

PRESS RELEASE

GIM Shareholders Agreement and Intek sign Memorandum of Understanding to recapitalize GIM

The participants in the Shareholders Agreement of GIM - Generale Industrie Metallurgiche S.p.A. (consisting of the Orlando Family, Gruppo Pirelli & C. S.p.A., Sinpar Holding S.A., Italmobiliare S.p.A., RAS S.p.A.-Allianz A.G., Mediobanca S.p.A., Fenera Holding S.p.A. and Alberto Pecci), today signed a Memorandum of Understanding with Intek S.p.A. regarding Intek's entrance in GIM's capital by means of a capital increase of GIM – subject to revocation of the increase resolved in May 2004 – for a total of approximately € 152 million and with issuance of approximately € 105 million in warrants, for which Intek is expected to contribute approximately € 65 million and the participants to the current Shareholders Agreement approximately € 34 million.

This document follows the signing of the Exclusive Agreement of Friday, 24 September 2004; said exclusive will be valid until 25 October 2004.

The Memorandum also calls for Intek and the participants in the current Shareholders Agreement to participate in the formation of a syndicate for underwriting the approximately € 53 million in residual capital increase.

At the conclusion of the transaction, the participants in the current Shareholders Agreement and Intek will hold equal stakes in GIM; Intek will be able to increase its stake by exercising the warrants assigned to it at the time of the capital increase.

During the period in which Intek and the current Voting Trust have equal stakes, the hypothesized governance calls for them to designate an equal number of members of GIM's Board of Directors; it also calls for Salvatore Orlando to be appointed President of GIM and Vincenzo Manes (President and Managing Director of Intek) or another person designated by Intek, to be appointed Executive Vice President.

As structured, the GIM recapitalization transaction is subject to a series of conditions, including:

- the positive outcome of due diligence activities;
- the stipulation of an agreement with GIM Group creditor banks for reorganization of their respective positions and the issuance of the guarantee required by the European Commission relating to the payment of the fines to which the GIM Group was recently subjected;
- Intek's exemption from the obligation of launching a public purchase offer for purposes of Art. 49 paragraph 1 letter b) of the Issuer Rules, emanated for purposes of Art. 105 paragraph 5 letter a) of the Consolidated Finance Act;
- the signing of a corporate agreement between Intek and the participants in the current Voting Trust.

If the above-mentioned conditions are satisfied, the recapitalization of GIM should be substantially implemented by the end of 2004.

Florence, 29 September 2004

Chairman of the Trust