



POWER IS NOTHING WITHOUT CONTROL



FY 2024

Preliminary Results

Milan

February 26th, 2025



POWER IS NOTHING WITHOUT CONTROL

Agenda

1

FY 2024 KEY MESSAGES

2

PIRELLI & C. – FY 2024 RESULTS

3

FY 2025 OUTLOOK AND TARGETS

4

APPENDIX

Key messages

» 2024 results confirming a solid execution despite a challenging external scenario:

- High Value position further strengthened, with market share gain across regions
- Solid price/mix (+2.5%) driven by product mix enhancement
- Profitability above targets, supported by internal levers (price/mix & efficiency)
- Deleveraging path confirmed thanks to a strong net cash flow generation above targets

» Sustainability on track with targets:

- Significant progress on People, Products, Climate and Nature
- Pirelli confirmed “Top 1%” of S&P Global 2025 Sustainability Yearbook, the only tyre maker

» 2025 Guidance confirms all the Industrial Plan metrics, despite a tougher scenario

- In case of application of US duties, not included in our guidance, a contingency plan is being defined with the aim to ensure cash generation and de-leverage targets and to reach the low end of the Adjusted Ebit guidance.



POWER IS NOTHING WITHOUT CONTROL

Agenda

1

FY 2024 KEY MESSAGES

2

PIRELLI & C. – FY 2024 RESULTS

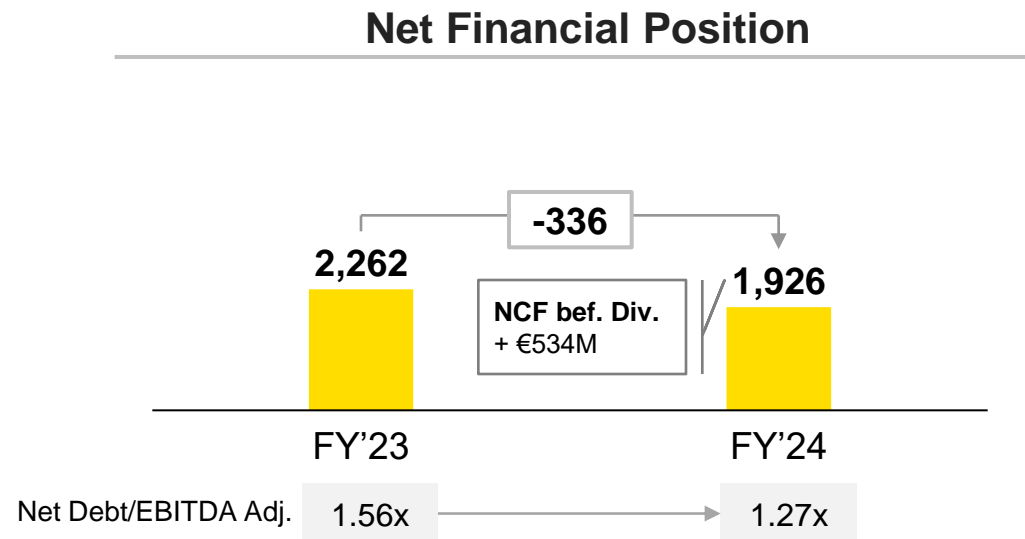
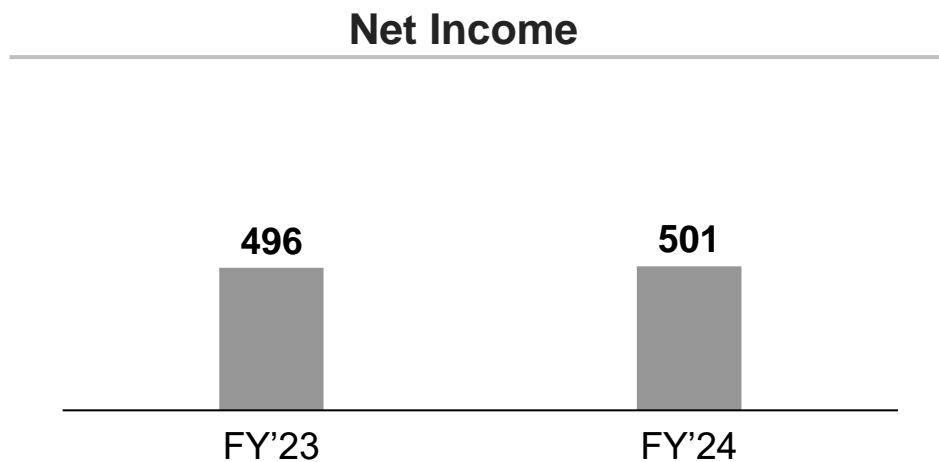
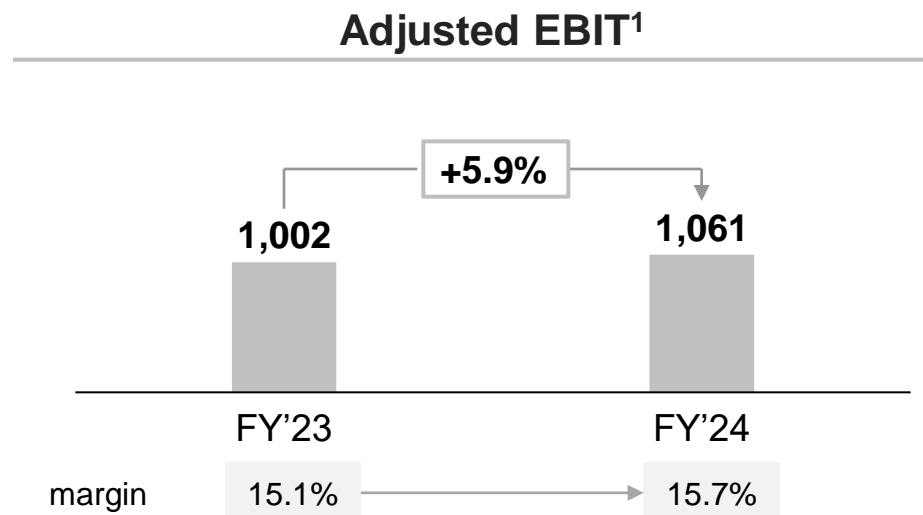
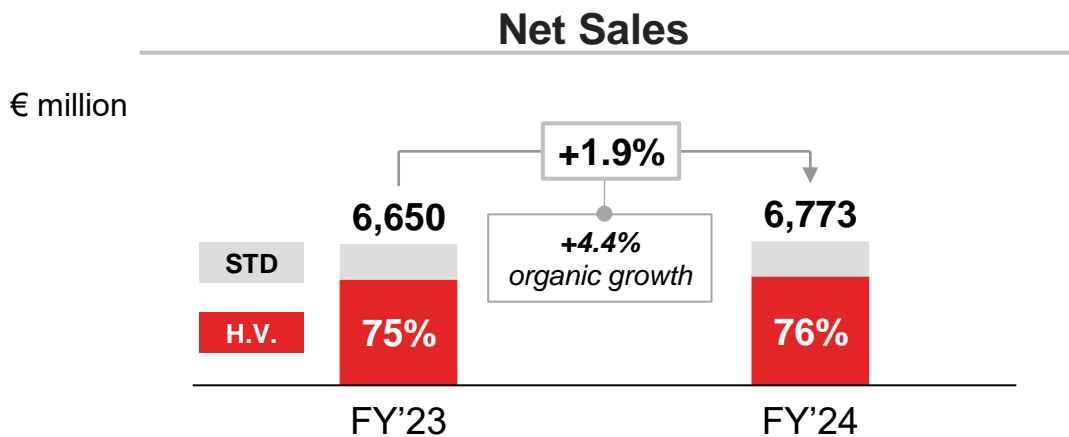
3

FY 2025 OUTLOOK AND TARGETS

4

APPENDIX

FY 2024 results confirm the strength of our business model





FY 2024 Sustainability achievements

PEOPLE

Further decline in the **accident frequency index**¹

1.41
on 1mln worked hours

-16.6% vs FY'23

INDUSTRIAL PLAN TARGETS ~1 by 2025
<1 by 2030

Gender Balance Improvement achieved

28.3%

Women in Management Positions
+1.3 pp vs FY'23

≥ 33% by 2030

Enhanced **Employee Sense of Belonging**

83%

2024 Sustainable Engagement Index

Constantly ≥80%



FY 2024 Sustainability achievements

CLIMATE

Reducing CO₂ footprint in house and in our supply chain

- 57% | **- 26%**

CO₂ emission scope 1+2¹

CO₂ emission scope 3¹

-60% by 2025
-80% by 2030

-27% by 2025
-30% by 2030

NET ZERO @ 2040
SBTi validated

PRODUCT

Increasing the % of **bio-based & recycled materials**

reached **58.5%**

Best product available on the market²

>70% by 2025
>80% by 2030

NATURE

Preserving **freshwater** through reduction of specific withdrawal

- 34.6% | **- 51.4%**

in High water stress areas³

at all Group sites³

-36% by 2025
-45% by 2030

-60% by 2030

Pirelli confirmed as a global sustainability leader in all major rankings (S&P, Dow Jones Sustainability, CDP, Sustainalytics, MSCI)⁴



1) vs 2018
2) PZEROE measure 255/50R20 - IPcode 42871 - thanks to a combination of physical segregation and mass balance approach. Bio-based materials are natural rubber, textile reinforcements, bio-chemicals, bio-resins and lignin; recycled materials are metallic reinforcements, chemicals and - through mass balance - synthetic rubber, silica and carbon black
3) vs 2015
4) Full details available in appendix

FY 2024 Strategic programs: delivery in line with targets



COMMERCIAL

✓ Global H.V. leadership further strengthened

- » **Car ≥18” (OE+Repl): +5% in FY vs +4% Mkt**
- » **HV OE market share gains**, China drives outperformance
- » **HV Repl. Outperforms in all regions**, thanks to our OE pull-through model and new replacement products



INNOVATION

✓ Widening our OE portfolio

✓ New products launched

✓ Cyber Tyre

- » **306 new car homologations** (~90% ≥19”, >50% EV), EV portfolio reaching ~810 homologations (#1 worldwide)
- » **7 new Car products** launched, **5 two-wheels**
- » JDA Pirelli – Bosch evolving



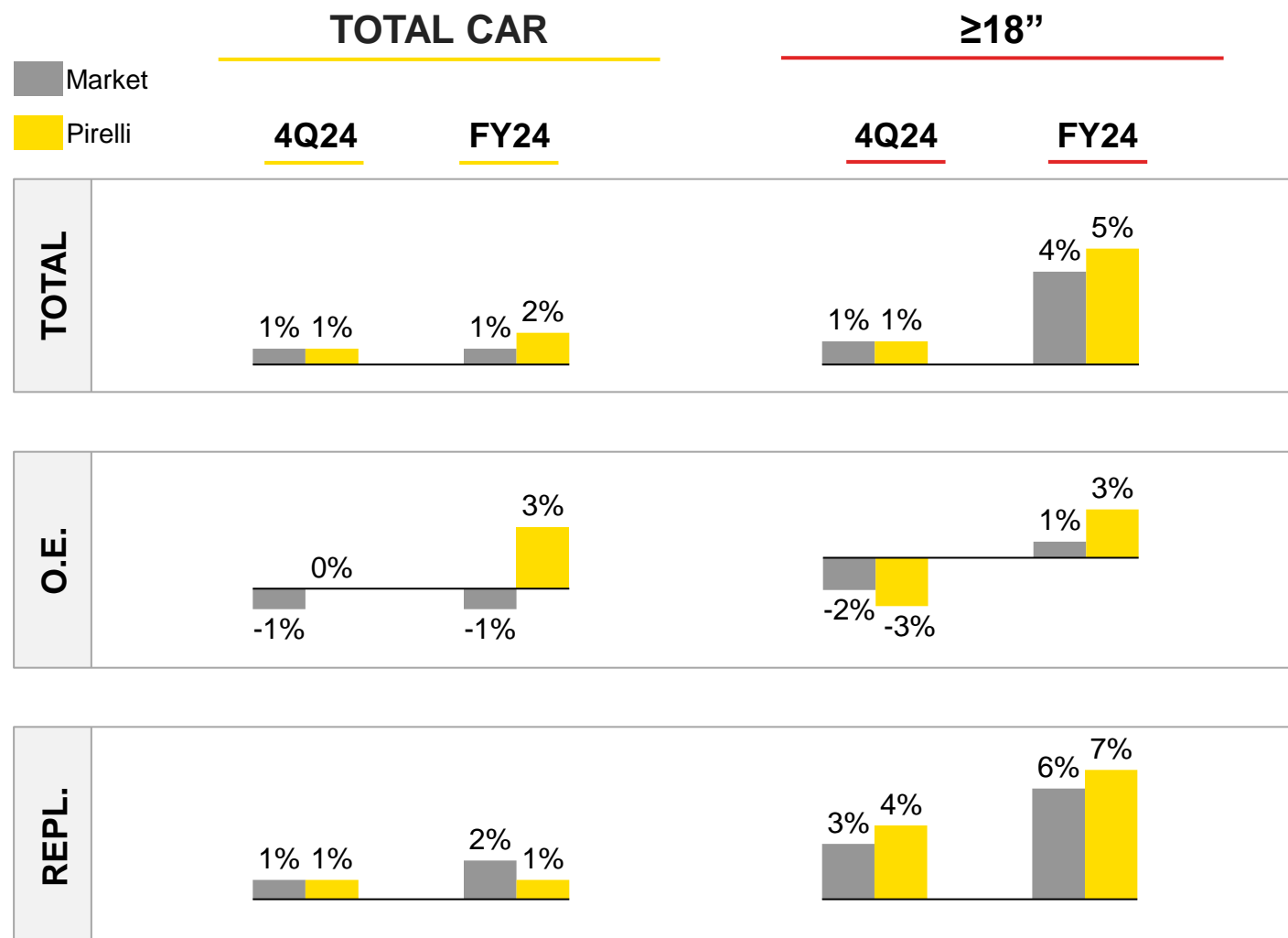
OPERATIONS

✓ Increasing efficiencies

✓ Improving operations and environmental footprint

- » **€143M gross savings**, fully offsetting inflation
- » Increasing automation to improve productivity and efficiency
- » ~86% capacity utilization (~95% in High Value)
- » Accelerating plant decarbonization, supported by the electrification of curing presses

Commercial Program: Pirelli outperforming market, driven by HV



4Q/FY HIGHLIGHTS

MARKET

- **Total:** 4Q/FY trend supported by Replacement. Weak global OE, South America rebounding in 4Q
- **HV:** Replacement overperformance in 4Q and FY; OE 4Q trend impacted by the weak car production in EU and NA

PIRELLI PERFORMANCE

High Value:

- Repl: Mkt share gain in both 4Q and FY
- OE FY confirmed mkt share gain in China which drives the WW performance
- OE 4Q trend discounting demand slowdown in EU/NA and a though YoY comparison in China

Standard:

- FY underperformance (Pirelli -4% vs flat mkt) in line with a selective strategy
- 4Q trend (Pirelli +1% vs. a flat mkt) driven by OE demand rebound in South America



Cutting edge innovation

Strengthening our leadership in HV homologations & upgrade of Regional lines to meet local customers' needs

306 NEW OE HOMOLOGATIONS



~90% Higher rim sizes (≥19")



~65% Specialties (on ≥18")



>50% of homologations ≥18" for EV



- Preferred partner of Prestige & Premium OEMs and Premium EV newcomers
- Securing HV leadership in China, with a balanced exposure to Chinese and International Premium OEMs



#12 NEW PRODUCTS

7 Car products

>> #2 Global



P ZERO
WINTER 2



Winner of Test Winter

>> #5 Regional

Cinturato
ALL SEASON SF 3



Best All-Season Tyre

2 Moto products

>> Touring & off-road lines


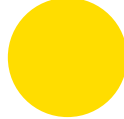

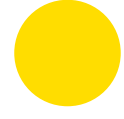




3 Cycling products

>> Road racing tyre



Efficiencies in line with expectations and fully offsetting cost inflation

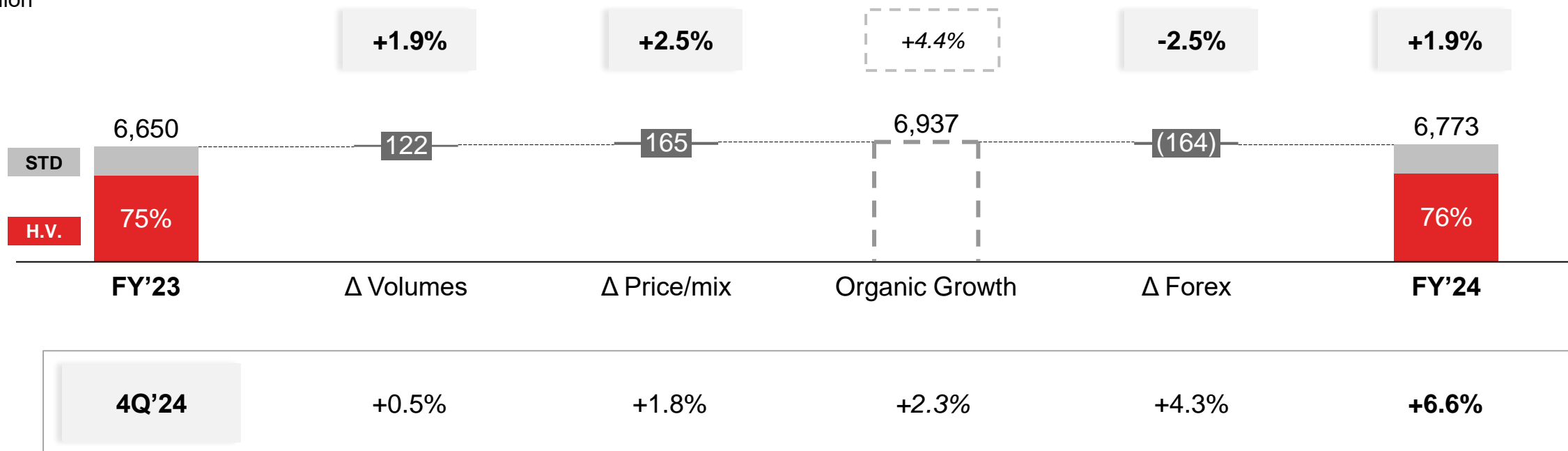
Design modularity, electrification of manufacturing, process digitalization and SGA cost reduction are driving efficiencies program

		Focusing on:	FY 2024	4Q 2024
	Product Cost	<ul style="list-style-type: none"> >> Modularity >> Design speed and virtualization 		~10% of FY
	Manufacturing	<ul style="list-style-type: none"> >> Energy consumption & electrification >> Automation, industrial IoT & flexible factory >> Waste reduction 		~50% of FY
	SG&A	<ul style="list-style-type: none"> >> Logistics & Go-to-Market >> G&A belt tightening >> Procurement rationalization 		~10% of FY
	Organization	<ul style="list-style-type: none"> >> Process digitalization >> Organization transformation 		~15% of FY
Total Gross Impact			~€143M	

FY 2024 Sales bridge

Solid organic growth supported by a sound commercial performance across the year. FX rebounding in 4Q

€ million



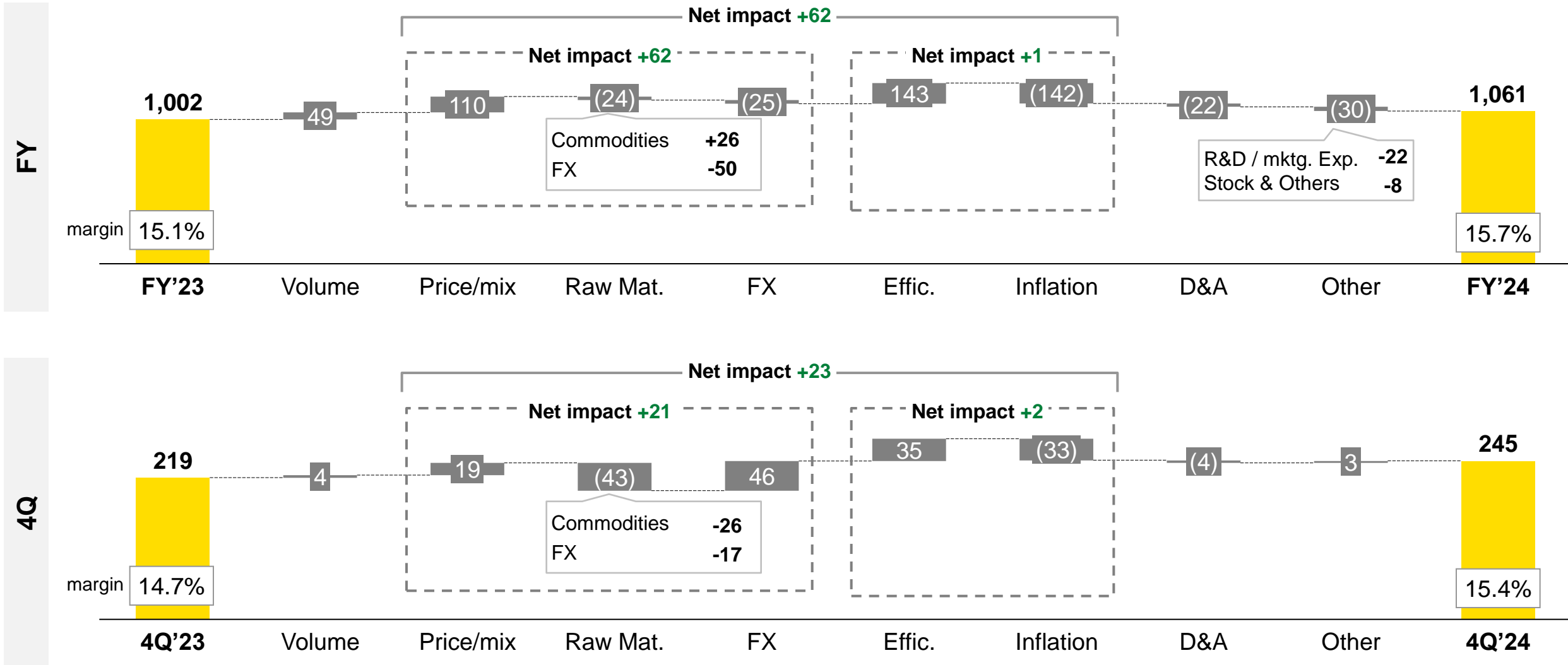
» **Volumes** trend in line with guidance, supported by HV growth while reducing exposure to Standard

» **Price/Mix** in line with Nov. guidance, driven by consistent product mix improvement (increasing demand for higher rim size on HV & Std)

» **Forex** trend in 4Q discounting a favourable YoY comparison (-10,6% in 4Q'23) and US\$ appreciation

FY/4Q 2024 Adjusted EBIT

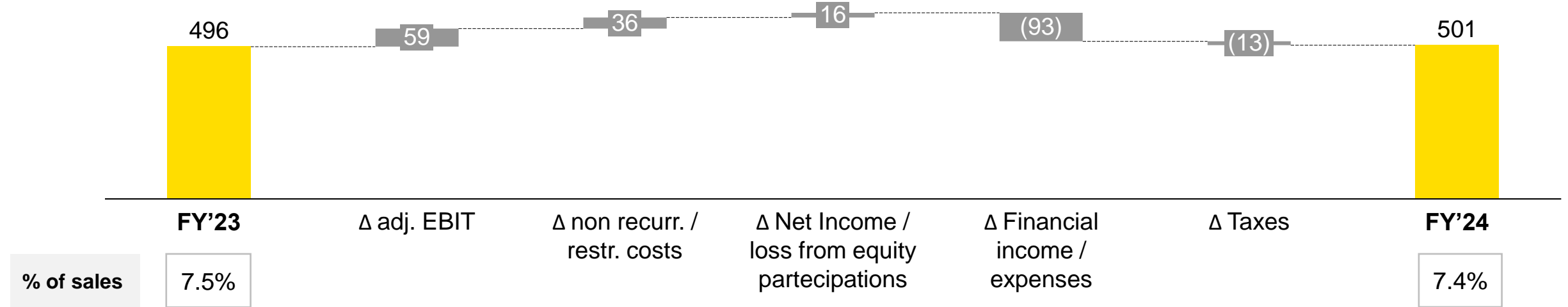
Profitability improvement supported by internal levers (volumes, price/mix and efficiencies)



FY 2024 Net Income

Earnings trend reflecting different dynamics: non-cash impact in 2024 and Patent-box benefits in 2023

€ million

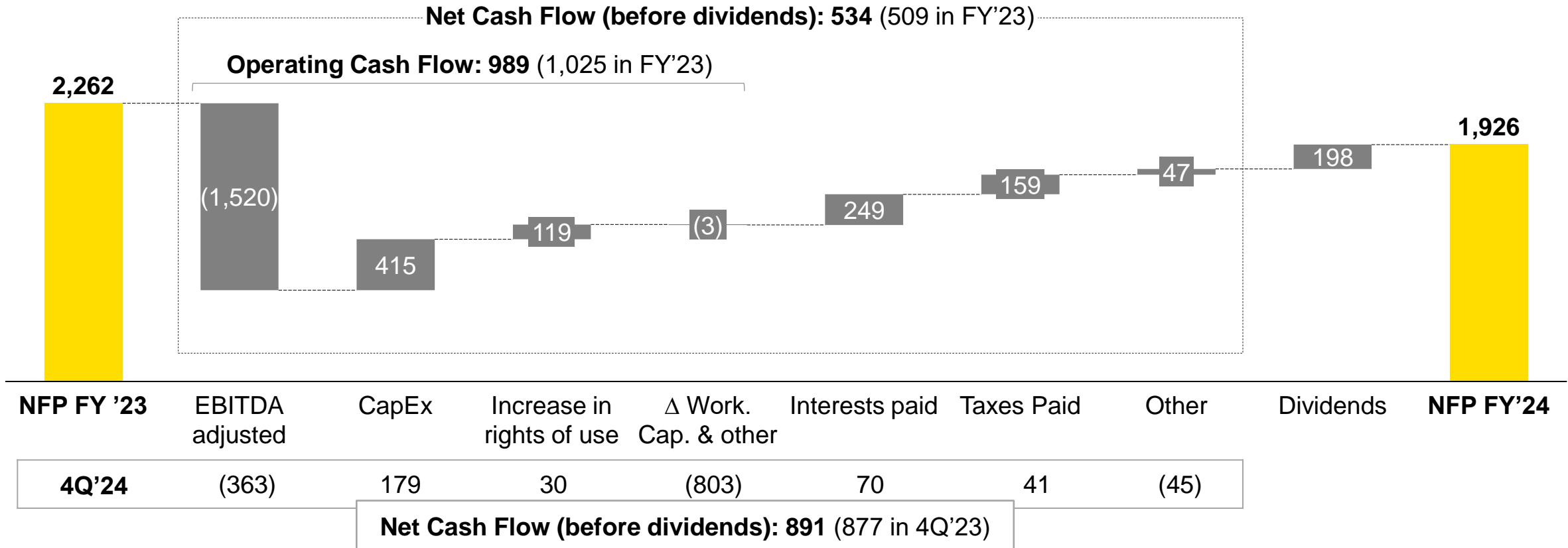


» **FY'24 Financial Income and Expenses** for a total -€287M including -€53M non-cash impact linked to forex and hyperinflation

» **Taxes:** higher than FY'23 due to Patent Box benefits Years 2020-'21-'22 included in 3Q'23 (~ 40€M). Better Tax rate than expected (~23% vs. 26% expected) due to positive tax litigation outcome

FY/4Q 2024 Net Financial Position

Strong cash generation driven by a solid operating performance



» **Inventory** at ~21.7% (vs 20.6% in FY'23), due to dollar appreciation in 4Q and inventory build-up in US in light of potential tariffs

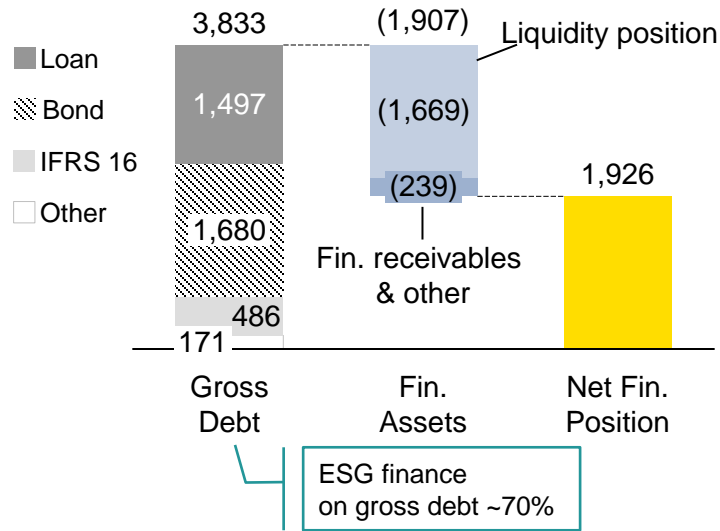
» **Receivables** at ~9.2% and **Payables** at ~30.7%, substantially stable YoY

Gross Debt structure as of December 31th 2024

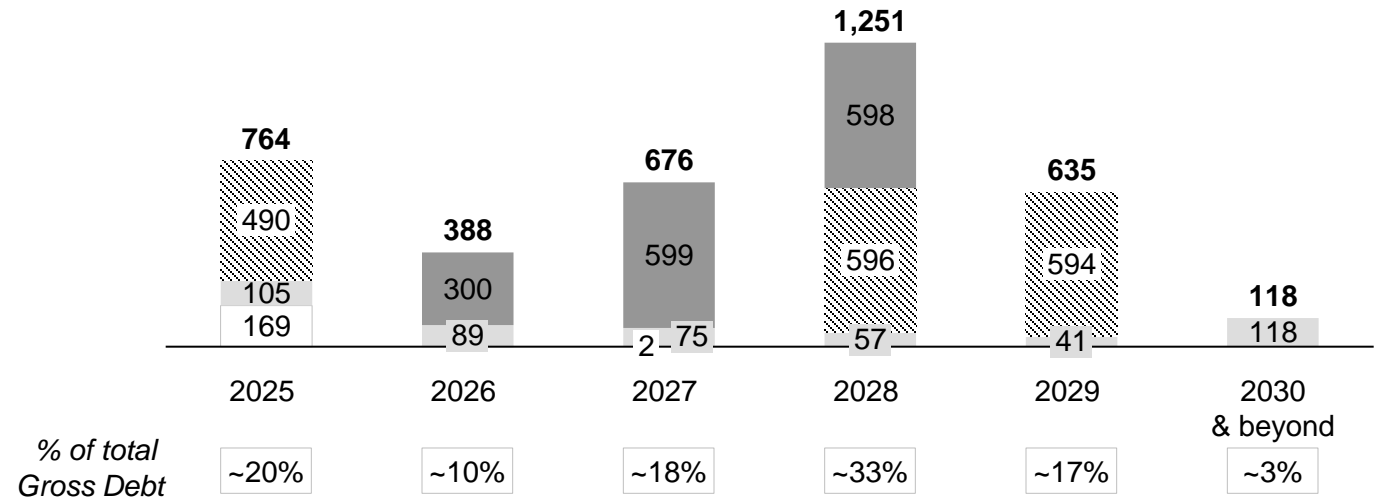
Liquidity margin covering 4.5 years. Sound Investment Grade metrics sustained by liquidity profile, strong cash generation & reduced financial leverage

€ million

Net Financial Position



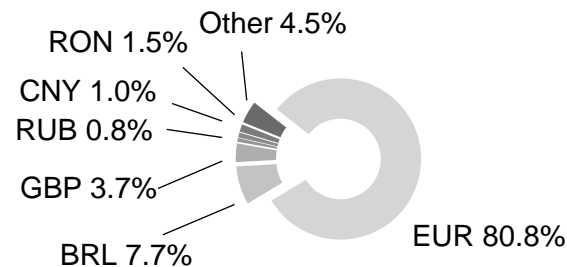
Gross Debt maturity



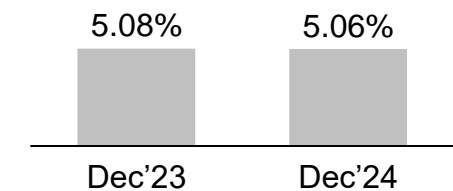
Liquidity profile

Liquidity position ¹	1,669
Committed lines not drawn	1,500
Liquidity margin	3,169

Break-down by currency²



Cost of debt (last 12 months)





POWER IS NOTHING WITHOUT CONTROL

Agenda

1

FY 2024 KEY MESSAGES

2

PIRELLI & C. – FY 2024 RESULTS

3

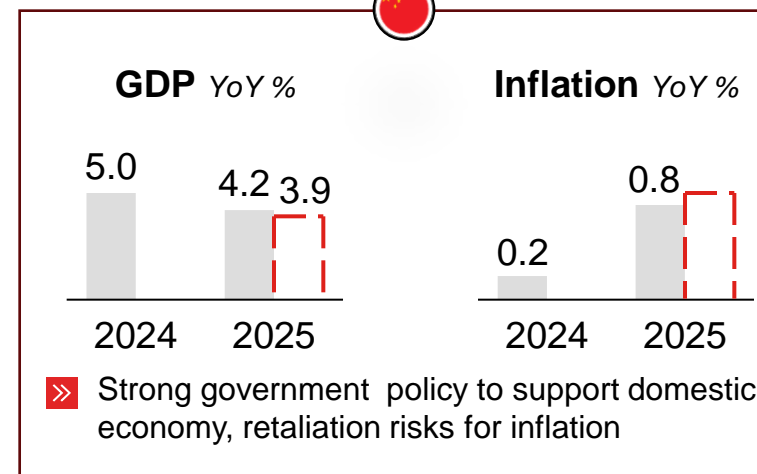
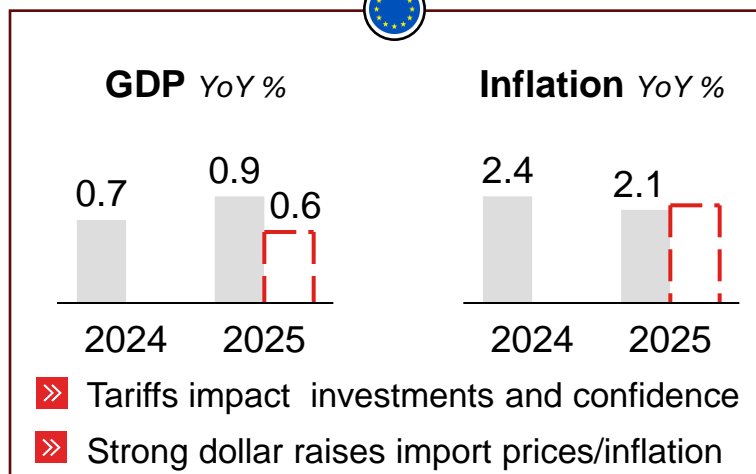
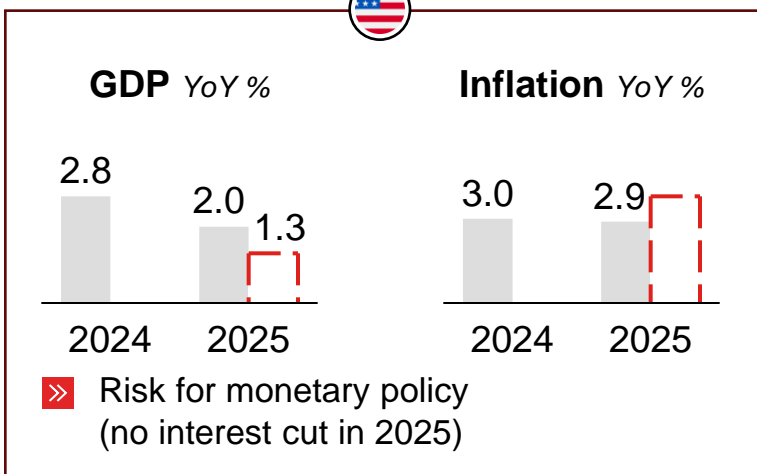
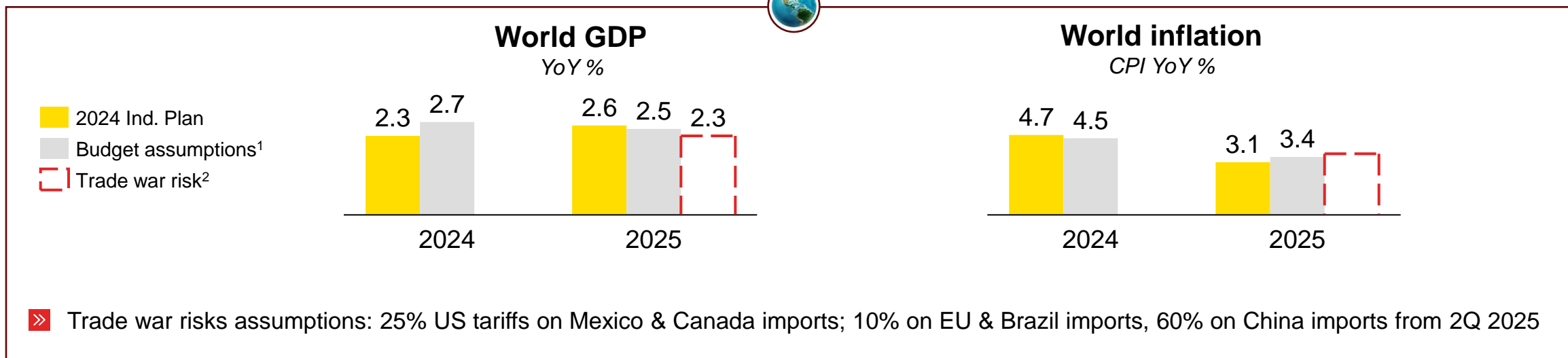
FY 2025 OUTLOOK AND TARGETS

4

APPENDIX

Geopolitical risks are rising and impacting the macroeconomic scenario in 2025

Trade tensions are looming with effects on GDP and inflation

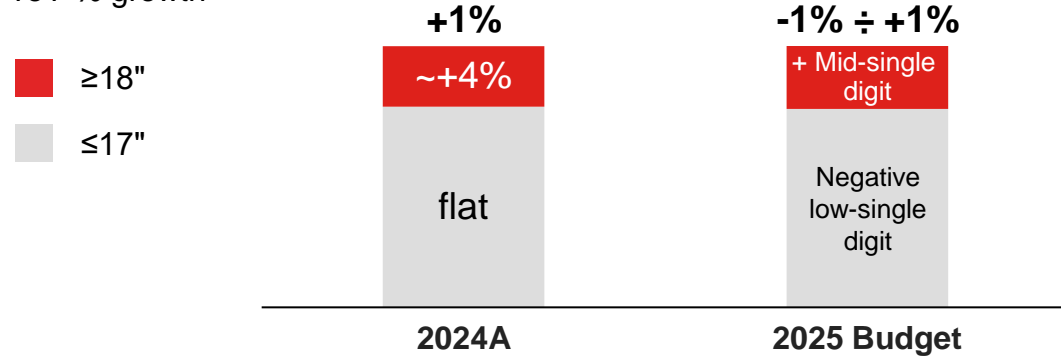


Car Tyre demand in 2025: resilience is confirmed for $\geq 18''$ segment

Demand for $\leq 17''$ still weak in key Standard regions

Global car tyre market

YoY % growth



» **O.E.:** declines low-single digit due to weak car production in EU & N.A.




» **REPL.:** flat / slightly positive across markets

» **Car. $\geq 18''$:** mid-single digit Replacement demand, car production expected to recover in 2H

» **Car $\leq 17''$:** demand declines year-on-year, both on OE (with the exception of LatAm where the rebound continues) and Replacement

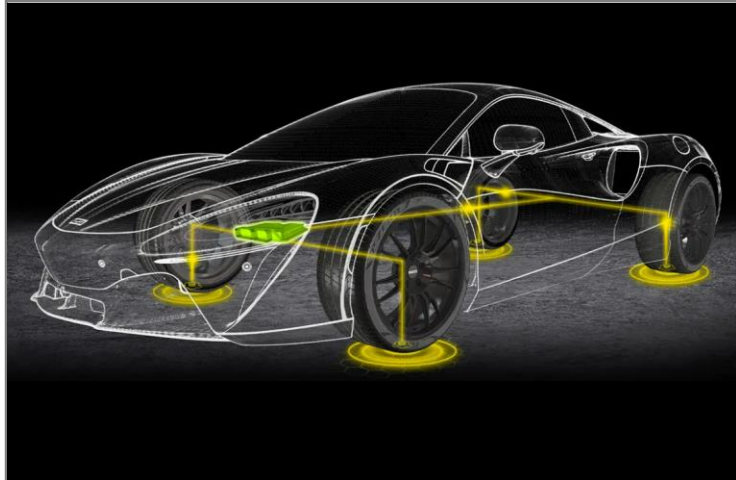
$\geq 18''$ Regional car tyre market in 2025

YoY growth

	Europe	Replacement expected to growth while OE still negative
	North America	Stable OE and positive Replacement demand
	China	Low single-digit growth both on OE and Replacement channels

Pirelli expects to outgrow the market, gaining share on High Value, while keeping on reducing exposure to Standard

Main priorities to strengthen Pirelli HV technological leadership & cope with the new scenario



Forefront Product Innovation

Consolidate High Value leadership, through innovation on 'connected' & 'eco-safety' products



'Transformational' Efficiency

Expedite our competitiveness programs, leveraging on automation and digital solutions



Value Chain Resilience & Rebalance

Reshape our value chain, seizing new market opportunities and responding to the trade context

Forefront product innovation in 2025

Supporting High Value growth

Further exploring intelligent tyre technology with **Cyber Tyre**

Accelerated by **joint development cooperation with Bosch**

Supply agreements with *Prestige and Premium* carmakers

Widening **OE portfolio**, while responding to **OEMs newcomers' challenging requirements**

>300 homologations
[o/w ~90% ≥19", >60% NEV]

Accelerated product development with virtual design + AI

New car products launch
7 in 2024 | 9 in 2025

Increasing **High Value** weight

~78%
on Group sales, +2pp yoy



Transformational efficiency in 2025

Competitiveness programs boosted by automation and digital solutions

Gross Impact 2025

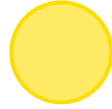
~150Mln €

Industrial Plan '24 forecast

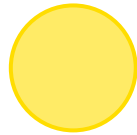
~135M€



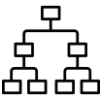
Product Cost



Manufacturing



SG&A



Organization



Main Projects on-going

Product Cost

New **product design concept**: reducing **product cost** while increasing **design speed** applying modularity, standardization, virtualization (digital twin)



-30% *time to market leveraging on virtualization*

Manufacturing

Transforming our factories with high tech **automation solutions** in finishing, handling and material flow

Further expanding AI, **Industrial IoT** and **digital solutions** to increase productivity, quality and flexibility



~4.0x *of investments dedicated to digital and automation vs pre Covid*

Improving **energy efficiency** through curing electrification and B.E.M.S.¹



-80% *energy consumption² electric vs steam curing process*



Mitigation Plan on US Duties



Pirelli operations in the US

- » North America HQ in New York
- » Operations HQ in Atlanta
- » MIRS tire manufacturing plant in Rome, Georgia

Pirelli in US: key figures

- » >20% of group Revenues, mainly High Value
- » >50% from Mexican plant, ~ 40% from Brazil & EU
- » Georgia **high-tech plant** producing ~0.4 mln tyres

2025 Contingency Plan in case of duties

- » **Higher Imports from Brazil and increase in local capacity**
- » **Commercial policy review based on inflationary expectations**
- » **Cost cutting**

In case of application of tariffs, Pirelli will leverage both on exogenous factors (Forex) and the contingency plan to mitigate the impact.

FY 2025 Guidance

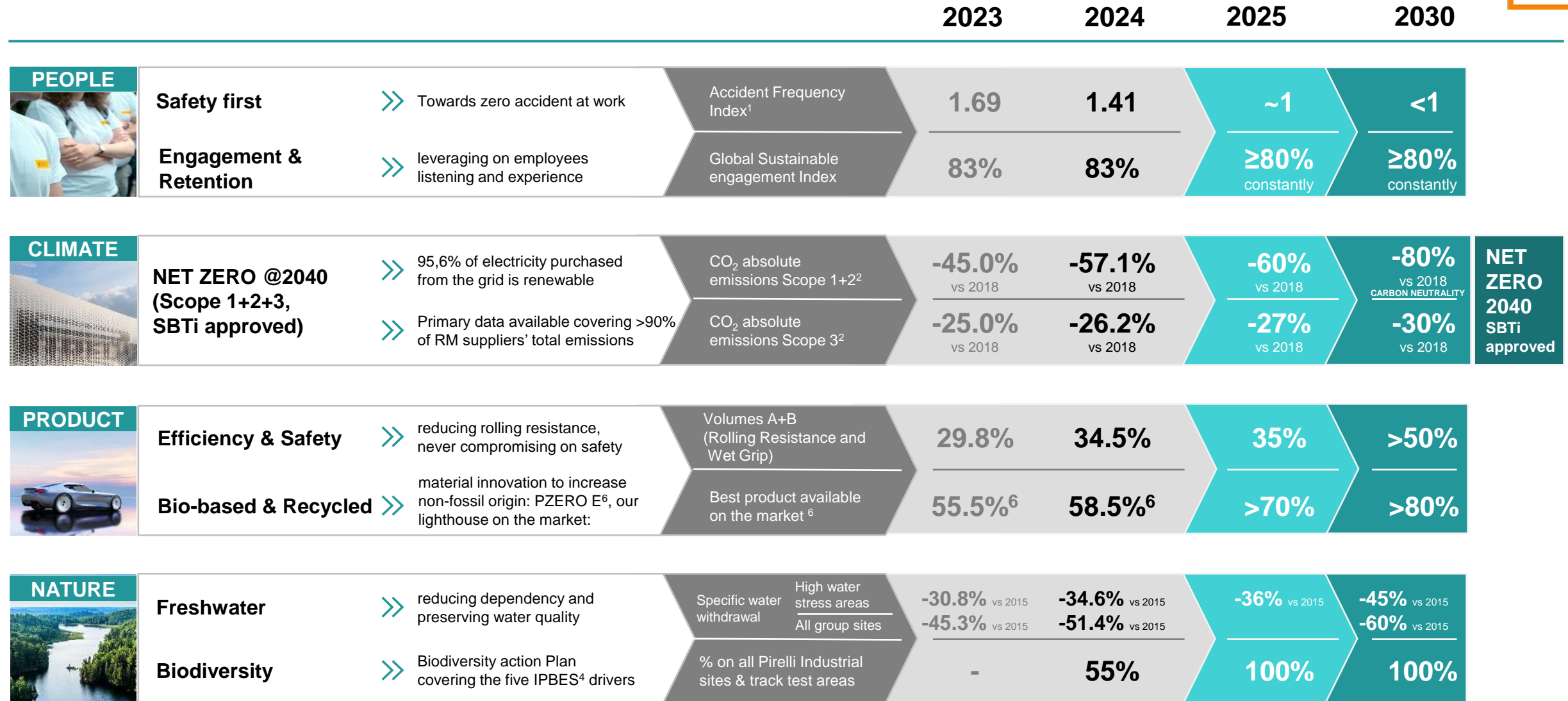
Targets do not include US tariffs impact, due to uncertainties related to these measures & timing of their application

€ billion	2024	2025
	<i>Actual</i>	<i>Guidance</i>
Net Sales	6.77	~ 6.8 ÷ 7.0
Adj. EBIT Margin	15.7%	~ 16%
CapEx <i>% of Sales</i>	0.42 6.1%	~ 0.42 ~ 6%
Net Cash Flow <i>bef. Dividends</i>	0.53	~ 0.55 ÷ 0.57
Net Financial Position <i>NFP / adj. EBITDA</i>	1.93 1.27x	~1.6 ~1.0x
ROIC*	23.2%	~23%

Volumes: ~ +1% ÷ +2%
Price/Mix: ~ +2% ÷ +3%
Forex: ~ -2.5% ÷ -1.5%

We are working on a contingency plan to mitigate the impact of potential tariffs, with the aim to ensure cash generation and de-leverage targets and to reach the low end of the Adjusted Ebit guidance.

Sustainability targets confirmed



Full Pirelli sustainability plan and targets available on pirelli.com; Full 2024 performance will be available in 2024 Pirelli Sustainability Statement (CSRSD)



PIRELLI FY 2024 PRELIMINARY RESULTS
Wednesday, 26 February, 2025

Frequency Index(FI): $\sum(\text{Fatalities} + \text{Serious lost time injuries} + \text{Lost time injuries}) \times 1.000.000 / \text{worked hours}$ If calculated based on 200.000 hours worked, Index 2024 is 0,28, ~ 0,2 @2025 and <0,2 @2030; 2. Science Based Targets initiative (SBTi) approved; 4. Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) – 5 Drivers are: resources exploitation, pollution, invasive species, climate change, land/water/sea use change; 6. PZEROE measure 255/50R20 - IPcode 42871 - thanks to a combination of physical segregation and mass balance approach. Bio-based materials are natural rubber, textile reinforcements, bio-chemicals, bio-resins and lignin, while recycled materials are metallic reinforcements, chemicals and - through mass balance - synthetic rubber, silica and carbon black.



POWER IS NOTHING WITHOUT CONTROL

Agenda

1

FY 2024 KEY MESSAGES

2

PIRELLI & C. – FY 2024 RESULTS

3

FY 2025 OUTLOOK AND TARGETS

4

APPENDIX

Economic results summary

Teleborsa: distribution and commercial use strictly prohibited



	4Q 2024	4Q 2023	Δ YoY	FY 2024	FY 2023	Δ YoY
Net Sales	1,588.8	1,489.9	+6.6%	6,773.3	6,650.1	+1.9%
<i>Organic variation</i>			+2.3%			+4.4%
adjusted EBITDA¹	362.5	330.3	+9.7%	1,519.5	1,446.1	+5.1%
<i>% of net sales</i>	22.8%	22.2%	+0.6 p.p.	22.4%	21.7%	+0.7 p.p.
reported EBITDA	341.5	279.4	+22.2%	1,475.7	1,366.3	+8.0%
<i>% of net sales</i>	21.5%	18.8%	+2.7 p.p.	21.8%	20.5%	+1.3 p.p.
adjusted EBIT¹	244.6	219.3	+11.5%	1,060.5	1,001.8	+5.9%
<i>% of net sales</i>	15.4%	14.7%	+0.7 p.p.	15.7%	15.1%	+0.6 p.p.
reported EBIT	195.2	140.0	+39.4%	903.0	808.3	+11.7%
<i>% of net sales</i>	12.3%	9.4%	+2.9 p.p.	13.3%	12.2%	+1.1 p.p.
Net income / (loss) from equity investments	8.9	7.0	+27.1%	31.4	15.9	+97.5%
Financial income / (expenses)	(61.1)	(43.9)	+39.2%	(286.6)	(194.1)	+47.7%
EBT	143.0	103.1	+38.7%	647.8	630.1	+2.8%
Taxes	(13.0)	(18.2)	-28.6%	(146.7)	(134.2)	+9.3%
Tax rate %	-9.1%	-17.7%		-22.6%	-21.3%	
Net Income / (loss)	130.0	84.9	+53.1%	501.1	495.9	+1.0%
Earnings / (loss) per share (€ per share)	0.12	0.09		0.47	0.48	
Net income / (loss) adjusted	165.1	142.3		613.5	595.4	



Consolidated Balance Sheet

Teleborsa: distribution and commercial use strictly prohibited



€ million	31/12/2024	31/12/2023
Fixed assets	8,771.6	8,812.1
Net working capital	51.2	67.2
<i>% of net sales</i>	<i>0.8%</i>	<i>1.0%</i>
Total net invested capital	8,822.8	8,879.3
Equity	5,912.3	5,619.6
Provisions	984.7	998.0
Net financial position	1,925.8	2,261.7
Total financing and shareholders' equity	8,822.8	8,879.3
<i>Attributable net equity</i>	<i>5,756.1</i>	<i>5,494.4</i>
Total net financial debt¹	2,034.4	2,387.4

Net Cash Flow

Teleborsa: distribution and commercial use strictly prohibited



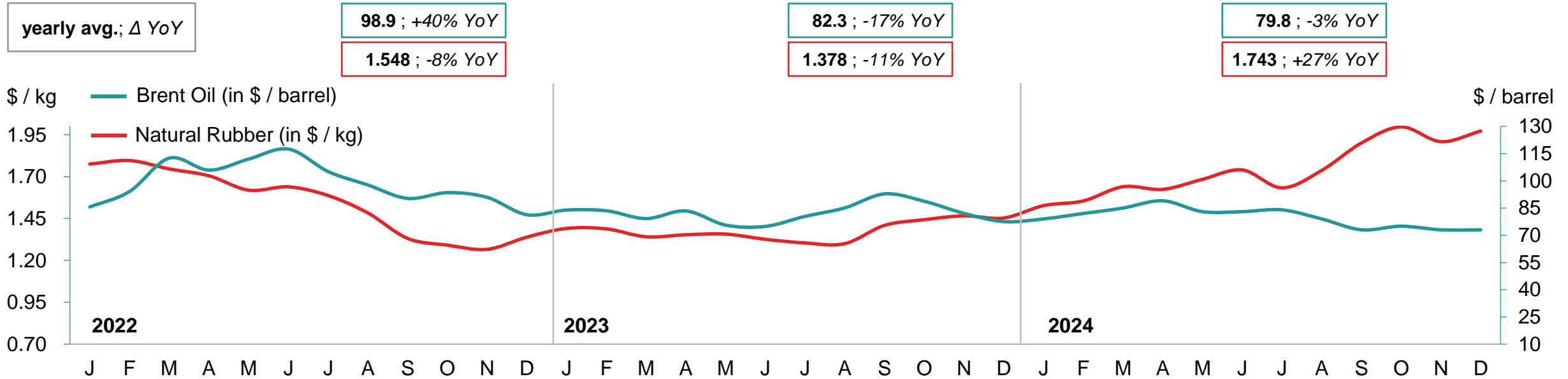
€ million	1Q 2024	2Q 2024	3Q 2024	4Q 2024	4Q 2023	FY 2024	FY 2023
Adjusted Operating income (EBIT)	262.6	276.5	276.8	244.6	219.3	1,060.5	1,001.8
Amortiz. & depreciations (excl. PPA amortiz.)	113.7	115.5	111.9	117.9	111.0	459.0	444.3
Investments in tangible and intangible assets (Capex)	(53.4)	(90.2)	(92.1)	(179.2)	(204.5)	(414.9)	(405.7)
Increase in right of use	(15.3)	(26.1)	(47.8)	(29.6)	(32.1)	(118.8)	(101.2)
Change in working capital/other	(845.8)	(16.9)	63.3	802.4	961.4	3.0	85.4
Operating Cash Flow	(538.2)	258.8	312.1	956.1	1,055.1	988.8	1,024.6
Financial income/(expenses) paid	(63.2)	(45.7)	(70.9)	(69.6)	(104.0)	(249.4)	(271.6)
Taxes paid	(24.7)	(44.8)	(48.0)	(41.0)	(33.9)	(158.5)	(139.0)
Cash-out for non-recurring items and restructuring costs / other	(20.4)	(9.5)	(6.9)	(10.6)	(8.5)	(47.4)	(40.1)
Dividend paid to minorities	(1.3)	(5.2)	-	0.1	0.1	(6.4)	(3.5)
Exchange rates difference/other	(2.6)	0.1	(24.0)	66.8	(32.2)	(40.3)	(61.5)
Net Cash Flow before extr. oper. / equity transactions / divid.	(650.4)	153.7	162.3	901.8	876.6	567.4	508.9
Extraordinary operations	(23.0)	0.5	0.1	(11,1)	-	(33.5)	-
Net Cash Flow before dividends	(673.4)	154.2	162.4	890.7	876.6	533.9	508.9
Dividends paid by Parent	-	(197.1)	(0.6)	(0.3)	(0.2)	(198.0)	(218.0)
Net Cash Flow	(673.4)	(42.9)	161.8	890.4	876.4	335.9	290.9

ESG Indices: a globally acknowledged sustainability leadership

Major rankings	Last update	Score	Positioning in the reference sector
Dow Jones Sustainability Index	2024	84	Top score Auto Components and Automotive sector
	2025	TOP 1% ESG	The only tyre maker in Top1%
	2025	A	A LIST – Max score
	2024	A	A LIST– Max score Supplier Engagement Leaders
	2024	B	Prime status - Top score Auto Components
	2024	AA	AA - ESG Leader Category
SUSTAINALYTICS	2025	8.2	Top score Tyre industry (Negligible risk); <i>Awarded Industry ESG Top Rating</i>
	2025	82	Platinum - Top 1%

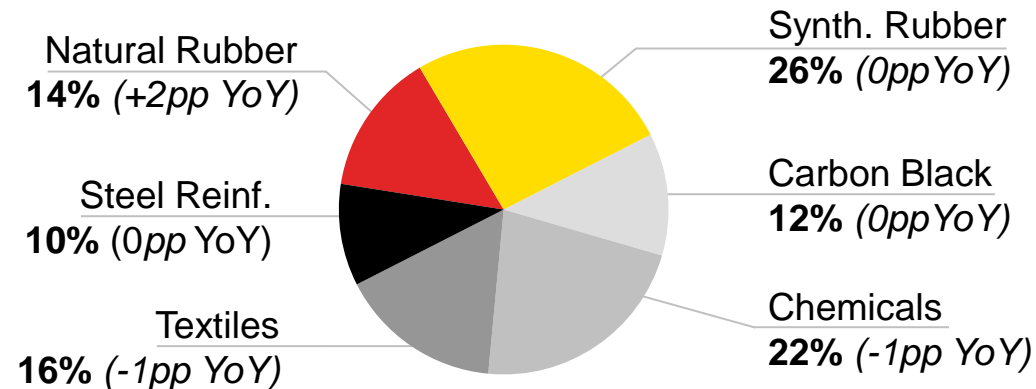
Raw material costs trend and mix

Main raw materials price trend

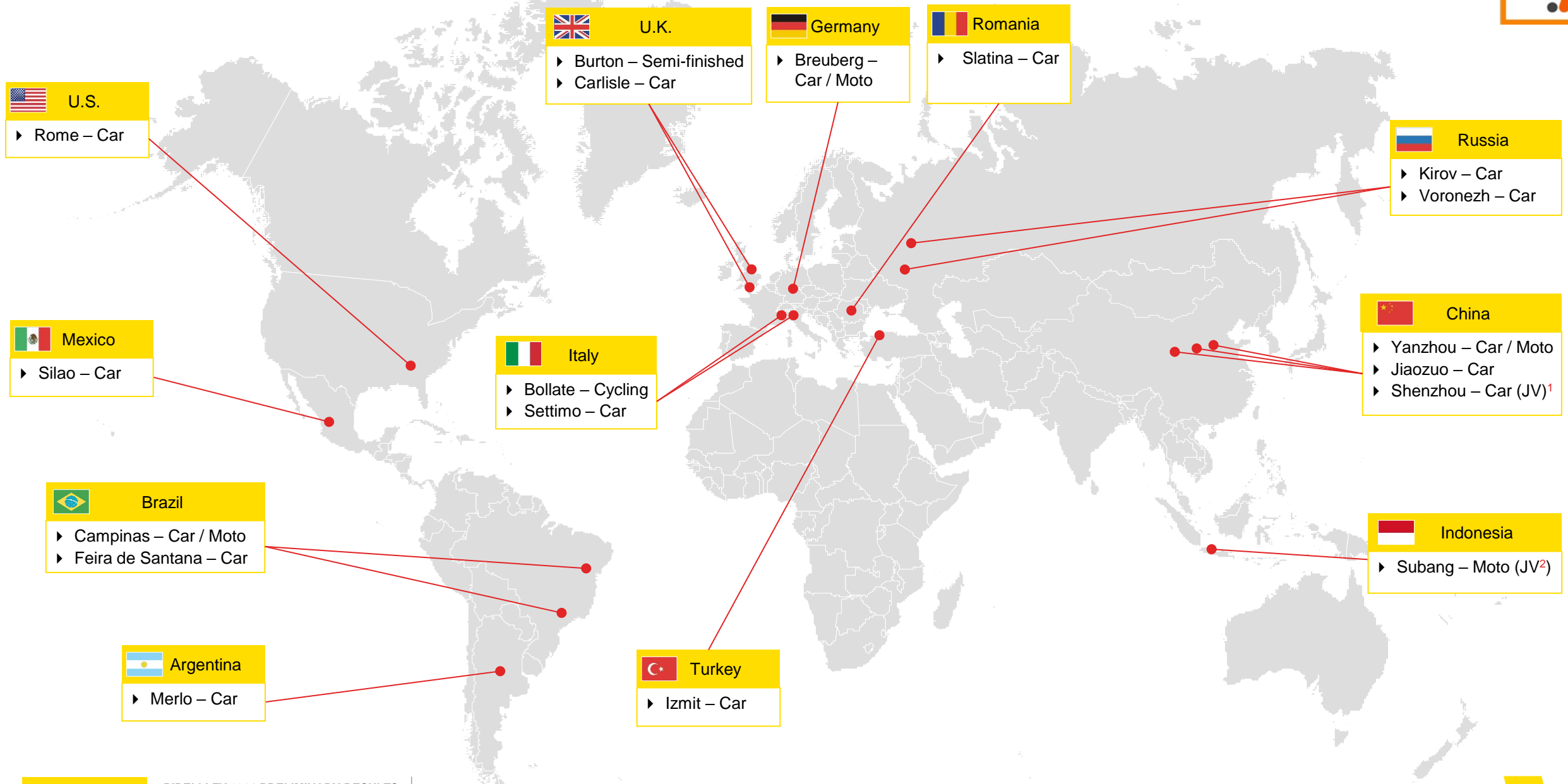


Pirelli FY 2024 mix based on purchasing cost

30%
raw mat. Costs on sales



Pirelli manufacturing footprint



Disclaimer

In General. This disclaimer applies to this document and any oral comments of any person presenting it. This document, taken together with any such oral comments, is referred to herein as the “**Presentation**”. This document has been prepared by Pirelli & C. S.p.A. (“**Pirelli**” or the “**Company**” and, together with its subsidiaries the “**Group**”). The Presentation is being furnished to you for information purposes only and for use in presentations of the results and strategies of the Group.

No distribution of this Presentation. This Presentation is being furnished to you solely for your information and may not be reproduced, in whole or in part, or redistributed to any other individual or legal entity.

Forward-looking statement. ““Forward-looking statements” (which expression shall include opinions, predictions or expectations about any future event) that may be contained in the Presentation are based on a variety of estimates and assumptions by the Group, including, among others, estimates of future operating results, the value of assets and market conditions. These estimates and assumptions are inherently uncertain and are subject to numerous potential risks that are outside of the Group’s control. There can be no assurance that the assumptions made in connection with the forward-looking statements will prove accurate, and actual results may differ materially. The inclusion of the forward-looking statements herein should not be regarded as an indication that the Group considers the forward-looking statements to be a reliable prediction of future events and the forward-looking statements should not be relied upon as such. Neither the Group nor any of its representatives has made or makes any representation to any person regarding the forward-looking statements and none of them intends to update or otherwise revise the forward-looking statements to reflect circumstances existing after the date when made or to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying the forward-looking statements are later shown to be in error.

The forward-looking statements does not take into account any additional negative effects that may arise from impacts on the global market in which Pirelli operates and more generally on the macroeconomic scenario.

No update. The information and opinions in this Presentation is provided to you as of the dates indicated and the Group does not undertake to update the information contained in this Presentation and/or any opinions expressed relating thereto after its presentation, even in the event that the information becomes materially inaccurate, except as otherwise required by applicable laws.

Verbal explanation. This Presentation has to be accompanied by a verbal explanation. A simple reading of this Presentation without the appropriate verbal explanation could give rise to a partial or incorrect understanding.

No offer to purchase or sell securities. The information, statements and opinions contained in this Presentation are for information purposes only and do not constitute a public offer under any applicable legislation or an offer to sell or solicitation of an offer to purchase or subscribe for securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments. None of the securities referred to herein have been, or will be, registered under the U.S. Securities Act of 1933, as amended, or the securities laws of any state or other jurisdiction of the United States or in Australia, Canada or Japan or any other jurisdiction where such an offer or solicitation would be unlawful (the “**Other Countries**”), and there will be no public offer of any such securities in the United States. This Presentation does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States or the Other Countries.

Rounding. Due to rounding, numbers presented throughout this Presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Miscellanea. This Presentation has been prepared on a voluntary basis. Pirelli is therefore not bound to prepare similar presentations in the future, unless where provided by law. The data contained in this presentation are preliminary in nature and refer to the date hereof and, therefore, may be subject to further variations. Please note that these preliminary data are subject to review by the independent auditors that still have to complete their necessary analysis in order to release their report. The 2024 final results will be approved by the Board of Directors scheduled on the 26th of March 2025 and will be disclosed to the market according to, and in the terms set for by, the applicable laws and regulations.

Neither the Company nor any member of the Group nor any of its or their respective representatives, directors, employees or agents accept any liability whatsoever in connection with this Presentation or any of its contents or in relation to any loss arising from its use or from any reliance placed upon it.

Fabio Bocchio, the manager in charge of preparing the corporate accounting documents, declares that, pursuant to art. 154-bis, paragraph 2, of the Legislative Decree no. 58 of February 24, 1998, the accounting information contained herein correspond to document results, books and accounting records.

Non-IFRS and Other Performance Measures

This Presentation contains certain items as part of the financial disclosure which are not defined under IFRS. Accordingly, these items do not have standardized meanings and may not be directly comparable to similarly-titled items adopted by other entities.

Pirelli management has identified a number of “Alternative Performance Indicators” (“APIs”). These APIs (i) are derived from historical results of Pirelli and are not intended to be indicative of future performance, (ii) are unaudited non-IFRS financial measures derived from the Financial Statements, and (iii) are not an alternative to financial measures prepared in accordance with IFRS.

The APIs presented herein are EBIT, EBIT margin, EBITDA, EBITDA margin, net income and net income margin.

In addition, this Presentation includes certain measures that have been adjusted by us to present operating and financial performance net of any non-recurring events and non-core events. The adjusted indicators are EBITDA adjusted, EBIT adjusted and net income adjusted. In order to facilitate the understanding of our financial position and financial performance, this Presentation contains other performance measures, such as Net Financial Position, Operating Cash Flow, Net Cash Flow before Dividends and extraordinary Operations, Net Cash Flow before Dividends, Net Cash Flow, CapEx (Capital Expenditure), Liquidity Margin and ROIC (Return On Invested Capital).

These measures are not indicative of our historical operating results, nor are they meant to be predictive of future results.

These measures are used by our management to monitor the underlying performance of our business and operations. Similarly entitled non-IFRS financial measures reported by other companies may not be calculated in an identical manner, consequently our measures may not be consistent with similar measures used by other companies. Therefore, investors should not place undue reliance on this data.