



Turin, May 12, 2006

PRESS RELEASE

IFIL bond issue

The Board of Directors of IFIL S.p.A., which met today in Turin under the chairmanship of Gianluigi Gabetti, approved the issue of non-convertible bonds, in one or more tranches, to Italian and foreign investment professionals, for an amount of between €150 million and €250 million for a maximum bond term of 5 years.

The bonds, for which a request will be made for their listing and trading on the Luxembourg stock exchange, have the aim of raising new financial resources for IFIL, considering the current favorable market for interest rates in the euro area, in order to take advantage of future investment opportunities, also in view of the maturity of the IFIL 2003-2006 bonds of €100 million next December 2006 which will be repaid from current cash resources.

The terms of the bond issue will be decided on the basis of market conditions and later communicated in the manner required by existing laws.

It should be recalled that the rating assigned to long-term debt by Standard & Poor's is "BBB+", whereas the rating on short-term debt is A-2, with a stable outlook.

The sole Lead Manager for the bond issue is Rasfin SIM S.p.A.

The bonds will be offered only outside the United States to institutional investors that are non U.S. persons under Regulation S and have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or under other securities laws. The bonds may not be offered for sale in the United States unless they are registered or specifically exempted from registration.

This press release does not constitute either an offer to sell or a solicitation to purchase the bonds. The bonds, moreover, shall not be sold in any State or jurisdiction in which such offer, solicitation to purchase or to sell would be considered unlawful. No action has been or will be taken to permit a public offering of the bonds in any jurisdiction, including Italy.

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This press release does not constitute an offer to sell or a solicitation of an offer to purchase bonds in the United States or in any other jurisdiction, including Italy. The IFIL S.p.A. bonds may not be offered or sold in the United States or to or for the account or benefit of U.S. persons ("U.S. persons" as such term is defined by Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act")) unless registered under the Securities Act or exempted from such registration. Such securities have not been nor will not be registered under the Securities Act. Any offering of these securities will be made by means of a prospectus which will contain detailed information about the issuer and its business. except

The offering of the bonds has not been registered with the Commissione Nazionale per le Società e la Borsa (CONSOB) and no application has been made to Bank of Italy, pursuant to Italian securities legislation. Accordingly, the bonds have not been and will not be offered, sold or delivered in Italy in a solicitation to the public for the purchase of bonds. The bonds may only be offered, sold or delivered in Italy in accordance with applicable laws and regulations.

This press release is directed solely (i) to persons outside the United Kingdom, (ii) to investment professionals falling under Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or (iii) to persons falling under Article 49(2) paragraphs from (a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (all such persons together being referred to "relevant persons". This press release must not be acted on or relied on by persons who are not relevant persons. Any investment activity to which this press release relates is reserved for relevant persons only and may only be engaged in by the relevant persons.

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