

RenoDeMedici



DEMERGER DEED DRAWN UP

Pontenuovo di Magenta, 19 June 2006

The deed for the partial and proportional demerger of Reno De Medici S.p.A. (“Reno De Medici”) through the transfer of the non-industrial property held by the Reno De Medici group into a newly established recipient company RDM Realty S.p.A. (“RDM Realty”) was drawn up today.

The preparation of this deed follows the issue by Borsa Italiana S.p.A. on 12 June 2006 of a provision admitting the shares of RDM Realty to trading and the clearance provided by Consob on 15 June 2006 for the publication of the listing prospectus.

The demerger will be effective on completing the registration of the demerger deed with the Milan Registrar of Companies pursuant to and to the effects of article 2506-quarter of the Italian civil code, which is expected to take place by 21 June 2006.

Following this registration procedure, Borsa Italiana S.p.A. will issue a provision enabling trading to commence on or about 22 June 2006. The shares of RDM Realty will be traded from that date on the Expandi Market regulated and administered by Borsa Italiana S.p.A., while the shares of Reno De Medici will be traded “ex demerger”.

The demerger into RDM Realty was approved by the shareholders of Reno De Medici in an extraordinary general meeting held on 7 February 2006 and by the savings shareholders of Reno De Medici in a special general meeting held on 14 February 2006. Under the terms of the demerger, all the ordinary shareholders and all the savings shareholders of Reno De Medici will be allotted ordinary shares of RDM Realty on a proportional basis. The shareholders of Reno De Medici will be allotted one ordinary share of RDM Realty for each ordinary (coupon 8) or savings (coupon 8) share of Reno De Medici held. RDM Realty shares will carry dividends rights from the date on which the demerger is effective pursuant to article 2506-quarter of the Italian civil code.

The share capital of RDM Realty will amount to Euro 14,759,000, consisting of 269,714,437 ordinary shares without nominal value.

Intermonte is the Listing Partner of RDM Realty pursuant to article 2.A.3.1 of the Regulations of the markets regulated and administered by Borsa Italiana S.p.A, while Efibanca is acting as Advisor.

RDM Realty will be a property company active in the development of industrial and non-industrial areas whose use has been revised for local authority planning purposes, and in the

development and management of property used by the service sector (logistics, tourism, commercial and leisure).

Additional information may be obtained by contacting the following persons:

Reno De Medici

Guido Vigorelli

Tel. (+39) 02 979601 - Fax (+39) 02 97960555

E-mail: investor.relations@renodemedici.it

Bonaparte 48

Monica Strigelli

Tel. (+39) 02 8800971 - Fax (+39) 02 72010530

E-mail: monica.strigelli@bonaparte48.com