	**-3.3%**	**-1.4%**
o/w Premium	*+10.0%*	*+11.0%*	*+12.2%*	*+11.0%*
Δ Revenues (before exchange rate impact)	**+2.4%**	**+4.0%**	**+3.7%**	**+3.4%**
Δ Exchange Rate	**+4.1%**	**+2.4%**	**-4.2%**	**+0.7%**

PIRELLI TYRE OPERATING PERFORMANCE

€/Mln





CONSUMER BUSINESS:
PIRELLI PERFORMANCE

€/Mln

	1Q'15	Δ %	2Q'15	Δ %	3Q'15	Δ %	9M'15	Δ %
Revenues	**1,237.4**	**+9.6%**	**1,284.3**	**+10.8%**	**1,239.9**	**+5.3%**	**3,761.6**	**+8.5%**
o/w Premium	*726.9*	*+13.6%*	*770.5*	*+19.4%*	*765.1*	*+17.9%*	*2,262.5*	*+17.0%*
% revenues	*58.7%*	*+2.0 p.p.*	*60.0%*	*+4.4 p.p.*	*61.7%*	*+6.6 p.p.*	*60.1%*	*+4.3 p.p.*
EBITDA before restr. costs	**246.3**	**+12.3%**	**276.8**	**+12.9%**	**255.9**	**+12.2%**	**779.0**	**+12.5%**
Margin	*19.9%*	*+0.5 p.p.*	*21.6%*	*+0.5 p.p.*	*20.6%*	*+1.2 p.p.*	*20.7%*	*+0.7 p.p.*
EBIT before restr. costs	**182.0**	**+11.9%**	**210.0**	**+12.4%**	**190.4**	**+13.8%**	**582.4**	**+12.7%**
Margin	*14.7%*	*+0.3 p.p.*	*16.4%*	*+0.3 p.p.*	*15.4%*	*+1.2 p.p.*	*15.5%*	*+0.6 p.p.*
EBIT	**180.4**	**+13.6%**	**208.5**	**+15.0%**	**187.2**	**+14.0%**	**576.1**	**+14.2%**
Margin	*14.6%*	*+0.5 p.p.*	*16.2%*	*+0.6 p.p.*	*15.1%*	*+1.2 p.p.*	*15.3%*	*+0.8 p.p.*

Revenue drivers	1Q'15	2Q'15	3Q'15	9M'15
Δ Price/Mix	**+4.7%**	**+4.1%**	**+7.8%**	**+5.5%**
Δ Volumes	**+0.4%**	**+2,2%**	**-1.4%**	**+0.4%**
o/w Premium	*+10.0%*	*+11.0%*	*+12.2%*	*+11.0%*
Δ Revenues (before exchange rate impact)	**+5.1%**	**+6.3%**	**+6.4%**	**+5.9%**
Δ Exchange Rate	**+4.5%**	**+4.5%**	**-1.1%**	**+2.6%**

INDUSTRIAL BUSINESS: PIRELLI PERFORMANCE

€/Mln

	1Q'15	∆ %	2Q'15	∆ %	3Q'15	∆ %	9M'15	∆ %
Revenues	**327.9**	**-3.8%**	**324.1**	**-7.8%**	**291.4**	**-19.3%**	**943.4**	**-10.5%**
EBITDA before restr. costs	**47.2**	**-22.5%**	**42.3**	**-33.5%**	**29.5**	**-50.2%**	**119.0**	**-35.2%**
Margin	*14.4%*	*-3.5 p.p.*	*13.1%*	*-5.0 p.p.*	*10.1%*	*-6.3 p.p.*	*12.6%*	*-4.8 p.p.*
EBIT before restr. costs	**33.3**	**-30.0%**	**29.7**	**-39.8%**	**17.4**	**-60.8%**	**80.4**	**-43.1%**
Margin	*10.2%*	*-3.8 p.p.*	*9.2%*	*-4.8 p.p.*	*6.0%*	*-6.3 p.p.*	*8.5%*	*-4.9 p.p.*
EBIT	**32.9**	**-28.6%**	**29.7**	**-37.9%**	**16.8**	**-60.1%**	**79.4**	**-41.6%**
Margin	*10.0%*	*-3.5 p.p.*	*9.2%*	*-4.4 p.p.*	*5.8%*	*-5.9 p.p.*	*8.4%*	*-4.5 p.p.*

-3.0 p.p. vs. 9M 2014 excl. Steelcord business

Revenue drivers	1Q'15	2Q'15	3Q'15	9M'15
∆ Price/Mix	**-0.1%**	**+1.3%**	**+4.8%**	**+2.0%**
∆ Volumes	**-6.7%**	**-4.7%**	**-9.7%**	**-7.1%**
∆ Revenues (before exchange rate impact)	**-6.8%**	**-3.4%**	**-4.9%**	**-5.1%**
∆ Exchange Rate	**+3.0%**	**-4.4%**	**-14.4%**	**-5.4%**

AGENDA

PIRELLI GROUP – 3Q 2015 RESULTS

Profit & Loss Statement and Net Financial Position by Business Unit

	Pirelli tyre		Other		Pirelli & C. Cons.	
€/Mln	3Q'14	3Q'15	3Q'14	3Q'15	3Q'14	3Q'15
SALES	**1,539.2**	**1,531.3**	**2.6**	**2.1**	**1,541.8**	**1,533.4**
EBITDA before Restr. Costs	**287.2**	**285.4**	**(2.3)**	**(1.6)**	**284.9**	**283.8**
% of sales	*18.7%*	*18.6%*			*18.5%*	*18.5%*
EBIT before Restr. Costs	**211.7**	**207.8**	**(2.8)**	**(2.0)**	**208.9**	**205.8**
% of sales	*13.8%*	*13.6%*			*13.5%*	*13.4%*
Restructuring Costs	(5.4)	(3.8)	0.0	(0.5)	(5.4)	(4.3)
EBIT	**206.3**	**204.0**	**(2.8)**	**(2.5)**	**203.5**	**201.5**
% of sales	*13.4%*	*13.3%*			*13.2%*	*13.1%*
Results from equity participations					(5.1)	(2.2)
Financial income/charges					(43.6)	(67.1)
EBT					**154.8**	**132.2**
Fiscal Charges					(49.5)	(52.4)
Net Income before discontinued operations					**105.3**	**79.8**
Discontinued operations					0.9	0.3
Net Income					**106.2**	**80.1**
Attributable Net Income					**101.4**	**78.2**
Net Financial Position					**2,003.9**	**1,685.5**

PIRELLI GROUP – 9M 2015 RESULTS

Profit & Loss Statement and Net Financial Position by Business Unit

	Pirelli tyre		Other		Pirelli & C. Cons.	
€/Mln	9M'14	9M'15	9M'14	9M'15	9M'14	9M'15
SALES	**4,520.0**	**4,705.0**	**8.7**	**6.9**	**4,528.7**	**4,711.9**
EBITDA before Restr. Costs	**876.2**	**898.0**	**(8.5)**	**(4.6)**	**867.7**	**893.4**
% of sales	*19.4%*	*19.1%*			*19.2%*	*19.0%*
EBIT before Restr. Costs	**658.1**	**662.8**	**(10.3)**	**(5.6)**	**647.8**	**657.2**
% of sales	*14.6%*	*14.1%*			*14.3%*	*13.9%*
Restructuring Costs	(17.8)	(7.3)	(0.3)	(1.8)	(18.1)	(9.1)
EBIT	**640.3**	**655.5**	**(10.6)**	**(7.4)**	**629.7**	**648.1**
% of sales	*14.2%*	*13.9%*			*13.9%*	*13.8%*
Results from equity participations					(32.3)	(6.2)
Financial income/charges					(135.7)	(180.5)
EBT					**461.7**	**461.4**
Fiscal Charges					(164.3)	(170.2)
Net income before discontinued operations					**297.4**	**291.2**
Discontinued operations					2.6	(14.6)
Net Income					**300.0**	**276.6**
Attributable Net Income					**290.5**	**269.0**
Net Financial Position					**2,003.9**	**1,685.5**

PIRELLI GROUP – 2014 QUARTERLY RESULTS

	Q1'14		Q2'14		Q3'14		Q4'14		FY'14	
€/Mln	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	3Q'14	9M'14	1Q'15	2Q'15	1H'15	3Q'15	9M'15
EBIT before restructuring costs	208.9	647.8	213.4	238.0	451.4	205.8	657.2
Depreciation / Amortisation	76.0	219.9	78.5	79.7	158.2	78.0	236.2
Net investments	(101.1)	(244.7)	(85.6)	(103.2)	(188.8)	(73.0)	(261.8)
Working capital / other variations	(155.0)	(764.2)	(895.2)	151.6	(743.6)	(113.7)	(857.3)
OPERATING CASH FLOW	**28.8**	**(141.2)**	**(688.9)**	**366.1**	**(322.8)**	**97.1**	**(225.7)**
Financial income / (expenses)	(43.6)	(135.7)	(52.1)	(61.3)	(113.4)	(67.1)	(180.5)
Taxes	(49.5)	(164.3)	(54.2)	(63.7)	(117.8)	(52.4)	(170.2)
NET OPERATING CASH FLOW	**64.3**	**(441.2)**	**(795.1)**	**241.1**	**(554.0)**	**(22.4)**	**(576.4)**
Financial investments/divestments	(12.1)	(13.0)	(14.4)	(0.4)	(14.8)	-	(14.8)
Other dividends paid	-	(3.4)	(7.6)	(2.5)	(10.1)	-	(10.1)
Cash-out for restructuring	(8.0)	(26.8)	(6.4)	(2.6)	(9.0)	(3.7)	(12.7)
Deval. Venezuela incl. in financial charges	-	-	-	14.2	14.2	9.1	23.3
Net cash flow from discontinued operations	2.5	4.3	-	-	-	-	-
Call option exercise on Fenice	-	-	-	-	-	(12.2)	(12.2)
Exchange rate differentials / others	13.2	(44.7)	45.8	(37.4)	8.4	22.5	30.9
NET CASH FLOW BEFORE DIVIDENDS & STEELCORD	**(68.7)**	**(524.8)**	**(777.7)**	**212.4**	**(565.3)**	**(6.7)**	**(572.0)**
Dividends paid	-	(156.7)	-	(179.5)	(179.5)	-	(179.5)
Impact on NFP of Steelcord units disposal	-	-	24.4	35.6	60.0	(14.4)	45.6
NET CASH FLOW	**(68.7)**	**(681.5)**	**(753.3)**	**68.5**	**(684.8)**	**(21.1)**	**(705.9)**

PIRELLI BALANCE SHEET

€/Mln	FY'14	9M'15
FIXED ASSETS	**3,874.0**	**3,825.5**
Inventories	1,055.0	1,062.2
Trade receivables	673.8	1,035.0
Trade payables	(1,394.4)	(1,040.4)
NET OPERATING WORKING CAPITAL	**334.4**	**1,056.8**
Other payables/receivables	33.9	102.5
Net Working Capital	368.3	1,159.3
Net Invested Capital held for sale	30.8	-
NET INVESTED CAPITAL	**4,273.1**	**4,984.8**
Total Net Equity	2,611.5	2,665.3
Provisions	682.0	634.0
Net Financial Position	979.6	1,685.5
TOTAL	**4,273.1**	**4,984.8**
Attributable Net Equity	2,548.3	2,603.7
Equity per Share (euro)	5.22	5.34

CONSUMER BUSINESS: KEY MARKET TRENDS

Market trend % YoY		3Q'14	4Q'14	FY'14	1Q'15	2Q'15	3Q'15	9M'15
Europe*	OE	2	2	4	7	7	8	7
	REPLACEMENT	1	-8	2	2	3	-1	2
NAFTA	OE	8	5	5	2	0	4	2
	REPLACEMENT**	4	3	5	-4	5	3	2
South America	OE	-19	-9	-17	-15	-16	-21	-17
	REPLACEMENT***	4	7	5	2	2	5	3
China	OE	6	9	9	10	4	-6	3

* *Turkey included, Russia excluded*

** *NAFTA Replacement includes imports*

*** *South America Replacement restated to include Brazilian imports*

Source: Local tyre manufacturer associations

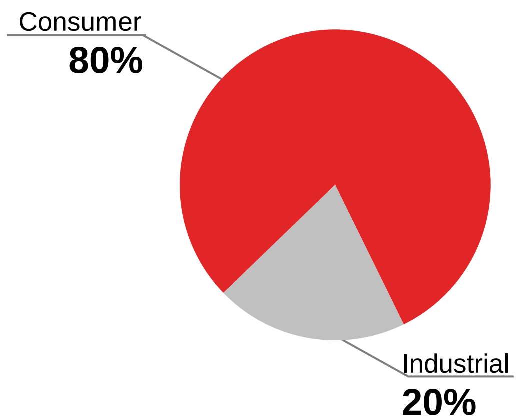
INDUSTRIAL BUSINESS: KEY MARKET TRENDS

	Market trend % YoY	**3Q'14**	**4Q'14**	**FY'14**	**1Q'15**	**2Q'15**	**3Q'15**	**9M'15**
Europe *	**OE**	-5	-12	-4	5	13	10	10
	REPLACEMENT	-3	-1	2	-1	6	9	5
South America	**OE**	-29	-33	-23	-39	-42	-53	-46
	REPLACEMENT**	-3	-10	-3	-8	-12	-7	-9
China	**OE**	-11	-16	-5	-29	-31	-23	-28

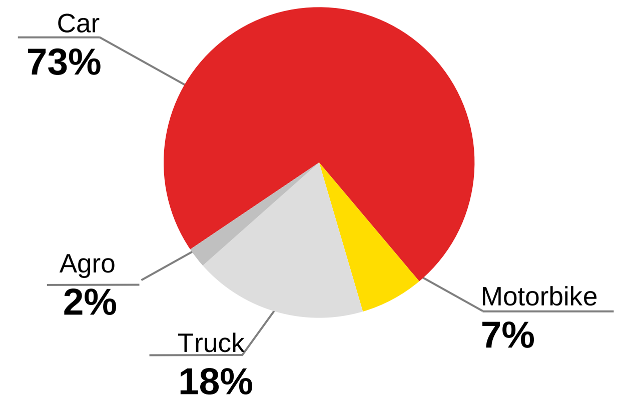
* *Turkey included and Russia excluded*
** *Non-pool members' imports not included*
Source: Major external data providers for each Region and Pirelli Estimates

9M 2015 PIRELLI TYRE MIX

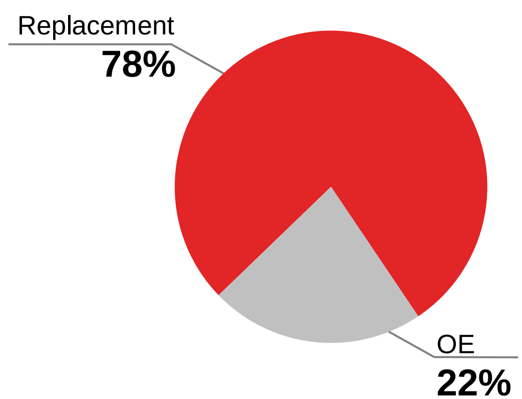
Sales by Business



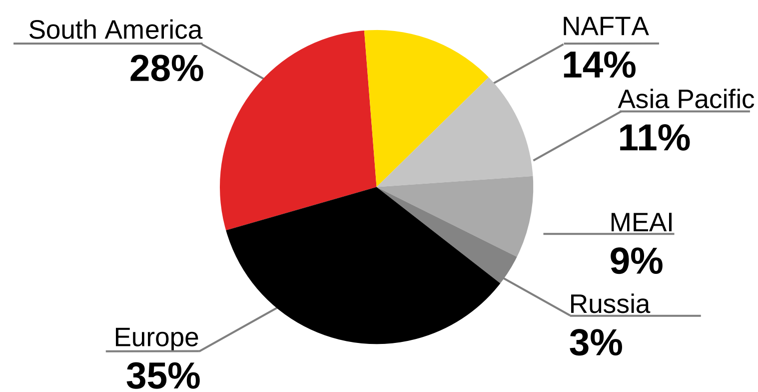
Sales by Segment



Sales by Channel

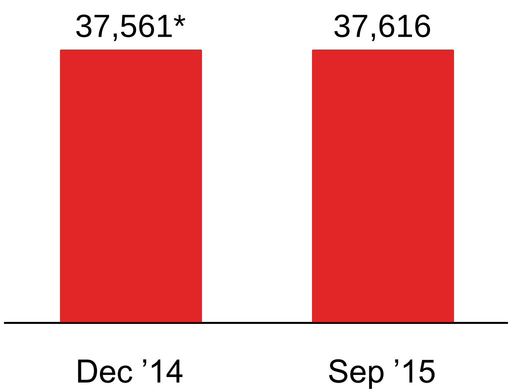


Sales by Region



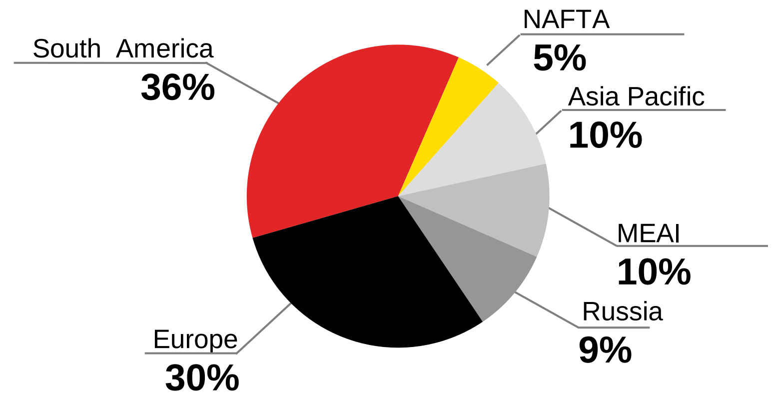
SEPTEMBER 2015 PIRELLI PEOPLE

Headcount

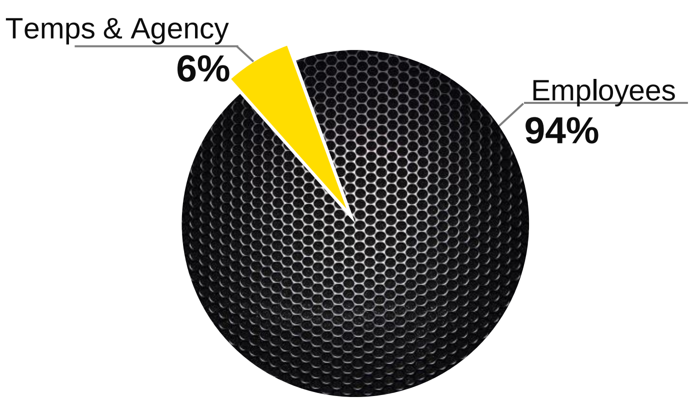


* *Without Steelcord headcount*

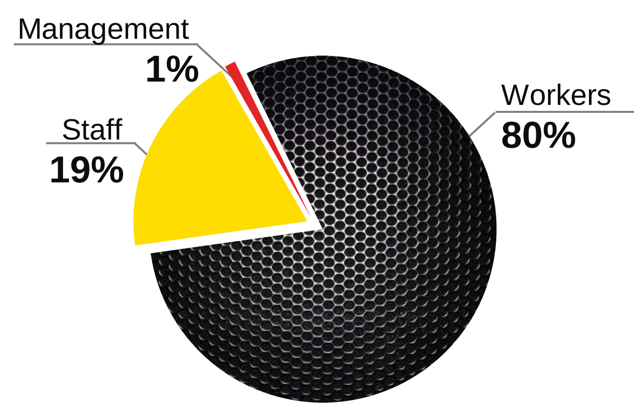
People by Region



People by Contract



People by Cluster



PIRELLI PLANTS IN THE WORLD

U.S.A.
Rome — Car

U.K.
Burton — Car
Carlisle — Car

ITALY
Bollate — Car
Settimo Torinese — Car

GERMANY
Breuberg — Car/Moto

RUSSIA
Kirov — Car
Voronezh — Car

MEXICO
Guanajuato — Car

ROMANIA
Slatina — Car

VENEZUELA
Guacara — Car

CHINA
Yanzhou — Car / Moto / Truck

BRAZIL
Campinas — Car
Feira de Santana — Car/Truck
Santo André — Agro/Truck
Gravatai — Moto/Truck

ARGENTINA
Merlo — Car

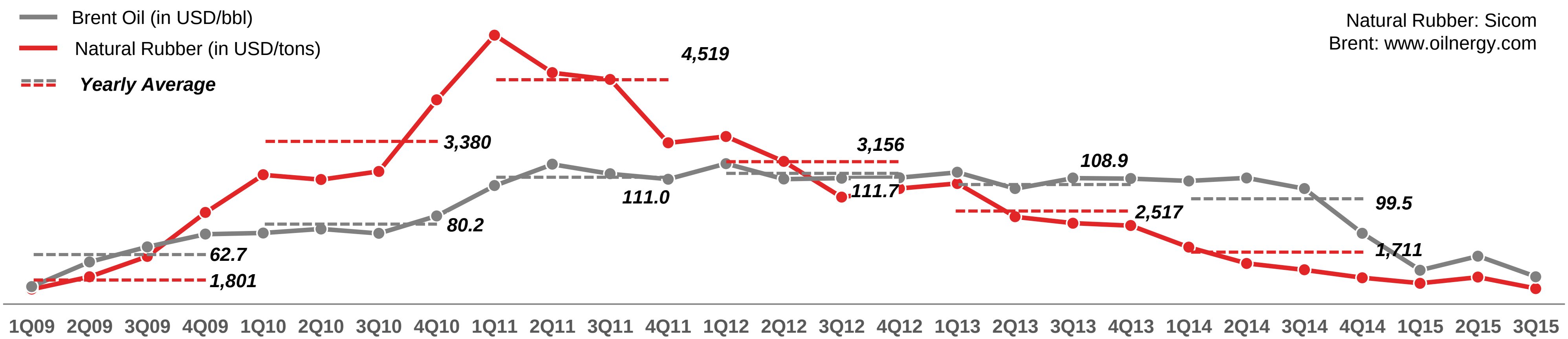
EGYPT
Alexandria — Truck

TURKEY
Izmit — Car / Truck

INDONESIA
Subang — Moto (JV)

RAW MATERIALS

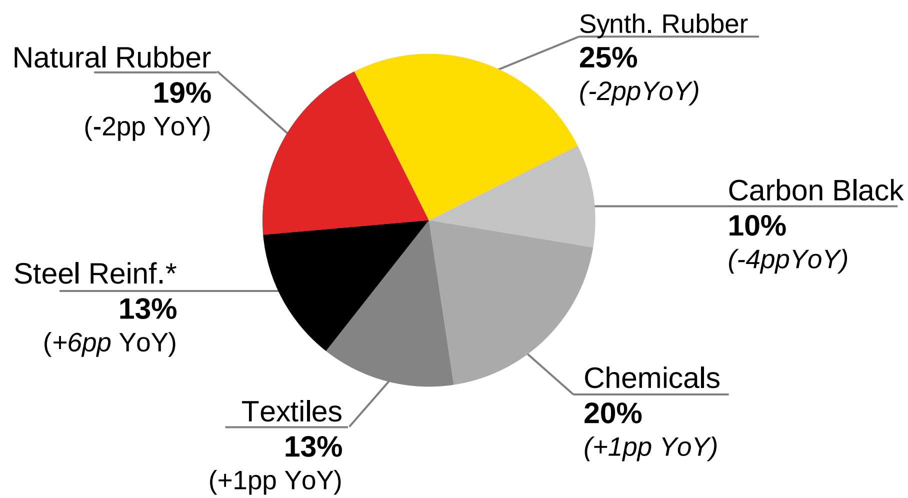
Raw Material Price Trend



9M 2015 Mix (Based on Purchasing Cost)

34%

Raw mat. costs on sales



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

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