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PRESS RELEASE

IFI's BOARD APPROVES THIRD-QUARTER 2005 RESULTS

Highlights

<i>€ in millions</i> <i>Criteria used for preparation indicated in attached financial statements</i>	III Quarter 2005	III Quarter 2004 ^(a)	<i>Change</i>
Consolidated profit (loss) - IFI Group	192.4	(78.3)	+270.7

	9 months to 9/30/2005	9 months to 9/30/2004 ^(a)	<i>Change</i>
Consolidated profit (loss) - IFI Group	580	(131.2)	+711.2

	at 30/9/2005	at 12/31/2004 ^(a)	<i>Change</i>
Net financial position - IFI S.p.A.	(280.1)	(265.7)	(14.4)
Consolidated equity - IFI Group	3,049.7	2,166.2	+883.5

^(a) *IFRS adjusted data.*

The Board of Directors of IFI – Istituto Finanziario Industriale S.p.A., which met today in Turin under the chairmanship of Gianluigi Gabetti, examined the consolidated results for the third quarter of 2005 and the first nine months of the year.

The third-quarter of 2005 ended with a consolidated profit of €192.4 million for the IFI Group: compared to the corresponding period of 2004 (in which a consolidated loss of €78.3 million was reported), this is an improvement of €270.7 million, basically due to the increase in the result of the IFIL Group. For that same reason, the cumulative profit for the first nine months of the year also grew and shows a consolidated profit of €580 million. The improvement compared to the corresponding period of 2004 (which ended with a consolidated loss of €131.2 million) amounts to €711.2 million.

The net financial position of IFI S.p.A. at September 30, 2005 shows a debt position of €280.1 million. This is an increase of €14.4 million compared to the end of 2004 (a debt position of €265.7 million) due to investments in IFIL stock made in March and April 2005.

Consolidated equity of the Group at September 30, 2005 amounts to €3,049.7 million and grew from €2,166.2 million at the end of 2004. The increase of €883.5 million is due to the consolidated profit of the Group for the period and other positive net changes.

Business outlook

Taking into account the forecasts formulated by the holdings, IFIL and Exor Group, it is believed that the consolidated result of the IFI Group for 2005 will show a strong increase over 2004, which closed with a profit of €17 million.

As for IFI S.p.A., the result is expected to be along the lines of that of 2004 (€7.7 million).

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**IFI GROUP - INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AT SEPTEMBER 30, 2005 – CONDENSED (*)**

(*) Prepared by accounting for the investments in IFIL and Exor Group by the equity method on the basis of the interim financial statements drawn up by them in accordance with IFRS.

CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT

Year 2004	€ in millions	9 months to September 30			III Quarter		
		2005	2004	Change	2005	2004	Change
134.2	Group's share of the earnings (losses) of companies accounted for by the equity method	590.5	(119.4)	709.9	195.7	(74.5)	270.2
0.1	Dividends from other holdings	0.1	0.1	0.0	0.0	0.0	0.0
(11.5)	Financial income (expenses)	(7.4)	(8.8)	1.4	(2.1)	(2.7)	0.6
(4.0)	Net general expenses	(3.1)	(3.1)	0.0	(0.9)	(1.1)	0.2
(1.4)	(Accruals to)/releases of provisions	0.0	0.0	0.0	0.0	0.0	0.0
3.7	Income taxes	(0.1)	0.0	(0.1)	(0.3)	0.0	(0.3)
121.1	Profit (loss) - Group	580.0	(131.2)	711.2	192.4	(78.3)	270.7

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

Year 2004	€ in millions	9 months to September 30			III Quarter		
		2005	2004	Change	2005	2004	Change
76.4	IFIL Group	571.5	(128.8)	700.3	182.1	(74.8)	256.9
27.1	Exor Group	14.7	8.0	6.7	13.6	(0.3)	13.9
103.5		586.2	(120.8)	707.0	195.7	(75.1)	270.8
30.7	Consolidation adjustments	4.3	1.4	2.9	0.0	0.6	(0.6)
134.2	Total	590.5	(119.4)	709.9	195.7	(74.5)	270.2

The consolidated quarterly report is unaudited.

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CONDENSED INTERIM CONSOLIDATED BALANCE SHEET

€ in millions	9/30/2005	12/31/2004	Change
Assets			
Investments in subsidiaries and associates accounted for by the equity method	3,313.1	2,414.8	898.3
Other investments	0.5	0.5	0.0
Non-current financial receivables	4.2	4.2	0.0
Receivables and other current assets	18.4	19.1	(0.7)
Cash and cash equivalents	0.2	0.1	0.1
Total assets	3,336.4	2,438.7	897.7
Equity and liabilities			
Capital and reserves	3,120.2	2,236.7	883.5
Treasury stock	(70.5)	(70.5)	0.0
Equity - Group	3,049.7	2,166.2	883.5
Provisions for other liabilities and charges	5.4	5.1	0.3
Current and non-current financial payables	280.3	265.8	14.5
Other current and non-current liabilities	1.0	1.6	(0.6)
Total equity and liabilities	3,336.4	2,438.7	897.7

NET FINANCIAL POSITION OF IFI S.p.A.

6/30/2005			9/30/2005			12/31/2004		
Current	Non-current	Total € in millions	Current	Non-current	Total	Current	Non-current	Total
45.2		45.2						
		Dividends receivable from IFIL						
0.1		0.1	0.2		0.2	0.1		0.1
		Cash and cash equivalents						
45.3	0.0	45.3	0.2	0.0	0.2	0.1	0.0	0.1
		Total financial assets						
(30.3)		(30.3)	(31.4)		(31.4)	(24.2)		(24.2)
		Payables to the parent company						
(217.5)	(75.0)	(292.5)	(118.9)	(130.0)	(248.9)	(211.6)	(30.0)	(241.6)
		Bank debt						
(247.8)	(75.0)	(322.8)	(150.3)	(130.0)	(280.3)	(235.8)	(30.0)	(265.8)
		Total financial liabilities						
(202.5)	(75.0)	(277.5)	(150.1)	(130.0)	(280.1)	(235.7)	(30.0)	(265.7)
		Net financial position						

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