



Finanziaria di Partecipazioni SpA

Turin, March 29, 2004

PRESS RELEASE

Board of Directors' Meeting on March 29, 2004

The Board of Directors of IFIL, which met today in Turin under the chairmanship of Gianluigi Gabetti, approved the consolidated financial statements and the draft statutory financial statements for the year ended December 31, 2003 which will be submitted to the Shareholders' Meeting, to be convened in June.

IFIL S.p.A. ended the year 2003 with a net income of €72.7 million. A loss of €516.4 million was reported in the prior year due to the writedown of the carrying values of some financial fixed assets.

The consolidated result of the IFIL Group was a loss of €45 million. This is nevertheless a strong improvement over the loss of €367 million reported in 2002. The positive change comes from the impact of lower losses by the Fiat Group and better results by the Rinascente Group. The contribution to this year's result by Worms & Cie was a profit, although less than in 2002 owing to lower gains realized on extraordinary transactions.

Moreover, the Group achieved its objective of reducing debt, which has decreased by more than half: net consolidated indebtedness of IFIL and the financial subsidiaries (the "holdings system") decreased, in fact, from €484.4 million at December 31, 2002 to €234.7 million at the end of 2003.

The Board of Directors thus voted to propose a motion to the Shareholders' Meeting to distribute dividends of €0.062 per ordinary share and €0.1654 per savings share (including €0.0827 for the preferential dividends that were not paid out in 2003), for a total of €70.5 million.

The Board also decided to submit, for approval by the Shareholders' Meeting, some amendments to the Company's by-laws that were also made for the purpose of adopting recent provisions introduced by the reform of corporate law.

At the end of the meeting, the Board of Directors took note of the resignation of Luigi Arnaudo from the post of director of the Company and offered its appreciation for his work in these many years of activity.



Major events in 2003

The most important event of the year was the capital stock increase in July which raised capital of €504 million and allowed IFIL to subscribe to its entire share of Fiat's capital stock increase.

The IFI – IFIL Reorganization Plan was also brought to a close. The Plan, among other things, reinforced the robustness of the balance sheet structure of IFIL, which now holds all of the Group's investments.

The strategy centered on the active management of IFIL's portfolio led to the receipt of extraordinary dividends from Worms & Cie and from La Rinascente (respectively, €50.3 million and €240.6 million), in addition to the sale of the minority stake in the company Sifalberghi for €32 million, with a gain of €25 million.

In September, IFIL's ordinary capital stock was listed on the mid-cap index of the stock exchange (Midex): this has assured a significant increase in the trading volumes of the stock, as well greater visibility with Italian and foreign mutual funds and institutional investors.

Lastly, three-year notes were issued for €100 million, subscribed to by leading institutional investors.

Significant subsequent events

In January, the IFIL Group purchased 9.53% of the capital stock of Eurofind, the company which controls La Rinascente, from Mediobanca. Following this transaction, which involved an investment of approximately €116.1 million, Eurofind's capital is equally held (50%) between the IFIL Group and Auchan.

Again in January, the IFIL Group, based on pre-existing agreements, purchased 10% of the capital stock of NHT – New Holding for Tourism, the company which completely controls Alpitour, from TUI for €46.3 million. In parallel with this transaction, the same NHT purchased the remaining 50% of Neos, the airline charter company for tourism, from TUI for an investment of €2.7 million.

IFIL's new organization in the United States of America. For the purpose of contributing to the search for new investment opportunities, IFIL set up an organization in the United States with offices in New York. Thanks to its positioning in one of the most interesting international financial centers and with its highly-qualified professional management staff, the organization – which will operate in close coordination with IFIL's offices in Turin – could significantly boost the opportunities of creating economic value for the Company. The opening of IFIL organization in New York in part of the company's approach to new investment opportunities, as discussed by the Board of Directors.

Future outlook

For 2004, the parent company, IFIL S.p.A., based on the data available to date, is expected to report a profit. The consolidated result of the IFIL Group for the current year will be closely linked to the performance of its main holdings.



CONSOLIDATED FINANCIAL STATEMENTS OF THE IFIL GROUP AT DECEMBER 31, 2003 – CONDENSED (*)

(*) Prepared by consolidating the financial holding companies on a line-by-line or proportional basis and accounting for the operating holding companies and the other subsidiaries and associated companies using the equity method.

CONDENSED CONSOLIDATED INCOME STATEMENT

€ in millions	2003	2002	Change
Group's share of earnings (losses) of companies accounted for using the equity method	(49.7)	(301.6)	251.9
Dividends from other holdings	21.2	30.6	(9.4)
Dividend tax credits	11.9	8.2	3.7
Gains (losses), net	25.0	(51.8)	76.8
Amortization of goodwill	(13.7)	(6.8)	(6.9)
Investment income (expenses), net	(5.3)	(321.4)	316.1
Financial expenses, net	(23.6)	(20.6)	(3.0)
General expenses, net	(13.0)	(13.4)	0.4
Other expenses, net	(6.1)	(12.2)	6.1
Loss before taxes	(48.0)	(367.6)	319.6
Current income taxes, net	0.1	4.6	(4.5)
Deferred taxes	2.9	(4.0)	6.9
Net loss - Group	(45.0)	(367.0)	322.0

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

€ in millions	Earnings (losses)		IFIL's share		Change
	2003	2002	2003	2002	
Fiat Group	(1,900.0)	(3,948.0)	(410.4)	(429.5)	19.1
Worms & Cie Group	111.6	189.7	59.2	98.1	(38.9)
Rinascente Group	200.4	50.8	80.4	15.2	65.2
NHT Group (a)	(11.2)	(21.0)	(10.1)	(18.9)	8.8
Juventus Football Club	(8.9) (b)	-	(5.5)	-	(5.5)
Other	-	-	0.2	0.2	0.0
			(286.2)	(334.9)	48.7
Consolidation adjustments	-	-	236.5	33.3	203.2
Group's share of earnings (losses) of companies accounted for using the equity method			(49.7)	(301.6)	251.9

(a) The financial year coincides with the period November 1 to – October 31.

(b) This is the result for the last three quarters of 2003: it does not include the loss of € 7.2 million for the first quarter of 2003.

Unaudited by the audit firm and not examined by the board of statutory auditors.



CONSOLIDATED FINANCIAL STATEMENTS OF THE IFIL GROUP AT DECEMBER 31, 2003 – CONDENSED (*)

(*) Prepared by consolidating the financial holding companies on a line-by-line or proportional basis and accounting for the operating holding companies and the other subsidiaries and associated companies using the equity method.

CONDENSED CONSOLIDATED BALANCE SHEET

€ in millions	12/31/2003	12/31/2002	Change
Financial fixed assets:			
- investments	4,174.0	3,161.0	1,013.0
- treasury stock	44.5	41.7	2.8
- long-term bonds	4.6	4.5	0.1
	4,223.1	3,207.2	1,015.9
Financial assets recorded in current assets			
- cash and short-term investments	434.6	244.5	190.1
- treasury stock	1.7	0.0	1.7
	436.3	244.5	191.8
Other assets	87.3	53.8	33.5
Total assets	4,746.7	3,505.5	1,241.2
Stockholders' equity - Group	3,953.9	2,708.1	1,245.8
Financial payables:			
- short-term	216.9	434.2	(217.3)
- medium-term	450.0	295.0	155.0
	666.9	729.2	(62.3)
Reserve for employee severance indemnities and reserves for risks and charges	99.6 (a)	41.3	58.3
Other liabilities	26.3	26.9	(0.6)
Total liabilities and stockholders' equity	4,746.7	3,505.5	1,241.2

(a) Includes the remaining "Consolidation reserve for risks and future expenses" of €69.6 million.

Unaudited by the audit firm and not examined by the board of statutory auditors.



FINANCIAL STATEMENTS OF IFIL S.P.A. AT DECEMBER 31, 2003

CONDENSED INCOME STATEMENT

€ in millions	2003	2002	Change
Dividends	76.8	54.5	22.3
Dividend tax credits	12.2	16.2	(4.0)
Gains	23.0	1.8	21.2
Writedowns	0.0	(537.7)	537.7
Income/(expenses), net, from financial fixed assets	112.0	(465.2)	577.2
Financial expenses, net	(28.6)	(30.4)	1.8
General expenses, net	(11.5)	(11.3)	(0.2)
Other expenses, net	(4.4)	(7.3)	2.9
Income (loss) before income taxes	67.5	(514.2)	581.7
Deferred income taxes	5.2	(2.2)	7.4
Net income (loss)	72.7	(516.4)	589.1

CONDENSED BALANCE SHEET

€ in millions	12/31/2003		12/31/2002		Change
	Amount	%	Amount	%	
Intangible fixed assets	9.0	0.2	0.0	0.0	9.0
Long-term financial assets	3,808.3	98.1	2,520.8	98.0	1,287.5
Other assets	67.1	1.7	52.0	2.0	15.1
Total assets	3,884.4	100.0	2,572.8	100.0	1,311.6
Stockholders' equity	3,194.4	82.2	1,823.2	70.9	1,371.2
Financial payables:					
- bonds 2002/2005	200.0	5.1	145.0	5.6	55.0
- bonds 2003/2006	100.0	2.6	0.0	0.0	100.0
- banks, short-term	216.9	5.6	428.5	16.7	(211.6)
- banks, medium-term	150.0	3.9	150.0	5.8	0.0
- subsidiaries	8.6	0.2	0.0	0.0	8.6
	675.5	17.4	723.5	28.1	(48.0)
Other liabilities and reserves	14.5	0.4	26.1	1.0	(11.6)
Total liabilities and stockholders' equity	3,884.4	100.0	2,572.8	100.0	1,311.6

Unaudited by the audit firm and not examined by the board of statutory auditors.