



Istituto Finanziario Industriale

Turin, May 14, 2003

PRESS RELEASE

Board of Directors Meeting held on May 14, 2003

The Board of Directors of IFI – Istituto Finanziario Industriale, which met today in Turin under the chairmanship of Umberto Agnelli, approved the results for the first quarter of 2003 (the period prior to the implementation of the Reorganization Plan, which took place in April).

The first quarter of the year shows a consolidated loss of the IFI Group of € 143.5 million (compared to a loss of € 96.2 million in the corresponding period of the prior year), which derives from IFI Group's share of the loss of the Fiat Group of € 134.8 million.

The consolidated shareholders' equity of the Group at March 31, 2003 amounted to € 1,841.8 million, a reduction from € 2,026.2 million at December 31, 2002.

The net financial position of IFI and Soiem showed a net debt position at March 31, 2003 of € 428.4 million, essentially in line with € 421.3 million at the end of 2002.

In April, IFIL received, in exchange for the capital increase reserved by IFIL for IFI, the investments already held by IFI in Fiat S.p.A. (17.99% of ordinary capital stock and 18.96% of preferred capital stock), Sanpaolo IMI (1.13% of ordinary capital stock), Juventus Football Club (62.01%) and Soiem (50.1%).

Moreover, May 12, 2003 marked the date of the conclusion of the transaction to convert IFIL savings shares to ordinary shares. IFI converted all the IFIL savings shares in its possession (119.750.000) to 101.787.500 ordinary shares.

On the basis of the preliminary results of the conversion communicated by Monte Titoli, IFI will hold 62,85% of IFIL ordinary capital stock, corresponding to 59,44% of the entire capital stock. IFI also has a direct 29.3% interest in Exor Group, the Luxembourg holding company in which Giovanni Agnelli e C. S.a.p.az. has a 70.4% stake. Exor Group reported a net profit of € 17 million in the first quarter of 2003 and has net liquidity of some € 150 million.

Future outlook of IFI Group's operations for the current year

The persisting negative international economic outlook makes it difficult to advance any forecasts on the result for the current year. Nevertheless, the efforts taken to turnaround Fiat and the new organization of the IFI and IFIL companies, which clearly assigns to the first a controlling role and to the second an operating holding company role, represents the bases for a resumption of growth by the Group.



CONSOLIDATED FINANCIAL STATEMENTS OF THE IFI GROUP AT MARCH 31, 2003 - CONDENSED^(*)

(*) Prepared by consolidating IFI and Soiem on a line-by-line basis and accounting for Fiat, IFIL, Exor Group and Juventus using the equity method.

CONDENSED CONSOLIDATED INCOME STATEMENT

Year		1st Quarter	1st Quarter	
2002	€in millions	2003	2002	Change
	Group's share of earnings (losses) of companies			
(755.2)	accounted for using the equity method	(134.5)	(93.2)	(41.3)
14.7	Dividends from other holdings and tax credits	0.0	0.0	0.0
(60.3)	Gains/(losses), net	0.0	0.9	(0.9)
(7.4)	Amortization of goodwill	0.0	(0.1)	0.1
(808.2)	Investment income (expenses), net	(134.5)	(92.4)	(42.1)
(17.5)	Financial expenses, net	(4.7)	(3.4)	(1.3)
(9.2)	General expenses, net	(2.2)	(1.9)	(0.3)
(4.5)	Other expenses, net	(2.4)	0.0	(2.4)
(839.4)	Profit (loss) before income taxes	(143.8)	(97.7)	(46.1)
21.8	Current income taxes, net	0.0	0.0	0.0
14.6	Deferred income taxes	0.3	1.5	(1.2)
(803.0)	Net loss - Group	(143.5)	(96.2)	(47.3)

GROUP'S SHARE OF EARNINGS (LOSSES) OF COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD

Year		1st Quarter	1st Quarter	
2002	€in millions	2003	2002	Change
(642.2)	Fiat Group	(110.8)	(86.1)	(24.7)
(118.6)	IFIL Group	(24.2)	2.1	(26.3)
(22.0)	Juventus Football Club (a)	(4.5)	(9.2)	4.7
3.9	Exor Group	4.7	(0.3)	5.0
(778.9)		(134.8)	(93.5)	(41.3)
23.7	^(b) Consolidation adjustments	0.3	0.3	0.0
(755.2)	Group's share of earnings (losses) of companies accounted for using the equity method	(134.5)	(93.2)	(41.3)

(a) Data taken from interim financial statements prepared for purposes of consolidation in IFI.

(b) Relating to the Fiat Group (+€ 19.4 million) and the IFIL Group (+€ 4.3 million).

The quarterly report is unaudited.



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CONDENSED CONSOLIDATED BALANCE SHEET

3/31/2002	€in millions	3/31/2003	12/31/2002	Change
	Long-term financial assets:			
3,384.6	- investments	2,191.6	2,366.9	(175.3)
127.3	- treasury stock	70.5	70.5	0.0
3.7	- other receivables	6.7	6.7	0.0
3,515.6		2,268.8	2,444.1	(175.3)
1.7	Cash and banks, financial receivables and other assets	2.2	1.8	0.4
20.9	Other assets, non-financial	29.2	29.7	(0.5)
3,538.2	Total assets	2,300.2	2,475.6	(175.4)
	Shareholders' equity:			
3,056.7	- Group	1,841.8	2,026.2	(184.4)
10.6	- Minority interest	10.5	10.4	0.1
3,067.3		1,852.3	2,036.6	(184.3)
	Financial payables:			
290.5	- banks, short-term	239.8	211.7	28.1
135.0	- banks, medium-term	160.0	170.0	(10.0)
0.0	- parent company, short-term	25.6	39.3	(13.7)
0.0	- subsidiaries, short-term	0.6	0.5	0.1
4.3	- other	4.6	1.6	3.0
429.8		430.6	423.1	7.5
27.1	Reserve for deferred taxes	6.3	6.6	(0.3)
14.0	Other liabilities and reserves	11.0	9.3	1.7
3,538.2	Total liabilities and shareholders' equity	2,300.2	2,475.6	(175.4)

The quarterly report is unaudited.