



CLOSING OF THE PRIVATE PLACEMENT OF BENI STABILI ITALIAN REAL ESTATE FUND

Rome, July 30 2004 – Beni Stabili Gestioni S.p.A. SGR, the Fund Management arm of Beni Stabili Group, announces the successful closing of the new Beni Stabili Italian Real Estate Fund.

The amount of commitments, equal to € 235 million, has been subscribed by a select group of international and Italian investors, comprising Stichting Pensioenfonds ABP from the Netherlands, Euro City Pte Ltd an affiliate of GIC Real Estate from Singapore, Teachers Insurance & Annuity Association from the United States and Generali Vita from Italy.

Beni Stabili Group will inject into the Fund properties for € 17.5 million, and the Fund Manager has subscribed commitments for € 12.5 million.

ABN Amro acted as placement agent and advisor, Studio Bonelli Erede Pappalardo were the legal advisors and Di Tanno & Associati were the tax advisors to the Fund.

The main features of the Fund are as follows.

Name	Beni Stabili Italian Real Estate Fund
Type	An unlisted Fund dedicated to institutional qualified investors.
Commitment	€ 235 million
Investment period	2 years
Fund life	7 year target life (with the option to extend up to 10 years)
Investment strategy	Office, retail and logistics properties in central and northern Italy. The Fund will also be able to co-invest in large portfolio transactions with BS Group on the basis of an agreement between the parties, observing legal provisions to avoid any conflict of interest
Leverage	50% maximum
Corporate governance	Specific provisions have been introduced to prevent potential conflicts of interest between Fund, Participants and the BS Group. An Advisory Committee will give its opinion on major deals and rule on any issue involving potential conflict of interest.

With the closing of Beni Stabili Italian Real Estate Fund (IREF), the Fund Manager is now managing 4 real estate funds with total subscriptions of € 700 million.

“We are very pleased to announce the successful closing of our first fund for institutional investors” commented Paolo Berlanda, CEO of Beni Stabili Gestioni SGR, “particularly because of the standing of the investors who are subscribing significant amounts in this Fund. To us this demonstrates the attractions of this type of vehicle for international investors who can appreciate the added value of having an established local partner such as Beni Stabili. Using leverage, IREF will have close to € 500 million to invest in property over the next two years”.

“We are very pleased with the closing of the Fund” declared Massimo de Meo and Aldo Mazzocco joint CEOs of Beni Stabili SpA. “It demonstrates the capability of our Group in the international market in attracting substantial capital from abroad for investment in Italy”.

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