

Turin, November 14, 2006

PRESS RELEASE

IFI's Board of Directors approves consolidated results to September 30, 2006

Highlights of results

<i>€ in millions</i> <i>Criteria used in preparing data indicated in attached statements</i>	2006	2005	<i>Change</i>
Consolidated profit - Group:			
Cumulative for 9 months to September 30	179.7	580	(400.3)
Third quarter	50	192.4	(142.4)

	9/30/2006	12/31/2005	<i>Change</i>
Net financial position of IFI S.p.A.	(94)	(277.7)	183.7
Consolidated equity - Group	3,362.8	3,084	278.8

- *Cumulative profit of the IFI Group for the first nine months of 2006 at €179,7 million*
- *Third-quarter 2006 consolidated profit of the IFI Group at €50 million*

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 nine months to September 30, 2006.

The consolidated profit of the IFI Group for the nine months to September 30, 2006 amounts to €179.7 million. This is a decrease of €400.3 million from the profit for the first nine months of 2005 (€580 million) which, however, included significant nonrecurring net income recorded by the IFIL Group.

The net financial position of IFI S.p.A. shows a negative €94 million. The positive change of €183.7 million compared to the balance at the end of 2005 (-€277.7 million) is due to the sale of the investment in Exor Group (+€206.6 million), dividends received (+€54.3 million), net of the purchase of IFIL stock (-€65.5 million), and other net changes (-€11.7 million).

Consolidated equity of the Group at September 30, 2006 amounts to €3,362.8 million (€3,084 million at the end of 2005). The increase of €278.8 million is due to the

consolidated profit of the Group for the period (+€179.7 million), the share of negative translation differences (-€83.9 million) and other net changes (+€181.7 million) reported by the IFIL Group, and other variations (+€1.3 million).

The consolidated profit of the Group for the third quarter of 2006 is €50 million (€192.4 million in the corresponding period of 2005). The negative change of €142.4 million is mainly due to the lower profit contribution by the IFIL Group which, in the third quarter of 2005, included significant net nonrecurring income.

Major events

In October 2006, IFI purchased 260,284 IFIL ordinary shares (0.03% of the class of stock) on the market for an investment of €1.5 million. IFI currently holds 675,200,000 IFIL ordinary shares, equal to 65.01% of the class of stock, and 1,866,420 IFIL savings shares, equal to 4.99% of the class of stock. The investment represents 62.93% of capital stock.

Business outlook

IFI S.p.A. forecasts a profit in 2006 that will be much 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 – INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED SEPTEMBER 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 INTERIM CONSOLIDATED INCOME STATEMENT

Year 2005	€ in millions	9 months to September 30			III Quarter		
		2006	2005	Change	2006	2005	Change
	Group's share of the earnings (losses) of companies accounted for by the equity method						
693.0		177.9	590.5	(412.6)	52.0	195.7	(143.7)
0.0	Exor Group	7.3	0.0	7.3	0.0	0.0	0.0
0.1	Dividends from other holdings	0.1	0.1	0.0	0.0	0.0	0.0
(9.1)	Net other financial expenses	(4.6)	(7.4)	2.8	(1.0)	(2.1)	1.1
(4.1)	Net general expenses	(3.3)	(3.1)	(0.2)	(1.0)	(0.9)	(0.1)
(5.6)	Net other nonrecurring expenses	0.0	0.0	0.0	0.0	0.0	0.0
1.3	Income taxes	2.3	(0.1)	2.4	0.0	(0.3)	0.3
675.6	Profit - Group	179.7	580.0	(400.3)	50.0	192.4	(142.4)

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

Year 2005	€ in millions	9 months to September 30			III Quarter		
		2006	2005	Change	2006	2005	Change
680.2	IFIL Group	172.8	571.5	(398.7)	52.0	182.1	(130.1)
10.6	Exor Group (a)	-	14.7	(14.7)	-	13.6	(13.6)
690.8		172.8	586.2	(413.4)	52.0	195.7	(143.7)
2.2	Consolidation adjustments (b)	5.1	4.3	0.8	0.0	0.0	0.0
693.0	Total	177.9	590.5	(412.6)	52.0	195.7	(143.7)

(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.

The consolidated quarterly report is unaudited.

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CONDENSED INTERIM CONSOLIDATED BALANCE SHEET

€ in millions	9/30/2006	12/31/2005	Change
Non-current assets			
Investments accounted for by the equity method	3,440.2	3,352.4	87.8
Other financial assets	0.6	0.6	0.0
Total non-current assets	3,440.8	3,353.0	87.8
Current assets			
Other financial assets	3.3	2.0	1.3
Trade receivables and other receivables	19.0	19.1	(0.1)
Cash and cash equivalents	65.1	0.1	65.0
Total current assets	87.4	21.2	66.2
TOTAL ASSETS	3,528.2	3,374.2	154.0
Equity - Group			
Capital and reserves	3,433.3	3,154.5	278.8
Treasury stock	(70.5)	(70.5)	0.0
Equity - Group	3,362.8	3,084.0	278.8
Non-current liabilities			
Provisions for employee benefits	1.8	1.6	0.2
Debt	150.0	160.0	(10.0)
Deferred tax liabilities and other liabilities	0.1	2.4	(2.3)
Total non-current liabilities	151.9	164.0	(12.1)
Current liabilities			
Debt	12.6	119.9	(107.3)
Trade payables and other liabilities	0.9	6.3	(5.4)
Total current liabilities	13.5	126.2	(112.7)
TOTAL EQUITY AND LIABILITIES	3,528.2	3,374.2	154.0

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NET FINANCIAL POSITION OF IFI S.p.A.

6/30/2006			9/30/2006			12/31/2005		
Current	Non-current	Total	Current	Non-current	Total	Current	Non-current	Total
€ in millions								
3.6	0.2	3.8	3.3	0.2	3.5	2.0	0.1	2.1
66.7		66.7	65.1		65.1	0.1		0.1
70.3	0.2	70.5	68.4	0.2	68.6	2.1	0.1	2.2
(11.7)	(150.0)	(161.7)	(12.6)	(150.0)	(162.6)	(106.0)	(160.0)	(266.0)
(11.7)	(150.0)	(161.7)	(12.6)	(150.0)	(162.6)	(119.9)	(160.0)	(279.9)
58.6	(149.8)	(91.2)	55.8	(149.8)	(94.0)	(117.8)	(159.9)	(277.7)

The consolidated quarterly report is unaudited.