



Istituto Finanziario Industriale

Turin, November 13, 2003

PRESS RELEASE

Board of Directors' Meeting on November 13, 2003

The Board of Directors of IFI – Istituto Finanziario Industriale met today in Turin under the chairmanship of Umberto Agnelli to examine the results for the third quarter of 2003 and performance for the first nine months of the year.

The IFI Group reported a consolidated net income of € 14.4 million for the third quarter of 2003 (a loss of € 93 million was recorded for the corresponding period of 2002).

The first nine months of the year, instead, registered a consolidated net loss of the Group of € 115.6 million. This result is an improvement over the € 168 million loss reported for the corresponding period of the prior year and is basically due to the share of the loss of the FIAT Group for the first quarter of 2003, equal to 110.8 million.

Stockholders' equity of the Group at September 30, 2003 amounts to € 2,316.7 million, an increase compared to € 2,026.2 million at the end of December 2002 as a result of the capital increase against payment carried out in July.

Following this capital increase, the net financial position of IFI S.p.A. improved significantly and now amounts to a net indebtedness position of € 289.6 million (€ 421.3 million at December 31, 2002).

Future business outlook of the IFI Group for the current year

The persisting uncertainties surrounding the economic scenario will continue to negatively impact the result for the current year.

Nevertheless, the efforts now underway to relaunch FIAT and the new organizational structure of the companies IFI and IFIL, which clearly attribute a role of control to the first and a role of operating holding company to the second, constitute the premises for a turnaround of the Group.



CONSOLIDATED FINANCIAL STATEMENTS OF THE IFI GROUP AT SEPTEMBER 30, 2003 – CONDENSED (*)

(*) Prepared by valuing the investments held in IFIL and in the Exor Group using the equity method.

CONDENSED CONSOLIDATED INCOME STATEMENT

Year 2002	€in millions	9 months to September 30			III Quarter		
		2003	2002	Change	2003	2002	Change
	Group's share of earnings (losses) of companies						
(755.2)	accounted for using the equity method	(100.4)	(175.5)	75.1	16.4	(85.0)	101.4
14.7	Dividends and related tax credits	0.2	14.7	(14.5)	0.0	0.0	0.0
(60.3)	Gains (losses), net	0.0	0.7	(0.7)	0.0	(0.2)	0.2
(7.4)	Amortization of goodwill	0.0	(0.3)	0.3	0.0	(0.1)	0.1
(808.2)	Investment income (expenses), net	(100.2)	(160.4)	60.2	16.4	(85.3)	101.7
(17.5)	Financial expenses, net	(11.9)	(12.8)	0.9	(3.5)	(4.6)	1.1
(9.2)	General expenses, net	(4.7)	(6.8)	2.1	(1.3)	(2.2)	0.9
(4.5)	Other income (expenses), net	1.2	(4.1)	5.3	2.8	(1.5)	4.3
(839.4)	Income (loss) before taxes	(115.6)	(184.1)	68.5	14.4	(93.6)	108.0
21.8	Current income taxes, net	0.0	2.9	(2.9)	0.0	0.6	(0.6)
14.6	Deferred taxes	0.0	13.2	(13.2)	0.0	0.0	0.0
(803.0)	Net income (loss) - Group	(115.6)	(168.0)	52.4	14.4	(93.0)	107.4

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

Year 2002	€in millions	9 months to September 30			III Quarter		
		2003	2002	Change	2003	2002	Change
(118.6)	IFIL Group	(12.1)	1.9	(14.0)	15.1	(17.1)	32.2
3.9	Exor Group	5.0	0.0	5.0	0.7	(1.0)	1.7
(642.2)	Fiat Group, I Quarter 2003	(110.8)	(159.3)	48.5	0.0	(67.5)	67.5
(22.0)	Juventus Football Club, I Quarter 2003	(4.5)	(19.0)	14.5	0.0	0.3	(0.3)
(778.9)		(122.4)	(176.4)	54.0	15.8	(85.3)	101.1
23.7	Consolidation adjustments	22.0	0.9	21.1	0.6	0.3	0.3
	Group's share of earnings (losses) of companies						
(755.2)	accounted for using the equity method	(100.4)	(175.5)	75.1	16.4	(85.0)	101.4

The consolidated quarterly report is unaudited.



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(*) Prepared by valuing the investments held in IFIL and in the Exor Group using the equity method.

CONDENSED CONSOLIDATED BALANCE SHEET

9/30/2002	€in millions	9/30/2003	12/31/2002	Change	6/30/2003
	Financial fixed assets:				
3,004.2	- investments	2,534.2	2,366.9	167.3	2,216.8
129.4	- treasury stock	70.5	70.5	0.0	70.5
5.2	- other receivables	6.7	6.7	0.0	6.7
3,138.8		2,611.4	2,444.1	167.3	2,294.0
10.8	Cash, receivables and other financial assets	1.5	1.8	(0.3)	2.6
21.2	Other assets	18.4	29.7	(11.3)	14.2
3,170.8	Total assets	2,631.3	2,475.6	155.7	2,310.8
	Stockholders' equity:				
2,705.4	- of the Group	2,316.7	2,026.2	290.5	1,848.8
10.7 ^(a)	- minority interest	0.0	10.4 ^(a)	(10.4)	0.0
2,716.1		2,316.7	2,036.6	280.1	1,848.8
	Financial payables:				
247.4	- banks, short-term	11.2	211.7	(200.5)	160.0
170.0	- banks, medium-term	240.0	170.0	70.0	277.5
0.0	- parent company, short-term	36.5	39.3	(2.8)	0.0
0.0	- subsidiaries, short-term	0.0	0.5	(0.5)	0.0
4.8	- other	3.4	1.6	1.8	1.5
422.2		291.1	423.1	(132.0)	439.0
32.5	Other liabilities and reserves	23.5	15.9	7.6	23.0
3,170.8	Total liabilities and stockholders' equity	2,631.3	2,475.6	155.7	2,310.8

The consolidated quarterly report is unaudited.