PRESS RELEASE

PIRELLI & C. SPA BOARD APPROVES RESULTS FOR 6 MONTHS ENDED 30 JUNE 2013

- DECIDED OPERATIONAL IMPROVEMENT IN SECOND QUARTER, WITH REVENUE AND PROFITABILITY GROWTH COMPARED WITH FIRST QUARTER
- GROWTH DRIVEN BY EMERGING MARKETS, EUROPE ALSO RECOVERING
- POSITIVE OPERATIONS' CASH FLOW IN SECOND QUARTER THANKS TO MANAGEMENT OF WORKING CAPITAL

PIRELLI & C. SPA

RISULTS FOR SECOND QUARTER 2013

- REVENUES: 1,594.8 MILLION EURO IN SECOND QUARTER (+8.8% COMPARED WITH 1,465.3 MILLION EURO IN SECOND QUARTER 2012 AFTER -1.3% IN FIRST QUARTER 2013)
- TOTAL VOLUMES +8.8% IN SECOND QUARTER (-7.6% IN SECOND QUARTER 2012 AND AFTER +3.9% IN FIRST QUARTER 2013)
- PREMIUM VOLUMES +12.9% IN SECOND QUARTER (+12.3% IN SECOND QUARTER 2012 AND AFTER +4% IN FIRST QUARTER 2013)
- EBIT: 200.9 MILLION EURO (+4.2% COMPARED WITH 192.7 MILLION EURO IN SECOND QUARTER 2012 AND AFTER -15.5% IN FIRST QUARTER)
- EBIT MARGIN 12.6% (13.1% IN SECOND QUARTER 2012 AND 11.7% IN FIRST QUARTER 2013)
- NET PROFIT 78 MILLION EURO (94.9 MILLION EURO IN SECOND QUARTER 2012 AND 72.1 MILLION IN FIRST QUARTER 2013)
- OPERATIONS' CASH GENERATION 188.3 MILLION EURO (-316.8 MILLION IN FIRST QUARTER 2013 AND -80.9 MILLION EURO IN SECOND QUARTER 2012)

FIRST HALF RESULTS 2013

- REVENUES: 3,131.1 MILLION EURO ON 30 JUNE 2013 (+3.6% COMPARED WITH 3,021.8 MILLION A YEAR EARLIER), AN INCREASE OF 8.6% NET OF EXCHANGE RATE EFFECT
- TOTAL VOLUMES +6.3% IN THE SEMESTER (-7.5% A YEAR EARLIER)
- PREMIUM VOLUMES +8.3% IN THE SEMESTER (+14% A YEAR EARLIER)
- INDUSTRIAL VOLUMES +16.1% IN THE SEMESTER (-11.8% A YEAR EARLIER)

- EBIT: 380.7 MILLION EURO ON 30 JUNE 2013 (-6.1% COMPARED WITH 405.3 MILLION A YEAR EARLIER)
- EBIT MARGIN 12.2% ON 30 JUNE 2013 (13.4% A YEAR EARLIER)
- NET PROFIT: 150.1 MILLION EURO ON 30 JUNE 2013 (-31.3% FROM 218.5 MILLION A YEAR EARLIER)
- NET FINANCIAL POSITION NEGATIVE 1,732.6 MILLION EURO (1,205.2 MILLION ON 31 DECEMBER 2012, 1,702.7 ON 30 JUNE 2012)

TYRE ACTIVITIES

- REVENUES: 3,114.0 MILLION EURO ON 30 JUNE 2013 (+3.8% COMPARED WITH 3,000.3 ON 30 JUNE 2012), AN INCREASE OF 8.8% NET OF EXCHANGE RATE EFFECT
- EBIT: 392.8 MILLION EURO ON 30 JUNE 2013 (-6% COMPARED WITH 418.2 MILLION ON 30 JUNE 2012) WITH AN EBIT MARGIN OF 12.6% (13.9% ON 30 JUNE 2012)
- CONSUMER BUSINESS EBIT MARGIN 12.4% (15.2% ON 30 JUNE 2012)
- INDUSTRIAL BUSINESS EBIT MARGIN 13.1% (10.2% ON 30 JUNE 2012)

2013 TARGETS

- TOTAL REVENUES SEEN BETWEEN 6.3 AND 6.35 BILLION EURO
- CONSOLIDATED EBIT AT AROUND 810 MILLION EURO, IN LINE WITH THE BASE OF PREVIOUS RANGE (810-850 MILLION EURO)
- INVESTIMENTS CONFIRMED AT AROUND 400 MILLION EURO
- CASH GENERATION BEFORE DIVIDENDS CONFIRMED AT ABOVE 200 MILLION EURO AND NET FINANCIAL POSITION BELOW -1.2 BILLION EURO, BEFORE THE RECLASSIFICATION OF PRELIOS CREDIT

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Following the coming into effect from 1 January 2013 of the new principle IAS 19 revised "Benefits to employees", the data relative to 2012 were restated. In the present document, the comments of variation with respect to the first half of 2012 always refer to restated data, unless otherwise indicated.

Milan, 05 August 2013 – The Board of Directors of Pirelli & C. SpA today reviewed and approved financial results for the six months ended 30 June 2013.

The first half of 2013, as had already emerged in the first quarter, confirmed the weakness of the European economy, even if there are signs of recovery in the second quarter. In the first half, the negative influences on consumer dynamics translated in the European tyre market into a 5% contraction in demand both in the Original Equipment and Replacement channels. In the second quarter, nonetheless, a recovery in demand resulted in a 3% increase on an annual basis in the Consumer segment replacement channel after a fall of 11% in the first three months of the year, as well as a confirmation of the positive growth rates in the Premium segment on which Pirelli is focused. The performance of the South American markets was positive overall in both segments and in China for the Consumer part: in these areas, as in Nafta, the Premium segment continued to grow.

In the semester, **Pirelli's** group results reflect overall macroeconomic performance and, as such, underscore a reduction in sales and results in Europe, offset by growth in other geographic areas and with marked signs of recovery in the second quarter compared with the first three months of the year.

The second quarter of 2013, in fact, saw 8.8% growth in revenues on an annual basis after the 1.3% decline of the preceding quarter, in particular thanks to the positive dynamics of emerging Countries, where performance sustained the Premium segment and the Industrial business, concentrated in these geographic areas.

Profitability (12.6% compared with 11.7% in the preceding three months) benefitted from the positive volume performance (+8.8% after +3.9%) and the improvement in price/mix (+5.1% in the second quarter compared with zero impact in the preceding quarter) which, together with a fall in the cost of raw materials and continuous efficiencies, contributed to the balancing of increased costs of production factors, costs in support of future growth in Premium (industrial costs for the Mexico and Russia start-ups, and commercial and marketing costs), as well as higher amortizations linked to the peak in investments of the last two years. The reduction of the operating result compared with the first half of 2012 was essentially due to the greater impact of consolidation exchange rates which had an impact of around 19 million euro.

Operations' cash generation was also positive in the quarter, for 188.3 million euro after negative 316.8 million euro in the first quarter of 2013, as a consequence of the working capital performance which was markedly better compared with the previous year.

Pirelli & C. SpA

Consolidated revenues on 30 June 2013 amounted to 3,131.1 million euro - an increase of 3.6% compared with 3,021.8 in the first half of 2012. Excluding a negative impact of 5% linked to exchange rates, total revenues grew 8.6%. In the second quarter, in particular, revenues were1,594.8 million euro, with an increase of 8.8% (1,465.3 million euro) which follows a contraction of 1.3% experienced in the first three months of 2013.

Gross operating margin (EBITDA) before restructuring costs was 533.5 million euro, a reduction of 3.1% compared with 550.3 million euro in the same period of 2012. In the second quarter, in particular, the gross operating margin was 278.2 million euro, an increase of 9% compared with 255.3 million euro in the first quarter of the year and 2.6% compared with 271.2 million in the second quarter of 2012.

The **operating result (Ebit)** was 380.7 million euro, a decrease of 6.1% compared with 405.3 million in the same period of 2012. The negative variation of 24.6 million euro was due for about 19 million euro to the effect of exchange rates. The positive contribution of volumes (+46 million euro), price/mix stability and lower raw material costs (+68.2 million euro impact on Ebit), together with gross efficiencies, covered the higher production costs, including amortizations. The result was also impacted by restructuring charges of 7.4 million euro linked to constant measures for the rationalization of structures (14.5 million non-recurring charges in first half 2012). The **Ebit margin** – expressed as a percentage of sales – in the first half stood at 12.2%, compared with 13.4% in first half 2012.
In the second quarter, Ebit was 200.9 million euro (+4.3% compared with 192.6 million in second quarter 2012), with an Ebit margin of 12.6%, an improvement from 11.7% in the first three months of 2013 (13.1% in second quarter 2012).

The **result from shareholdings** on 30 June 2013 was negative 24.3 million euro and principally reflects consolidation using the net asset method linked to Rcs Mediagroup, negative 12.6 million euro, and the adjustment of the value of the stake in Mediobanca (10.4 million).

The **total consolidated net profit** was 150.1 million euro, a decrease of 31% from 218.5 million euro in the same period of 2012. In the second quarter of 2013 net profit was 78 million euro, a decrease of 17.8% compared with 94.9 million in the second quarter of 2012, but an increase of 8.2% from 72.1 million in the preceding quarter.

The consolidated net profit attributable to Pirelli & C. Spa in June amounted to 151.4 million euro, compared with 216.3 million euro in the same period of 2012.

Consolidated net assets on 30 June 2013 stood at 2,321.8 million euro compared with 2,389.4 million euro on 31 December 2012. **Consolidated net assets attributable to Pirelli & C. SpA** amounted to 2,279.3 million euro, compared with 2,337.4 million euro on 31 December 2012.

The **consolidated net financial position** was negative 1,732.6 million euro compared with 1,680.2 million euro on 31 March 2013 and 1,205.2 on 31 December 2012. The variation essentially reflects the usual seasonality of net working capital, concentrated in the first quarter of the year, and dividend payments to shareholders in the second quarter of 159.8 million euro, of which 156.7 million euro of the Parent Company. Gross debt stood at 2,562.5 million euro (2,455.5 million euro at end December 2012).

Net cash flow from operations in the first half of 2013 was negative 128.5 million euro, essentially as a result of the usual seasonality of working capital which absorbed cash which was, however, lower than in the same period of 2012. During the period, investments were made totaling 164 million euro (1:1 the relationship to amortizations), focused in the development of Premium in particular in Russia, Mexico, Romania and China. In the second quarter the net cash flow from operations' management was positive188.3 million euro, also thanks to the performance of net working capital which was decidedly better than in the second quarter of 2012 (-80.9 million euro).

Total net cash flow improved, passing from negative 965.6 million euro in the first half of 2012 to -527.4 million euro on 30 June 2013. The first half number reflects, among other things, about 20 million euro relative to the impact on the net financial position of variations in exchange rates and 159.8 million euro relative to the payment of dividends. Total cash flow in the second quarter of 2013, before the cited dividend payments, was therefore positive 107 million euro.

The Group **headcount** on 30 June 2013 was 38,138 (37,338 on 31 December 2012).

Tyre activities

Sales totaled 3,114.0 million euro compared with 3,000.3 million euro in the first half of 2012. Excluding the exchange rate effect (negative 5%) revenues registered growth of 8.8%. This performance reflects the development of volumes (+6.3%) particularly important in emerging markets (+16.8%) that represents 57% of sales in the first half. In the second quarter, revenues were 1,587.3 million euro, an increase of 8.9% compared with 1,457.7 million euro in the same period of 2012. Net of exchange rate effects - negative 5% - revenues increased by 13.9%.

The **price/mix** component saw 2.5% growth in the first half, thanks to a good performance in the second quarter of 2013 (+5.1%), after zero growth in the first quarter of 2013.

In Europe, **total revenues** declined by 8% in the first half, while the Nafta area saw a fall of 6%. This dynamic was offset by the performance of emerging Countries, which posted revenue growth of 15%, thanks to growth in South America (+17%), Apac (+15%), Russia (+8%) and the Middle East/Africa (+7%).

In relation to the **Premium segment** revenues on 30 June 2013 were 1,104.7 million euro, an increase of 1.6% compared with the first half of 2012 (+6.4% in second quarter after -2.8% in the first three months of the year).

The **operating result (Ebit)** on 30 June 2013 amounted to 392.8 million euro (418.2 million euro in the first half of 2012), with a margin of 12.6% (13.9% in first half 2012). The operating result performance reflects:

- the positive impact of the volume component (45.9 million euro);
- the contribution of price/mix (0.6 million euro);
- efficiencies of 25.9 million euro;
- raw material costs that were 68.2 million euro lower;

Which close to compensated for:

- greater production costs (61.4 million euro) mainly due to labour costs and inflation in emerging countries;
- higher costs in support of the future growth of Premium (approx. 37 million euro of which about 18 million in industrial costs for the start-ups of the factories in Mexico and Russia and the transformation of the Truck site at Settimo Torinese into a new plant for the production of Premium Car tyres and about 19 million euro for greater commercial and marketing costs in support of the brand, to develop the distribution chain, new product launches and co-marketing activities)
- greater costs linked to the under-utilization of production facilities due to the fall in demand predominantly in Europe and Russia (13 million euro)
- greater amortizations (20 million euro) as a result of the intense investment activity in prior years which enabled to establishment of a geographic footprint among the most competitive in the sector (100% of Truck in countries with low production costs and 80% of Car)

Hence, the reduction of the operating result, of 25.4 million euro compared with the first half of 2012, was mainly due to the impact of consolidation exchange rates of about 19 million euro.

➢ In the *Consumer business (Car/Light Truck and Moto tyres)*, sales amounted to 2,255.4 million euro, an increase of 1.1% compared with the same period of 2012 first half. Net of the exchange rate effect, which had a negative impact of 4.2%, revenues in the first half posted growth of 5.3%.

  In total, **volumes** increased by 2.9% (+1.2% in the first quarter and +4.6% in the second quarter).

  The **Premium** segment is confirmed as the growth driver with rates of growth almost triple those of the market average and volume increase in the first half of 8.3%, above the overall and characterized by different regional dynamics. Strong growth in emerging markets continues (+39.5% volumes; +28% revenues), in particular in Asia (+37% revenues) and in Latin America (+31% revenues), while sales in the Nafta area were substantially stable. Europe, however, saw a fall in revenues in the semester (-6.6%), because of the area's consumption crisis, partial price adjustments to the current scenario for raw materials and the different mix between sales' channels, with greater weight in Original Equipment as an investment for the future development of the Replacement channel.

  In the second quarter of 2013 revenues grew by 5.6% compared with the same period of 2012, after a decline of 3% posted in the first quarter of the year. This dynamic, net of the exchange rate effect, translates into homogeneous revenue growth of 10.3% in the second quarter compared with +0.7% in the first quarter of 2013.

  In the second quarter of 2013, **Premium** volumes increased 12.9%, after growth of 4% in the first quarter of 2013.

The operating result (Ebit) reached 280.2 million euro in the first half, with a margin of 12.4%, compared with 339.9 million euro in the same period of 2012 (15.2% of sales). In the second quarter, Ebit was 144.2 million euro, an increase of 6% compared with 136 million in the first quarter of 2013.

- In the *Industrial Business (Industrial vehicle tyres and Steelcord)* sales totaled 858.6 million euro, an increase of 11.5% compared with the first half of 2012 (770.2 million euro). Net of the exchange rate effect, negative -7.2%, revenues rose 18.7%. In the second quarter, revenues were 448.6 million euro, an increase of 18.2% compared with the same period of 2012 (+24.2% net of exchange rate effect) and after the +4.9% registered in the first quarter of 2013.
  The volume component was particularly positive, growing 16.1% in the first half (-11.8% in the first six months of 2012) and 20.6% in the second quarter essentially due to the good performance in South America. The price/mix component saw growth of 2.6% in the first half and 3.6% in the second quarter (+1.4% in the first three months).

  The operating result (Ebit) reached 112.6 million euro, equal to 13.1% of sales compared with 78.3 million euro registered to June 2012 (10.2% of sales). In the second quarter, Ebit was 63 million euro, an increase of 27% compared with the prior quarter (49.6 million euro) and 39.4% compared with the same period in 2012.
  The results for the period benefitted from the positive demand in emerging markets – especially South America, where Pirelli increased its market share, and in the Middle East/Africa area – and the exclusive location of Truck production capacity in countries characterized by competitive cost bases.

Events after 30 June 2013

On **4 July,** Pirelli, with reference to the RCS Mediagroup S.p.A. capital increase operation, exercised all the rights to which it was entitled relative to the 5,757,493 shares bound to the company's Shareholder Lock-up and Consultation Agreement and sold on the market 105,696 option rights relative to remaining RCS shares held but not bound to the Agreement, with a net outlay of about 21.3 million euro.

On **12 July** Pirelli announced that the new 2013-2017 Industrial Plan will be presented on 6 November.

On **24 July** Pirelli announced that it had received the resignation of Giulia Maria Ligresti from the role of Member of the Board of the company.

On **5 August** in relation to the joint venture between Pirelli, Russian Technologies ("RT") and Fleming Family & Partners – now called GHP Asset Management Holdings Ltd. ("GHP") – Pirelli, in confirmation of the strategic importance of the Russian market, took the opportunity of increasing its stake in the project, in mutual agreement with the financial partner GHP and partner RT. Therefore, it is foreseen that Pirelli, in the coming months, will rise to 65% of the joint venture from the initial stake of 50% as GHP reduces its stake to 10% from the previous 25% and with RT maintaining its stake at 25%.
The agreement between the parties enables, up to 2017, Pirelli to further increase its stake in the JV through put and call options on GHP's entire residual 10% stake and on a stake of 15% of the 25% total held by RT.

From **1 September** Aimone di Savoia, presently CEO of Pirelli Tyre Nordic and with 10 years' past experience in Russia where he was General Manager, will take responsibility for the "Russia and Nordics" region, with Russia and CSI in the hands of Serge Azoyan.

2013 outlook

Pirelli confirms the economic-financial targets indicated last May, taking the macro-economic context and market dynamics into account, re-modulating some development drivers. In particular:

- Consolidated sales foreseen at between 6.3 and 6.35 billion euro (about 6.3-6.4 billion euro previously) as a consequence of the following variables:
  - Total volumes increasing by between 5.5% and 6.5% (between 3% and 4% with greater probability towards the higher target previously), driven by the Premium segment where volumes are seen growing at a rate above 13% (between 13% and 14% previously);
  - the price/mix is seen growing by between 3.5% and 4% (between 4% and 5%, with greater probability towards the lower target previously);
  - exchange rates are expected to diminish by about 6% (about 4% previously) with a negative impact on Ebit of 60 million euro (previous indication 40 million).
- Consolidated ebit equal to about 810 million euro, in line with the base of the previous range (810-850 million euro).
- Lower raw material costs (impact on Ebit of 110 to 125 million euro) which will counterbalance the impact of greater industrialization and start-up costs in Russia and higher inflation in emerging countries
- Investments confirmed at about 400 million euro
- Cash generation, before dividends, confirmed at above 200 million euro and net financial position confirmed negative at below 1.2 billion euro, before the reclassification of Prelios's credit

For the **Consumer segment** revenues are confirmed at about 4.6 billion euro as a reflex of:
- volumes' growth 4.5% and 5.5% (3%-4% previously), with an increase of Premium above 13% (about 13%-14% previously);
- price-mix between 3.5% and 4.5% (+4.5%-5.5% previously with greater probability towards the lower target);
- exchange rates' effect about -5% (below -3% previously)
Therefore, the Ebit margin is revised to >13% from <14%

In the **Industrial segment** revenues are confirmed at about 1.7 billion euro deriving from:
- volumes' increase of 9% (3.5%-4.5% previously, with greater probability of the higher target);
- price/mix at +3%/+4% (+4%/+5% previously)
- exchange rates' effect about -8% (from -5% previously)
The Ebit margin revised to >13% from >12%

Corporate governance

The Board of Directors – being its first meeting since nomination by shareholders on 13 May 2013 – also evaluated, on the basis of available information and statements from the interested parties, the existence of the requisites of independence (both in accordance with legislative decree 58/1998 and the code of self-regulation for listed companies) with regard to Board Member Jean-Paul Fitoussi.

The Board of Directors also acknowledged the self-evaluation of Board Member Carlo Acutis who communicated that he believes he no longer possesses the requisites of independence as a consequence of his role as controlling shareholder of Vittoria Assicurazioni and Yura International, subjects which – as noted – act in concert with Lauro Sessantuno S.p.A. in the public tender offer for the shares of Camfin S.p.A. For this reason, Board member Acutis tendered his resignation from the role of Chairman and member of the Remunerations Committee. The Board of Directors proceeded to nominate, on the one hand, Board Member Luigi Roth, already an "old" member of the Remunerations Committee Chairman of the aforementioned Committee and, on the other, of Board member Luigi Campiglio member of the Committee.

Conference call

The results for the six months ended 30 June 2013 will be illustrated today, 5 August 2013, at 18.30 via a conference call with the participation of chairman and CEO of Pirelli & C. SpA, Marco Tronchetti Provera, and the top management. Journalists will be able to follow the presentation by telephone, without the possibility of asking questions, by calling **+390236009868** or **800145654**. The presentation will also be available as a webcast – in real time – at the website www.pirelli.com in the Investors section, where it will also be possible to consult the slides.

The results for the six months ended 30 June 2013 will be made available to the public at the company's legal headquarters and at Borsa Italiana SpA, as well as being published on the company's website (www.pirelli.com), by 6 August 2013.

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The manager responsible for the preparation of the accounts' documents of Pirelli & C. S.p.A., Mr. Francesco Tanzi, declares that, in accordance with paragraph 2 of article 154 bis of the Testo Unico finance law, that the accounts information contained in the present communication corresponds to documentary results and the account books and

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In this press release, in addition to the financial performance measures established by IFRS, certain non-IFRS measures originated from the latter are presented although they are not required by IFRS ("Non-GAAP Measures"). These performance measures are presented for purposes of a better understanding of the trend of operations of the Group and should not be construed as a substitute for the information required by IFRS. Specifically, the "Non- GAAP Measures" used are described as follows:

Gross operating profit (EBITDA): this financial measure is used by the Group as the financial target in internal business plans and in external presentations (to analysts and investors). It represents a useful unit of measurement for the evaluation of the operating performance of the Group as a whole and for each single segment, in addition to EBIT. EBITDA is an intermediate performance measure represented by the Operating Income from which amortization of material and immaterial fixed assets are subtracted.

Fixed assets: this is the sum of the items "material fixed assets", "immaterial fixed assets", "investments in related companies and JVs", and "other financial as sets".

Funds: this is the sum of the items "funds for risks and charges (current and non current)", "funds for personnel" and "funds for deferred taxes".

Net working capital: this includes all the other items not included in the two items "net equity" and "net financial position".

Net financial position: this represents gross financial debt minus cash and other equivalent liquidity, as well as other financial credits.

Attached are prospectuses related to the profit and loss account, to equity data in summary and to consolidated financial reports. The company notes that these attachments are not subject to review by the auditing company.

GROUP - PIRELLI & C. S.p.A.
(in millions of euro)

	06/30/2013	06/30/2012 restated	06/30/2012 reported	12/31/2012 restated	12/31/2012 reported
Net sales	**3.131,1**	**3.021,8**	**3.021,8**	**6.071,5**	**6.071,5**
Gross operating profit before restructuring expenses	533,5	550,3	545,7	1.102,9	1.091,2
% of net sales	17,0%	18,2%	18,1%	18,2%	18,0%
Operating income before restructuring expenses	388,1	419,8	415,2	831,6	819,9
% of net sales	12,4%	13,9%	13,7%	13,7%	13,5%
Restructuring expenses	(7,4)	(14,5)	(14,5)	(39,1)	(39,1)
Operating income	**380,7**	**405,3**	**400,7**	**792,5**	**780,8**
% of net sales	12,2%	13,4%	13,3%	13,1%	12,9%
Net income (loss) from equity investments	(24,3)	(2,7)	(2,7)	(52,2)	(52,2)
Financial income/(expenses)	(104,7)	(57,8)	(48,8)	(150,5)	(129,5)
Pre-tax income (loss)	**251,7**	**344,8**	**349,2**	**589,8**	**599,1**
Income tax	(101,6)	(126,3)	(127,5)	(198,3)	(200,9)
Tax rate %	40,4%	36,6%	36,5%	33,6%	33,5%
Total net income (loss)	**150,1**	**218,5**	**221,7**	**391,5**	**398,2**
Net income attributable to owners of Pirelli & C. S.p.A.	151,4	216,3	219,5	387,1	393,8
Total net earnings per share attributable to owners of Pirelli & C. S.p.A. (in euro)	0,310	0,443	0,450	0,793	0,807
Non-current assets	**3.800,0**	**3.813,4**	**3.813,4**	**3.877,2**	**3.877,2**
Inventories	1.096,7	1.200,4	1.200,4	1.102,6	1.102,6
Trade receivables	935,5	964,3	964,3	704,6	704,6
Trade payables	(1.101,2)	(1.149,0)	(1.149,0)	(1.268,7)	(1.268,7)
Operating Net working capital	**931,0**	**1.015,7**	**1.015,7**	**538,5**	**538,5**
% of net sales (°)	14,9%	16,8%	16,8%	8,9%	8,9%
Other receivables/other payables	94,2	(69,9)	(69,9)	11,0	11,0
Total net working capital	**1.025,2**	**945,8**	**945,8**	**549,5**	**549,5**
% of net sales (°)	16,4%	15,6%	15,6%	9,1%	9,1%
Net i nvested capital	**4.825,2**	**4.759,2**	**4.759,2**	**4.426,7**	**4.426,7**
Equity	**2.321,8**	**2.246,9**	**2.246,9**	**2.389,4**	**2.389,4**
Provisions	770,8	809,6	809,6	832,1	832,1
Net financial (liquidity)/debt position	**1.732,6**	**1.702,7**	**1.702,7**	**1.205,2**	**1.205,2**
Equity attribuitable to the owners of Pirelli & C. S.p.A.	2.279,3	2.195,3	2.195,3	2.337,4	2.337,4
Equity per share attributable to the owners of Pirelli & C. S.p.A. (in euro)	4,671	4,499	4,499	4,790	4,790
Total Tyre - net sales	**3.114,0**	**3.000,3**	**3.000,3**	**6.031,3**	**6.031,3**
% of net sales total	99,5%	99,3%	99,3%	99,3%	99,3%
Total Tyre - operating income	**392,8**	**418,2**	**413,6**	**820,8**	**809,1**
% on total tyre - net sales	12,6%	13,9%	13,8%	13,6%	13,4%
Total Tyre - net sales Consumer	**2.255,4**	**2.230,1**	**2.230,1**	**4.419,8**	**4.419,8**
% on total tyre - net sales	72,4%	74,3%	74,3%	73,3%	73,3%
Total Tyre - net sales Industrial	**858,6**	**770,2**	**770,2**	**1.611,5**	**1.611,5**
% on total tyre - net sales	27,6%	25,7%	25,7%	26,7%	26,7%
Total Tyre - net sales Premium	**1.104,7**	**1.086,9**	**1.086,9**	**2.075,9**	**2.075,9**
% on net sales Consumer	49,0%	48,7%	48,7%	47,0%	47,0%
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Capital expenditure	164,0	194,9	194,9	470,9	470,9
Research and development expenses	93,3	91,6	91,6	178,9	178,9
% of net sales	3,0%	3,0%	3,0%	2,9%	2,9%
Research and development expenses - Premium	75,3	72,5	72,5	141,9	141,9
% on sales Premium	6,8%	6,7%	6,7%	6,8%	6,8%
Headcount (number at end of period)	38.138	36.349	36.349	37.338	37.338
Industrial sites (number)	23	23	23	23	23

(°) the net sales figure is annualised in interim periods

Data by Business Sector

(in millions of euro)

	Total Tyre		Other business		Total	
	1Half 2013	1Half 2012 restated	1Half 2013	1Half 2012 restated	1Half 2013	1Half 2012 restated
Net sales	**3.114,0**	**3.000,3**	**17,1**	**21,5**	**3.131,1**	**3.021,8**
Gross operating profit before restructuring expenses	542,8	560,8	(9,3)	(10,5)	533,5	550,3
Operating income before restructuring expenses	399,4	432,7	(11,3)	(12,9)	388,1	419,8
Restructuring expenses	(6,6)	(14,5)	(0,8)	-	(7,4)	(14,5)
Operating income	**392,8**	**418,2**	**(12,1)**	**(12,9)**	**380,7**	**405,3**
% of net sales	*12,6%*	*13,9%*			*12,2%*	*13,4%*
Net income (loss) from equity investments					(24,3)	(2,7)
Financial income/(expenses)					(104,7)	(57,8)
Pre-tax income (loss)					**251,7**	**344,8**
Income tax					(101,6)	(126,3)
Tax rate %					*40,4%*	*36,6%*
Total net income (loss)					**150,1**	**218,5**
Net financial (liquidity)/debt position					**1.732,6**	**1.702,7**

Cashflow statement

(in millions of euro)

	1° Q		2° Q		1° HALF	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**
Operating income (EBIT) before restructuring expenses	183,0	214,7	205,1	205,1	388,1	419,8
Amortisation and depreciation	72,3	64,4	73,1	66,1	145,4	130,5
Capital expenditures of property, plant and equipment and intangible assets	(79,7)	(80,1)	(84,3)	(114,8)	(164,0)	(194,9)
Change in workin capital/other	(492,4)	(511,1)	(5,6)	(237,3)	(498,0)	(748,4)
Operating cash flow	**(316,8)**	**(312,1)**	**188,3**	**(80,9)**	**(128,5)**	**(393,0)**
Ordinary financial income/(expenses)	(58,6)	(24,3)	(46,1)	(33,5)	(104,7)	(57,8)
Ordinary tax charges	(42,5)	(65,3)	(59,1)	(61,0)	(101,6)	(126,3)
Net operating cash flow	**(417,9)**	**(401,7)**	**83,1**	**(175,4)**	**(334,8)**	**(577,1)**
Financial investments/disinvestments	-	3,2		-	-	3,2
Russia Investment	-	(154,5)		-	-	(154,5)
Dackia Investment		-		(70,8)	-	(70,8)
Campneus Investment		-		(35,4)	-	(35,4)
Dividend paid by Parent		-	(156,7)	(132,3)	(156,7)	(132,3)
Other dividends paid	-	(2,2)	(3,1)	(0,7)	(3,1)	(2,9)
Cash Out for restructuring operations	(7,5)	(4,2)	(5,2)	(3,3)	(12,7)	(7,5)
Foreign exchange differences/other	(49,6)	(8,5)	29,5	20,2	(20,1)	11,7
Net cash flow	**(475,0)**	**(567,9)**	**(52,4)**	**(397,7)**	**(527,4)**	**(965,6)**