

Turin, September 13, 2006

PRESS RELEASE

IFI Board of Directors approves first half 2006 results

Highlights of results – IFI Group

| <i>€ in millions</i> | | | |
|---|--------------------|-------------|----------------|
| <i>Criteria used in preparing data indicated in attached statements</i> | I Half 2006 | I Half 2005 | <i>Change</i> |
| Consolidated profit – IFI Group | 129.7 | 387.6 | - 257.9 |

| | At 6/30/2006 | At 12/31/2005 | <i>Change</i> |
|---------------------------------|---------------------|---------------|---------------|
| Consolidated equity - IFI Group | 3,142 | 3,084 | +58 |

Highlights of results – IFI S.p.A.

| <i>€ in millions</i> | | | |
|----------------------|--------------------|---------------------|---------------|
| | I Half 2006 | I Half 2005 | <i>Change</i> |
| Profit – IFI S.p.A. | 152.4 | 48.4 ^(a) | +104 |

| | At 6/30/2006 | At 12/31/2005 | <i>Change</i> |
|-------------------------------------|---------------------|------------------------|---------------|
| Equity – IFI S.p.A. | 1.728.5 | 1.574.5 ^(a) | +154 |
| Net financial position – IFI S.p.A. | - 91.2 | -277.7 ^(a) | +186.5 |

^{a)} IFRS revised data.

- The IFI Group closes the first half of 2006 with consolidated profit of €129.7 million (€387.6 million in the first half of 2005, which included significant nonrecurring income reported by the IFIL Group)
- IFI S.p.A. reports profit of €152.4 million for the first six months of 2006 (€48.4 million in the first half of 2005)
- For the full year 2006, a consolidated profit is forecast and profit of IFI S.p.A. is expected to be significantly higher than in 2005

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 first six months of 2006.

The first half of the year closes with a consolidated profit of the IFI Group of €129.7 million. Compared to the corresponding period of 2005, which included significant nonrecurring income reported by the IFIL Group, the result shows a decrease of €257.9 million.

Consolidated equity of the Group at June 30, 2006 is €3,142 million (€3,084 million at the end of 2005). The increase of €58 million is due to the consolidated profit of the Group for the period (+€129.7 million), the share of negative translation differences (-€92.1 million) and other net changes (+€18.8 million) reported by the IFIL Group and other variations (+ €1.6 million).

The net financial position of IFI S.p.A. at June 30, 2006 shows a negative €91.2 million, with a positive change of €186.5 million compared to the position at the end of 2005 (-€277.7 million). This change is due to the sale of the entire investment in Exor Group (+ €206.6 million), the receipt of dividends (+ €54.3 million), the purchase of a 1.39% stake in IFIL ordinary capital stock (-€65.5 million) and other net changes (-€8.9 million).

For the parent, IFI S.p.A., profit for the first half of 2006 is €152.4 million and shows an increase of €104 million compared to the corresponding period of 2005 (€48.4 million), mainly due to the gain on the sale of the investment in the company Exor Group to Exor Group itself.

Major events during the first half of 2006

Increase in the investment in IFIL

During the first half of 2006, IFI purchased 14,447,876 IFIL ordinary shares on the market (1.39% of the class of stock) for an investment of €65.5 million. IFI currently holds 64.98% of IFIL ordinary capital stock and 4.99% of savings capital stock.

Sale of the investment in Exor Group

On April 7, 2006, IFI S.p.A. sold the entire investment in Exor Group to Exor Group itself. The sale resulted in a gain of €104 million for IFI S.p.A. and a gain of €7.3 million on consolidation and led to a significant reduction in debt. On May 4, 2006, Exor Group cancelled the treasury stock thus purchased, with a consequent reduction in capital stock.

Business outlook

For IFI S.p.A., forecasts are for a profit that will be considerably higher than that of 2005. On the basis of the indications formulated by the IFIL Group for 2006, the IFI Group is expected to show a consolidated profit, although lower than that of 2005, which included significant nonrecurring income.

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IFI GROUP - CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2006 – CONDENSED (*)

(*) Prepared by accounting for the investment held in IFIL (and, until December 31, 2005, in Exor Group) by the equity method.

CONDENSED CONSOLIDATED INCOME STATEMENT

| Year | € in millions | I Half | | Change |
|-------|--|--------------|--------------|----------------|
| | | 2006 | 2005 | |
| 693.0 | Group's share of the earnings (losses) of companies accounted for by the equity method | 125.9 | 394.8 | (268.9) |
| 0.0 | Gain on the sale of the investment in Exor Group | 7.3 | 0.0 | 7.3 |
| 0.1 | Dividends from other holdings | 0.1 | 0.1 | 0.0 |
| (9.1) | Net other financial expenses | (3.6) | (5.3) | 1.7 |
| (4.1) | Net general expenses | (2.3) | (2.2) | (0.1) |
| (5.6) | Net other non-recurring expenses | 0.0 | 0.0 | 0.0 |
| 1.3 | Income taxes | 2.3 | 0.2 | 2.1 |
| 675.6 | Profit - Group | 129.7 | 387.6 | (257.9) |

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

| Year | € in millions | Earnings (losses) | | IFI's share | | Change |
|-------|-------------------------------|-------------------|-------------|--------------|--------------|----------------|
| | | I Half 2006 | I Half 2005 | I Half 2006 | I Half 2005 | |
| 680.2 | IFIL Group | 189.5 | 624.1 | 120.8 | 389.4 | (268.6) |
| 10.6 | Exor Group (a) | - | 3.7 | - | 1.1 | (1.1) |
| 690.8 | | | | 120.8 | 390.5 | (269.7) |
| 2.2 | Consolidation adjustments (b) | | | 5.1 | 4.3 | 0.8 |
| 693.0 | Total | | | 125.9 | 394.8 | (268.9) |

(a) The investment was sold on April 7, 2006.

(b) These represent the excess of the increase in IFI's share of the consolidated equity of the IFIL Group over the cost of IFIL stock purchased during the periods under examination.

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

IFI GROUP - CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2006 – CONDENSED (*)

(*) Prepared by accounting for the investment held in IFIL (and, until December 31, 2005, in Exor Group) by the equity method.

CONDENSED CONSOLIDATED BALANCE SHEET

| 6/30/2005 | € in millions | 6/30/2006 | 12/31/2005 | Change |
|--------------------------------|--|-----------|------------|---------|
| Non-current assets | | | | |
| 2,946.8 | (a) Investments accounted for by the equity method | 3,217.1 | 3,352.4 | (135.3) |
| 4.6 | Other financial assets | 0.6 | 0.6 | 0.0 |
| 2,951.4 | Total non-current assets | 3,217.7 | 3,353.0 | (135.3) |
| Current assets | | | | |
| 45.3 | Financial receivables | 3.6 | 2.0 | 1.6 |
| 18.4 | Trade receivables and other receivables | 18.7 | 19.1 | (0.4) |
| 0.1 | Cash and cash equivalents | 66.8 | 0.1 | 66.7 |
| 63.8 | Total current assets | 89.1 | 21.2 | 67.9 |
| 3,015.2 | TOTAL ASSETS | 3,306.8 | 3,374.2 | (67.4) |
| Equity - Group | | | | |
| 2,756.5 | (a) Capital and reserves | 3,212.5 | 3,154.5 | 58.0 |
| (70.5) | Treasury stock | (70.5) | (70.5) | 0.0 |
| 2,686.0 | Equity - Group | 3,142.0 | 3,084.0 | 58.0 |
| Non-current liabilities | | | | |
| 1.6 | Provisions for employee benefits | 1.8 | 1.6 | 0.2 |
| 75.0 | Debt | 150.0 | 160.0 | (10.0) |
| 3.7 | Deferred tax liabilities and other liabilities | 0.0 | 2.4 | (2.4) |
| 80.3 | Total non-current liabilities | 151.8 | 164.0 | (12.2) |
| Current liabilities | | | | |
| 247.9 | Debt | 11.8 | 119.9 | (108.1) |
| 1.0 | Trade payables and other liabilities | 1.2 | 6.3 | (5.1) |
| 248.9 | Total current liabilities | 13.0 | 126.2 | (113.2) |
| 3,015.2 | TOTAL EQUITY AND LIABILITIES | 3,306.8 | 3,374.2 | (67.4) |

(a) Data adjusted by a reduction of € 45.4 million due to the early adoption of the amendment to IAS 19.

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**IFI S.p.A. - FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2006
(PREPARED IN ACCORDANCE WITH IFRS)**

INCOME STATEMENT

| Year 2005 | € in thousands | I Half 2006 | I Half 2005 | Change |
|-----------|---|-------------|-------------|---------|
| | Financial income (expenses) | | | |
| 55,937 | Dividends | 54,259 | 55,937 | (1,678) |
| 1 | Gains on the disposal of investments | 104,036 | 0 | 104,036 |
| (9,329) | Financial expenses from third parties | (4,246) | (5,187) | 941 |
| (662) | Financial expenses from related parties | (123) | (358) | 235 |
| 904 | Financial income from third parties | 787 | 237 | 550 |
| 46,851 | Net result of financial management | 154,713 | 50,629 | 104,084 |
| | Net general expenses | | | |
| (2,150) | Purchases of goods and services from third parties | (662) | (1,166) | 504 |
| (6,060) | Purchases of goods and services from related parties | (546) | (519) | (27) |
| (2,588) | Personnel costs | (1,434) | (1,131) | (303) |
| (7) | Depreciation and amortization | (4) | (3) | (1) |
| 747 | Revenues from services and cost recoveries from third parties | 191 | 282 | (91) |
| 293 | Revenues from services and cost recoveries from related parties | 118 | 286 | (168) |
| (9,765) | Total net general expenses | (2,337) | (2,251) | (86) |
| 37,086 | Profit before income taxes | 152,376 | 48,378 | 103,998 |
| 1,404 | Income taxes | 0 | 0 | 0 |
| 38,490 | Profit | 152,376 | 48,378 | 103,998 |

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**IFI S.p.A. - FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2006
(PREPARED IN ACCORDANCE WITH IFRS)**

BALANCE SHEET

| € in thousands | 6/30/2006 | 12/31/2005 | Change |
|--|------------------|------------------|------------------|
| Non-current assets | | | |
| Investments accounted for at cost | 1,803,989 | 1,841,134 | (37,145) |
| Other financial assets | 191 | 127 | 64 |
| Intangible assets | 2 | 3 | (1) |
| Property, plant and equipment | 10 | 13 | (3) |
| Total non-current assets | 1,804,192 | 1,841,277 | (37,085) |
| Current assets | | | |
| Cash and cash equivalents | 66,748 | 96 | 66,652 |
| Other financial assets | 3,616 | 2,012 | 1,604 |
| Tax receivables | 18,333 | 18,200 | 133 |
| Trade receivables from related parties | 121 | 114 | 7 |
| Other receivables | 288 | 754 | (466) |
| Total current assets | 89,106 | 21,176 | 67,930 |
| Total Assets | 1,893,298 | 1,862,453 | 30,845 |
| Equity | | | |
| Capital stock | 163,251 | 163,251 | 0 |
| Capital reserves | 386,347 | 386,347 | 0 |
| Retained earnings and other reserves | 1,097,009 | 1,056,865 | 40,144 |
| Treasury stock | (70,477) | (70,477) | 0 |
| Profit | 152,376 | 38,490 | 113,886 |
| Total Equity | 1,728,506 | 1,574,476 | 154,030 |
| Non-current liabilities | | | |
| Deferred tax liabilities | 100 | 100 | 0 |
| Provisions for employee benefits | 1,771 | 1,642 | 129 |
| Bank debt | 150,000 | 160,000 | (10,000) |
| Other payables | 66 | 108 | (42) |
| Total non-current liabilities | 151,937 | 161,850 | (9,913) |
| Current liabilities | | | |
| Bank debt | 10,974 | 104,817 | (93,843) |
| Other debt with related parties | 0 | 13,868 | (13,868) |
| Other financial liabilities | 748 | 1,189 | (441) |
| Trade payables to related parties | 112 | 5,172 | (5,060) |
| Trade payables to third parties | 348 | 182 | 166 |
| Tax payables | 83 | 160 | (77) |
| Other payables | 590 | 739 | (149) |
| Total current liabilities | 12,855 | 126,127 | (113,272) |
| Total equity and liabilities | 1,893,298 | 1,862,453 | 30,845 |

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**IFI S.p.A. - FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2006
(PREPARED IN ACCORDANCE WITH IFRS)**

NET FINANCIAL POSITION IFI S.p.A.

| € in millions | 6/30/2006 | 12/31/2005 | Change |
|---|---------------|----------------|--------------|
| Other financial assets, current and non-current | 3.8 | 2.1 | 1.7 |
| Cash and cash equivalents | 66.7 | 0.1 | 66.6 |
| Borrowings from banks, current and non-current | (161.0) | (264.8) | 103.8 |
| Borrowings from related parties | 0.0 | (13.9) | 13.9 |
| Other current financial liabilities | (0.7) | (1.2) | 0.5 |
| Net financial position | (91.2) | (277.7) | 186.5 |