

Turin, June 9, 2005

PRESS RELEASE

IFIL Board of Directors approves the first quarter 2005 results

HIGHLIGHTS			
<i>€ in millions - Criteria used for preparation indicated in attached interim financial statements</i>	I Quarter 2005	I Quarter 2004 ^(a)	<i>Change</i>
Net income (loss) - Group	81.4	(83.3)	+164.7
	at 3/31/2005	at 12/31/2004 ^(a)	<i>Change</i>
Consolidated net financial position of the "Holdings System"	613.9	680	-66.1
Consolidated stockholders' equity - Group	4,041.1	3,794.1	+247

^(a) Data restated in accordance with IAS/IFRS.

The Board of Directors of IFIL S.p.A. met today in Turin under the chairmanship of Gianluigi Gabetti to examine the consolidated results for the first three months of 2005, prepared in accordance with IAS/IFRS international accounting standards.

The first quarter of 2005 ended with a consolidated net income of the IFIL Group of €81.4 million. Compared to the corresponding period of 2004 (in which a loss was reported of €83.3 million), the result shows an improvement of €164.7 million, mainly owing to better results posted by the Fiat Group.

The consolidated net financial position of the "Holdings System" at March 31, 2005 shows a net cash position of €613.9 million. This is a reduction of €66.1 million compared to the end of 2004, principally due to the investment made in Sanpaolo IMI during March 2005.

Consolidated stockholders' equity of the Group at March 31, 2005 amounts to €4,041.1 million, up from €3,794.1 million at the end of 2004. The increase of €247 million is basically due to the adjustment of the investment in Sanpaolo IMI to fair value and the consolidated net income reported by the Group for the first quarter.

Major events

During March and April 2005, IFIL purchased on the market 22,700,000 Sanpaolo IMI ordinary shares (1.54% of the class of stock) for an investment of €263.5 million. At the end of May, IFIL holds 6.31% Sanpaolo IMI ordinary capital stock (equal to 4.99% of capital stock).

In April, the agreement was executed between IFIL, Banca Intesa, Marcegaglia Group and Sviluppo Italia for the partial privatization of Sviluppo Italia Turismo (SIT). Once approval was obtained from the European antitrust authority, Turismo&Immobiliare (the company in which the three private stockholders each own equal stakes) subscribed to SIT's capital increase of €60 million and purchased a 49% stake in the company from Sviluppo Italia for €16 million. The total investment is €76 million (IFIL's share is equal to €25.5 million).

On May 6, 2005, after authorization was obtained from the antitrust authority, 99.09% of Rinascente S.p.A. capital stock held by Eurofind Textile S.A. (a company controlled by Auchan and IFIL) was sold to Tamerice S.r.l. for a price of €888 million. On May 17, 2005, the IFIL Group purchased the remaining 50% stake in Eurofind Textile from the Auchan Group for €349.5 million. As a result of these transactions, which will be booked in the second quarter of the year, the IFIL Group received net proceeds of about €530 million and realized a gain of more than €450 million

Change in the corporate calendar of events

The meeting of the Board of Directors for the approval of the consolidated six month report at June 30, 2005, prepared in accordance with IAS/IFRS, originally scheduled for September 12, 2005, will be held on **September 28, 2005**.

Business outlook

Taking into account the forecasts formulated by the major holdings and other estimates currently available, including that relating to the gain on the sale of La Rinascente, the 2005 consolidated financial statements of the IFIL Group are expected to show a profit.

As for IFIL S.p.A., the profit for 2005 is expected to be higher than that of the prior year (€80.2 million).

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IFIL GROUP – CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT MARCH 31, 2005 - CONDENSED^(*)

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

CONDENSED CONSOLIDATED INCOME STATEMENT

Year	2004 (a) € in millions	I Quarter		Change
		2005	2004 (a)	
(395.4)	Group's share of the earnings (losses) of operating subsidiaries and associates accounted for by the equity method	87.1	(45.1)	132.2
27.4	Dividends from other holdings	0.0	0.0	0.0
603.3	Gains	1.8	0.0	1.8
(2.3)	Share of earnings (losses) of companies held for sale	0.0	(4.4)	4.4
(74.4)	Impairment losses of investments and securities	0.0	(23.7)	23.7
(20.9)	Net financial expenses	(0.6)	(5.2)	4.6
(22.2)	Net general expenses	(6.5)	(4.0)	(2.5)
0.3	(Accruals to)/releases of provisions	(0.4)	(0.9)	0.5
10.8	Income taxes	0.0	0.0	0.0
126.6	Net income (loss) - Group	81.4	(83.3)	164.7

(a) Data restated in accordance with IAS/IFRS.

GROUP'S SHARE OF THE EARNINGS (LOSSES) OF OPERATING SUBSIDIARIES AND ASSOCIATES ACCOUNTED FOR BY THE EQUITY METHOD

Year	2004 € in millions	Results of holdings		IFIL's share		Change
		I Quarter 2005	I Quarter 2004	I Quarter 2005	I Quarter 2004	
(453.3)	Fiat Group	295.0	(390.0)	81.8	(108.2)	190.0
(12.5)	Sequana Capital Group	32.9	64.4	17.4	34.2	(16.8)
5.7	Alpitour Group	(14.7)	(9.8)	(14.7)	(9.8)	(4.9)
(5.6)	Juventus Football Club	4.3	6.0	2.6	3.7	(1.1)
(465.7)				87.1	(80.1)	167.2
70.3	Consolidation adjustments			0.0	35.0	(35.0)
(395.4)	Total			87.1	(45.1)	132.2

The consolidated quarterly report is unaudited.

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CONDENSED CONSOLIDATED BALANCE SHEET

€ in millions	Balances at		Change
	3/31/2005	12/31/2004 ^(a)	
Assets			
Investments in operating subsidiaries and associates accounted for by the equity method	2,388.7	2,244.1	144.6
Other equity investments	913.8	744.9	168.9
Non-current securities	7.3	7.3	0.0
Intangible assets and property, plant and equipment	13.5	13.6	(0.1)
Assets held for sale	72.3	72.4	(0.1)
Marketable securities	852.8	1,047.9	(195.1)
Current receivables and other assets	256.0	300.2	(44.2)
Cash and cash equivalents	12.7	4.2	8.5
Total assets	4,517.1	4,434.6	82.5
Equity and liabilities			
Capital and reserves	4,093.2	3,844.1	249.1
Treasury stock	(52.1)	(50.0)	(2.1)
Stockholders' equity - Group	4,041.1	3,794.1	247.0
Provisions	8.7	8.4	0.3
Bonds	300.6	300.6	0.0
Current and non-current bank debt	157.4	323.9	(166.5)
Other current and non-current liabilities	9.3	7.6	1.7
Total equity and liabilities	4,517.1	4,434.6	82.5

(a) Data restated in accordance with IAS/IFRS.

CONSOLIDATED NET FINANCIAL POSITION OF THE "HOLDINGS SYSTEM"

€ in millions	3/31/2005			12/31/2004		
	Current	Non-current	Total	Current	Non-current	Total
Marketable securities	852.8	0.0	852.8	1,047.9	0.0	1,047.9
Current receivables and other assets	206.4	0.0	206.4	252.4	0.0	252.4
Cash and cash equivalents	12.7	0.0	12.7	4.2	0.0	4.2
Total financial assets	1,071.9	0.0	1,071.9	1,304.5	0.0	1,304.5
IFIL 2002/2005 bonds	(200.7)	0.0	(200.7)	(200.7)	0.0	(200.7)
IFIL 2003/2006 bonds	0.0	(99.9)	(99.9)	0.0	(99.9)	(99.9)
Bank debt	(157.4)	0.0	(157.4)	(323.9)	0.0	(323.9)
Total financial liabilities	(358.1)	(99.9)	(458.0)	(524.6)	(99.9)	(624.5)
Consolidated financial position of the "Holdings System"	713.8	(99.9)	613.9	779.9	(99.9)	680.0

The consolidated quarterly report is unaudited.