

## **Pirelli revenues increase 7.2% revenues increase 7.2%**

Milan – Pirelli group's results for the first nine months saw key economic indicators grow, in particular profitability compared with the same period of 2011, notwithstanding the slowdown of the macroeconomic scenario which intensified in the third quarter.

The negative impact of the crisis on sales' volumes was in fact offset by the group thanks to the positive performance of Pirelli's Premium range, as well as the reinforcement of the productive and commercial presence in rapidly developing economies and with a more favorable demand dynamic, factors which resulted in a significant increase in profitability.

At the consolidated level, revenues in the first nine months amounted to 4,574.1 million euro, an increase of 7.2% compared with 4,265.8 million euro in September 2011 and the operating result (Ebit) amounted to 592.8 million euro (higher than the total for full-year 2011), with an increase of 31% compared with 451.2 million euro of the prior year and profitability (Ebit margin) grew to 13.0% (+2.4 percentage points compared with the number on 30 September 2011). The net result was 308.3 million euro, an increase of 22.7% compared with 251.3 million euro on 30 September 2011. In the third quarter of 2012, in particular, Pirelli had sales of 1,552.3 million euro, an increase of 5.1%, and an operating result of 192.1 million euro (+19.2% in the same period of 2011), with profitability rising by 1.5 percentage points to 12.4%. The positive results' performance was particularly significant considering the overall reduction of sales' volumes in tire activities, which fell 6.8% during the first nine months of the year because of the persistent difficulties of the global macro-economic scenario, in particular in the countries of southern Europe.

The results confirm the effectiveness of the strategic focus on the premium segment. In this segment, in which Pirelli aims to achieve global leadership in 2015, volume performance in the third quarter (+12.5%) was in line with the preceding quarter and leads to a progressive growth in Premium volumes during the first nine months of 13.5%, with sales growing 23.5% to 1,612.3 million euro.