

Turin, September 13, 2007

PRESS RELEASE

IFI's board of directors approves 1st Half 2007 results

Highlights of results

	I Half 2007	I Half 2006	Change
Consolidated profit attributable to the equity holders of IFI	202	129.7	72,3
Profit of IFI S.p.A	62.7	152.4	(89.7)

	at 6/30/2007	at 12/31/2006	Change
Consolidated equity attributable to the equity holders of IFI	4,005.6	3,799.8	205.8
Net financial position of IFI S.p.A	(189.9)	(97.5)	(92.4)

€ in millions – Criteria used in preparing data indicated in attached statements

- **The IFI Group ends the first half of 2007 with consolidated profit attributable to the equity holders of IFI of €202 million (€129.7 million in the first half of 2006)**
- **IFI S.p.A. reported a profit of €62.7 million in the first half of 2007 (€152.4 million in the first half of 2006)**
- **The net financial position of IFI S.p.A. at 6/30/2007 is a negative €189.9 million (negative €97.5 million at 12/31/2006)**
- **2007 profit forecast for both the parent and the group**

The board of directors of IFI S.p.A. - Istituto Finanziario Industriale S.p.A., which met today in Turin under the chairmanship of John Elkann, reviewed the results for the first half of 2007.

The first half of 2007 ended with a consolidated profit attributable to the equity holders of IFI of €202 million, an increase of €72.3 million compared to € 129.7 million reported in the corresponding period of 2006.

Consolidated equity attributable to the equity holders of IFI is €4,005.6 million at June 30, 2007 (€3,799.8 million at the end of 2006). The increase of € 205.8 million is due to the consolidated profit for the period attributable to the equity holders of IFI (+ €202 million) and other net changes (+ €3.8 million).

The profit of IFI S.p.A. for the first half of 2007 is €62.7 million. The decrease of €89.7 million compared to the same period of 2006 (€152.4 million) is due to the absence of gains (-€104 million), higher dividends from IFIL (+€13.5 million) and other net changes (+ €0.8 million).

The net financial position of IFI S.p.A. at June 30, 2007 is a borrowings position of €189.9 million and is higher by €92.4 million compared to the borrowings position of €97.5 million at the end of 2006, mainly as a result of investments in IFIL stock.

Significant events

Increase of the investment in IFIL

During the first half of 2007, IFI purchased on the market 21,986,000 IFIL ordinary shares (2.12% of the class of stock) for an investment of €156.5 million. During the period July 1 – September 7, 2007, IFI purchased on the market another 10,737,000 IFIL ordinary shares (1.03% of the class of stock) for an investment of €79.2 million. After these purchases, IFI holds 707,923,000 IFIL ordinary shares, equal to 68.16% of the class of stock and 1,866,420 IFIL savings shares, equal to 4.99% of the class of stock. The investment represents 65.79% of IFIL capital stock. The net debt of IFI at September 7, 2007 is equal to €271 million.

Sanctionary measure by Consob

By decree of April 4, 2007, the Court of Appeals of Turin suspended the effectiveness of the additional administrative sanctions imposed by Consob against the individuals notified in the sanctionary measure dated February 13, 2007, Gianluigi Gabetti, Franzo Grande Stevens and Virgilio Marrone, who thus resumed their respective posts at the company. Furthermore, on June 22, 2007, the Turin District Attorney's Office sent the same persons, and, in accordance with Legislative Decree 231/2001, IFIL S.p.A. and Giovanni Agnelli & C. S.a.p.az., notification pursuant to art. 415 bis of the Italian Penal Code that the investigation phase relating to the press release dated August 24, 2005 is concluded and that the documentation is filed.

New corporate posts

On April 17, 2007, the board of directors appointed John Elkann as Chairman of IFI based on the proposal put forward Gianluigi Gabetti, who, at the same time, was delegated strategic coordination.

Business outlook

For the year 2007, IFI S.p.A. is expected to report a profit.

On the basis of the indications formulated by the IFIL Group for 2007, the IFI Group is expected to show a consolidated profit.

In accordance with section 2, article 154 bis of the Consolidated Law on Financial Intermediation, the manager responsible for financial reporting, Pierluigi Bernasconi, confirms, that the financial data included in this press release corresponds to that included in the company's accounting records.

PRESS OFFICE

Andrea GRIVA
Tel. 011.5090.320
e-mail: ufficio.stampa@gruppoifi.com

INVESTOR RELATIONS

Arturo CARCHIO
Tel. 011.5090.246
e-mail: relazioni.investitori@gruppoifi.com

**IFI GROUP- INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2007
- CONDENSED (*)**

(*) Prepared by accounting for the investment held in IFIL by the equity method.

Condensed interim consolidated income statement

Year		I Half		
2006	€ in millions	2007	2006	Change
222.0	Share of the profit of the IFIL Group	207.1	125.9	81.2
7.3	Gain on the sale of the investment in Exor Group	0.0	7.3	(7.3)
0.1	Dividends from other investments	0.1	0.1	0.0
(5.4)	Net financial expenses	(3.0)	(3.6)	0.6
(4.9)	Net general expenses	(2.2)	(2.3)	0.1
2.3	Income taxes	0.0	2.3	(2.3)
221.4	Profit attributable to the equity holders of the company	202.0	129.7	72.3

Group's share of the earnings of operating subsidiaries and associates accounted for by the equity method

Year		Profit		IFI's share		Change
2006	€ in millions	I Half 2007	I Half 2006	I Half 2007	I Half 2006	
217.6	IFIL Group	314.8	189.5	207.1	120.8	86.3
4.4	Consolidation adjustments	-	-	0	5.1	-5.1
222	Total IFIL Group			207.1	125.9	81.2

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

**IFI GROUP- INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2007
- CONDENSED (*)**

(*) Prepared by accounting for the investment held in IFIL by the equity method.

Condensed interim consolidated balance sheet

€ in millions	6/30/2007	12/31/2006	Change
Non-current assets			
Investment in the IFIL Group	4,179.0	3,880.8	298.2
Other financial assets	0.6	0.8	(0.2)
Total Non-current assets	4,179.6	3,881.6	298.0
Current assets			
Other financial assets	3.0	3.5	(0.5)
Cash and cash equivalents	0.1	59.7	(59.6)
Trade receivables and other receivables	19.0	19.4	(0.4)
Total Current assets	22.1	82.6	(60.5)
Total Assets	4,201.7	3,964.2	237.5
Equity attributable to the equity holders of the company			
Capital and reserves	4,076.1	3,870.3	205.8
Treasury shares	(70.5)	(70.5)	0.0
Equity attributable to the equity holders of the company	4,005.6	3,799.8	205.8
Non-current liabilities			
Provisions for employee benefits	1.9	1.8	0.1
Debt	0.0	125.0	(125.0)
Other liabilities	0.1	0.1	0.0
Total Non-current liabilities	2.0	126.9	(124.9)
Current liabilities			
Debt	193.3	36.2	157.1
Trade payables and other liabilities	0.8	1.3	(0.5)
Total Current liabilities	194.1	37.5	156.6
Total Equity and Liabilities	4,201.7	3,964.2	237.5

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

IFI S.p.A. - SEPARATE INTERIM FINANCIAL STATEMENTS AT JUNE 30, 2007

Income Statement

Year 2006	€ in thousands	I Half 2007	I Half 2006	Change
	Investment income (charges)			
54,259	Dividends from investments	67,817	54,259	13,558
104,067	Gains on sales of investments	72	104,036	(103,964)
73,473	Reversal of impairment losses on investments	0	0	0
(25)	Impairment losses on investments	0	0	0
231,774	Net investment income	67,889	158,295	(90,406)
	Financial income (expenses)			
(7,883)	Financial expenses from third parties	(4,575)	(4,246)	(329)
(123)	Financial expenses from related parties	0	(123)	123
0	Financial income from third parties	15	0	15
2,651	Financial income from related parties	1,520	787	733
(5,355)	Net financial expenses	(3,040)	(3,582)	542
	Net general expenses			
(2,776)	Personnel costs	(1,119)	(1,434)	315
(809)	Purchases of goods and services from third parties	(388)	(378)	(10)
(1,099)	Purchases of goods and services from related parties	(538)	(518)	(20)
(950)	Other current operating expenses	(432)	(312)	(120)
(5)	Depreciation and amortization	(1)	(4)	3
(5,639)		(2,478)	(2,646)	168
350	Revenues from third parties	209	160	49
374	Revenues from related parties	99	149	(50)
(4,915)	Net general expenses	(2,170)	(2,337)	167
221,504	Profit before income taxes	62,679	152,376	(89,697)
(3,879)	Income taxes	0	0	0
217,625	Profit for the period	62,679	152,376	(89,697)

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

IFI S.p.A. - SEPARATE INTERIM FINANCIAL STATEMENTS AT JUNE 30, 2007

Balance Sheet

6/30/2006	€ in thousands	6/30/2007	12/31/2006	Change
Non-current assets				
1,803,989	Investments accounted for at cost	2,033,539	1,878,936	154,603
191	Other financial assets	283	361	(78)
12	Property, plant and equipment and intangible assets	1	2	(1)
1,804,192	Total Non-current assets	2,033,823	1,879,299	154,524
Current assets				
66,748	Cash and cash equivalents	122	59,681	(59,559)
3,616	Other financial assets	2,974	3,500	(526)
18,333	Tax receivables	18,681	18,761	(80)
121	Trade receivables from related parties	108	167	(59)
288	Other receivables	186	502	(316)
89,106	Total Current assets	22,071	82,611	(60,540)
1,893,298	Total Assets	2,055,894	1,961,910	93,984
Equity				
163,251	Capital stock	163,251	163,251	0
386,347	Capital reserves	386,347	386,347	0
1,097,009	Retained earnings and other reserves	1,314,046	1,096,937	217,109
(70,477)	Treasury stock	(70,477)	(70,477)	0
152,376	Profit for the period	62,679	217,625	(154,946)
1,728,506	Total Equity	1,855,846	1,793,683	62,163
Non-current liabilities				
150,000	Bank debt	0	125,000	(125,000)
100	Deferred tax liabilities	3,979	3,979	0
1,771	Provisions for employee benefits	1,935	1,810	125
66	Other payables	0	25	(25)
151,937	Total Non-current liabilities	5,914	130,814	(124,900)
Current liabilities				
10,974	Bank debt	192,551	35,350	157,201
748	Other financial liabilities	738	787	(49)
112	Trade payables to related parties	272	216	56
348	Trade payables to third parties	128	123	5
83	Tax payables	88	247	(159)
590	Other payables	357	690	(333)
12,855	Total Current liabilities	194,134	37,413	156,721
1,893,298	Total Equity and Liabilities	2,055,894	1,961,910	93,984

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

IFI S.p.A. - NET FINANCIAL POSITION AT JUNE 30, 2007

Net financial position of IFI S.p.A.

Net financial position at December 31, 2006	(97.5)
Dividends received (a)	69.6
Purchase of 21,986,000 IFIL ordinary shares (2.12% of the class of stock)	(156.5)
Net financial expenses	(3.0)
Net general expenses	(2.2)
Other net changes	(0.3)
Net change during the first half of 2007	(92.4)
Net financial position at June 30, 2007	(189.9)

(a) Of which € 1.8 million recorded as a deduction of the purchases of IFIL shares made in 2007.

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