



Press Release

Milan, 13 October 2000

BENI STABILI SpA

sells 5% stake in Immobiliare Italia Gestioni SGR to Compagnia Finanziaria d'Investimento SpA

Beni Stabili has sold a 5% stake in Immobiliare Italia Gestioni SGR, at par value, to Compagnia Finanziaria d'Investimento SpA, a finance company that operates in the real estate sector and whose shareholders include Benetton, Del Vecchio, Fincem and Banca Antoniana Popolare Veneta.

Immobiliare Italia Gestioni SGR currently manages Securfondo, the second closed-end real estate investment fund to be launched in Italy, which has a value of €150m.

The sale is tied to exploiting future opportunities for the creation and distribution of closed-end real estate investment funds.

BENI STABILI, which has been listed on the Milan stock exchange since 2 November 1999, is a leading property company at both Italian and European level.

BENI STABILI's main areas of business are:

- 1) property management and development (the renegotiation of lease agreements, improvements to occupancy rates, and purchase, disposal and development policies);

At 30 June 2000 Beni Stabili's assets consist of 167 properties with a book value of €97.6m.

The property portfolio breaks down as follows: commercial 78.3%, residential 12.4%, and industrial and land 9.3%.

- 2) identification and implementation of new real estate initiatives in high-growth segments offering elevated returns;
- 3) the provision of innovative consulting services for trading, the management of real estate investment funds (the BENI STABILI Group launched its second fund in Italy, "Securfondo", in September 1999) and the provision of property and facility management services, exploiting the specialist know-how and technical skills of its management team.

BENI STABILI intends to adopt targeted management strategies with the aim of achieving a significant improvement in average yields. Its consulting services, providing additional added value for the customer, will contribute to an increase in earnings.

Important development initiatives undertaken by BENI STABILI in recent months include the joint venture set up with BONAPARTE SpA in order to create multi-purpose retail parks, in which the partners plan to invest a total of 500bn Italian lire over five years. A further initiative regards a joint venture agreement with PIERRE & VACANCES, France's leading holiday village and hotel management company, which is listed on the Paris Bourse's "Second Market". The purpose of this venture is to select and purchase properties located in Italy's main cultural cities and tourist venues to be developed for use as hotel accommodation. The partners expect to invest no less than 200bn Italian lire over five years.

In March 2000 BENI STABILI also acquired 10% of RSE PROJEKTMANAGEMENT AG for a sum of around €3.5m. The purchase forms part of BENI STABILI's participation in a European network of listed property companies.

Finally, in July 2000 the Company embarked on a new project involving the construction of a luxury holiday resort on San Clemente Island in the Venetian lagoon. Investment, worth a total of 100bn Italian lire, will be carried out by San Clemente Resort Srl, the company that owns the island and which is 90% owned by Compagnia Finanziaria d'Investimento SpA and 10% by Beni Stabili SpA. During the development phase Beni Stabili is expected to significantly increase its holding in the company. The resort, which is scheduled to open in spring 2002, will be managed by Turin Hotels International.