



Istituto Finanziario Industriale

Turin, May 14, 2004

PRESS RELEASE

Board of Directors' Meeting on May 14, 2004

The Board of Directors of IFI – Istituto Finanziario Industriale, which met today in Turin under the chairmanship of Umberto Agnelli, examined the results for the first three months of 2004.

The first quarter of the year shows a consolidated net loss for the IFI Group of €31.2 million. This is an improvement over the corresponding period of 2003 which recorded a loss of €143.5 million. The result basically reflects the share of the loss of the subsidiary IFIL (€27.2 million).

Consolidated stockholders' equity of the Group at March 31, 2004 amounts to €2,231.3 million, a slight increase compared to December 31, 2003 (€2,221.3 million).

The net financial position of IFI S.p.A. at March 31, 2004 shows a net indebtedness position of €301.9 million (€295.4 million at December 31, 2003).

The Board of Directors also approved the Model for organization, management and control pursuant to Legislative Decree No. 231/2001 and appointed a monitoring unit in compliance with the same law. This Model, together with the Code of Ethics and the organizational procedures adopted by the Company, constitute a comprehensive and effective system to prevent and identify any violations of the law on a timely basis.

Lastly, the Board of Directors has convened the Stockholders' meeting for June 23, and June 24, 2004 (in first and second call, respectively) for the approval of the financial statements for the year ended December 31, 2003. As previously announced, the same Stockholders' Meeting, in the extraordinary session, will also be asked to approve amendments to the Company's by-laws as a result of the reform of corporate law.

Business outlook for the IFI Group for the current year

Taking into account the motions for the distribution of dividends formulated by the Boards of Directors of IFIL and Exor Group, it is believed that the result for 2004 of IFI S.p.A. will be a profit. The consolidated result of the IFI Group for 2004 will be closely linked to the performance of IFIL and its main holdings.



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

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

CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

Year		I Quarter	I Quarter	
2003	€ in millions	2004	2003	Change
(117.7)	Group's share of earnings (losses) of companies accounted for using the equity method	(26.9)	(134.5)	107.6
0.2	Dividends from other holdings and tax credits	0.0	0.0	0.0
(15.0)	Financial expenses, net	(3.1)	(4.7)	1.6
(6.1)	General expenses, net	(1.2)	(2.2)	1.0
1.0	Other income (expenses), net	0.0	(2.4)	2.4
(137.6)	Loss before taxes	(31.2)	(143.8)	112.6
7.6	Deferred taxes	0.0	0.3	(0.3)
(130.0)	Net loss - Group	(31.2)	(143.5)	112.3

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

Year		I Quarter	I Quarter	
2003	€ in millions	2004	2003	Change
(27.2)	IFIL Group	(27.2)	(24.2)	(3.0)
5.0	Exor Group	(0.2)	4.7	(4.9)
(110.8) (a)	Fiat Group	-	(110.8)	110.8
(4.5) (a)	Juventus Football Club	-	(4.5)	4.5
(137.5)		(27.4)	(134.8)	107.4
19.8	Consolidation adjustments	0.5	0.3	0.2
(117.7)	Group's share of earnings (losses) of companies accounted for using the equity method	(26.9)	(134.5)	107.6

(a) Results for the first quarter of 2003.

The consolidated quarterly report is unaudited.



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CONDENSED CONSOLIDATED BALANCE SHEET

3/31/2003	€ in millions	3/31/2004	12/31/2003	Change
	Financial fixed assets:			
2,191.6	- investments	2,450.2	2,436.0	14.2
70.5	- treasury stock	70.5	70.5	0.0
6.7	- other receivables	8.2	6.7	1.5
2,268.8		2,528.9	2,513.2	15.7
2.2	Cash, receivables and other financial assets	0.2	0.1	0.1
29.2	Other assets	18.3	18.6	(0.3)
2,300.2	Total assets	2,547.4	2,531.9	15.5
	Stockholders' equity			
1,841.8	- of the Group	2,231.3	2,221.3	10.0
10.5	- minority interest	0.0	0.0	0.0
1,852.3		2,231.3	2,221.3	10.0
	Financial payables:			
239.8	- banks, short-term	244.4	66.3	178.1
160.0	- banks, medium-term	40.0	212.7	(172.7)
25.6	- parent company, short-term	14.2	15.2	(1.0)
0.6	- subsidiaries, short-term	0.0	0.0	0.0
426.0		298.6	294.2	4.4
21.9	Other liabilities and reserves	17.5	16.4	1.1
2,300.2	Total liabilities and stockholders' equity	2,547.4	2,531.9	15.5

The consolidated quarterly report is unaudited.