Turin, November 11, 2004

PRESS RELEASE

Board of Directors' Meeting on November 11, 2004

The Board of Directors of IFIL met today in Turin under the chairmanship of Gianluigi Gabetti to examine the results for the third quarter of 2004 as well as performance during the first nine months of the year.

The consolidated net result of the Group for the third quarter of 2004 is a loss of € 170 million (a profit of € 25 million for the corresponding period of 2003). The change is mainly due to a higher share of Fiat's result. For the same reason, basically, the consolidated result for the first nine months of the year shows a reduction, with a loss of € 281 million compared to a loss of € 20 million for the nine months ending September 30, 2003.

The shareholders' equity of the Group at September 30, 2004 is € 3,652.8 million. This is a reduction from € 3,953.9 million at the end of 2003 due to the dividends distributed by IFIL S.p.A., the consolidated loss of the Group and other net positive changes.

The consolidated net financial position of the "Holdings System" at September 30, 2004 shows a net indebtedness position of € 411.8 million (€ 234.7 million at December 31, 2003). The change is mainly due to investments made in Eurofind and NHT.

Monetization of the investment in the Rinascente Group

On November 5, 2004, an agreement was reached for the sale of Rinascente's food operations to Auchan. The agreement will give rise to proceeds of € 1,063 million (€ 810 million at closing and the balance by mid-2005) and a gain of approx. € 600 million. Closing of the deal, which is subject to approval by the competent antitrust authorities, will allow IFIL to fully monetize its investment from a profit, equity and financial standpoint.

Major events

In August, the IFIL Group, together with Banca Intesa and the Marcegaglia Group, sealed a preliminary agreement with Sviluppo Italia to acquire stakes, through capital increases especially reserved for them, in the subsidiary Sviluppo Italia Turismo, a company which holds some tourism real estate structures in the South of Italy. According to the agreement

– which is subject to verification of the current development plan – the three private shareholders will have the right to subscribe to and progressively increase their investment in Sviluppo Italia Turismo. The manner in which the transaction is ultimately to be completed, as well as the total amount of the investment, are currently under discussion by the parties.

In October, after having obtained approval from the competent antitrust authorities, the subsidiary Mediterranean Capital sold the 6.37% stake in Club Méditerranée to Accor for € 55 million. This sale will give rise to a consolidated gain of approx. € 24 million, which will be booked during the last quarter of 2004.

In November, Standard & Poor's made it known that the ratings for IFIL's debt and relative outlook remain unchanged (A-/negative/A-2).

Business outlook for the current year

For 2004, based on the data available to date, IFIL S.p.A. is expected to report a profit.

The consolidated result of the IFIL Group for 2004 will be directly related to the year-end results of the companies in the Group's portfolio, as well as the gain on the sale of Rinascente's food operations to the Auchan Group, expected to take place by the end of the year.

Following this last transaction, the consolidated net financial position of the "Holdings System" will move from its current net indebtedness position to a significant liquidity position, which will be available for new investments.

CONSOLIDATED FINANCIAL STATEMENTS OF THE IFIL GROUP AT SEPTEMBER 30, 2004 – CONDENSED (*)

(*) Prepared by consolidating the financial holding companies and Soiem on a line-by-line or proportional basis and accounting for the other subsidiaries and associated companies using the equity method.

CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

Year		9 months to September 30			III Quarter		
2003	€ in millions	2004	2003	Change	2004	2003	Change
(49.7)	Group's share of earnings (losses) of companies accounted for using the equity	(238.9)	(37.1)	(201.8)	(153.3)	14.1	(167.4)
21.2	Dividends from other holdings	27.4	21.2	6.2	0.0	0.0	0.0
11.9	Dividend tax credits	0.0	11.9	(11.9)	0.0	0.0	0.0
25.0	Gains (losses), net	1.4	25.0	(23.6)	(0.7)	24.9	(25.6)
(13.7)	Amortization of differences on consolidation	(34.8)	(10.3)	(24.5)	(3.8)	(3.5)	(0.3)
(5.3)	Investment income (expenses), net	(244.9)	10.7	(255.6)	(157.8)	35.5	(193.3)
(23.6)	Financial expenses, net	(17.1)	(17.4)	0.3	(6.5)	(4.7)	(1.8)
(13.0)	General expenses, net	(12.6)	(9.7)	(2.9)	(4.6)	(2.8)	(1.8)
(6.1)	Other expenses, net	(6.4)	(5.4)	(1.0)	(1.1)	(3.0)	1.9
(48.0)	Income (loss) before taxes	(281.0)	(21.8)	(259.2)	(170.0)	25.0	(195.0)
0.1	Current taxes	0.0	0.2	(0.2)	0.0	0.0	0.0
2.9	Deferred taxes	0.0	1.6	(1.6)	0.0	0.0	0.0
(45.0)	Net income (loss) - Group	(281.0)	(20.0)	(261.0)	(170.0)	25.0	(195.0)

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

Year		9 months to September 30			III Quarter		
2003	€ in millions	2004	2003	Change	2004	2003	Change
(410.4)	Fiat Group	(334.8)	(104.5)	(230.3)	(153.2)	(23.2)	(130.0)
59.2	Worms & Cie Group	53.9	55.9	(2.0)	13.7	23.1	(9.4)
80.4	Rinascente Group	(3.9)	(3.7)	(0.2)	(5.7)	(2.5)	(3.2)
(10.1)	NHT Group (a)	(31.3)	(29.7)	(1.6)	(7.7)	(7.1)	(0.6)
(5.5)	Juventus Football Club	0.6	(0.9)	1.5	(1.9)	(9.3)	7.4
0.2	Other	0.0	0.2	(0.2)	0.0	0.0	0.0
(286.2)		(315.5)	(82.7)	(232.8)	(154.8)	(19.0)	(135.8)
236.5	Consolidation adjustments	76.6	45.6	31.0	1.5	33.1	(31.6)
(49.7)	companies accounted for using the equity method	(238.9)	(37.1)	(201.8)	(153.3)	14.1	(167.4)

(a) The first nine months coincide with the period November 1 – July 31.

The consolidated quarterly report is unaudited.

CONSOLIDATED FINANCIAL STATEMENTS OF THE IFIL GROUP AT SEPTEMBER 30, 2004 – CONDENSED (*)

(*) Prepared by consolidating the financial holding companies and Soiem on a line-by-line or proportional basis and accounting for the other subsidiaries and associated companies using the equity method.

CONDENSED CONSOLIDATED BALANCE SHEET

9/30/2003	€ in millions	9/30/2004		12/31/2003	Change	6/30/2004
	Financial fixed assets:					
4,752.0	- investments	3,979.4		4,174.0	(194.6)	4,152.3
44.5	- treasury stock	44.5		44.5	0.0	44.5
4.6	- long-term bonds	4.7		4.6	0.1	4.7
4,801.1		4,028.6		4,223.1	(194.5)	4,201.5
	Financial assets not held as fixed assets					
200.6	- cash and short-term investments	201.3		434.6	(233.3)	203.2
1.6	- treasury stock	1.6		1.7	(0.1)	1.6
202.2		202.9		436.3	(233.4)	204.8
88.5	Other assets	74.3		87.3	(13.0)	75.2
5,091.8	Total assets	4,305.8		4,746.7	(440.9)	4,481.5
4,111.9	Shareholders' equity - Group	3,652.8		3,953.9	(301.1)	3,837.4
	Financial payables:					
310.7	- due within 2004	158.9		216.9	(58.0)	151.3
350.0	- due beyond 2004	450.0		450.0	0.0	450.0
660.7		608.9		666.9	(58.0)	601.3
290.0	Reserve for employee severance indemnities and reserves for risks and charges	31.8	(a)	99.6	(67.8)	31.4
29.2	Other liabilities	12.3		26.3	(14.0)	11.4
5,091.8	Total liabilities and stockholders' equity	4,305.8		4,746.7	(440.9)	4,481.5

(a) The remaining “Consolidation reserve for risks and future expenses” (€ 69.6 million at the end of 2003) was fully utilized during 2004.

The consolidated quarterly report is unaudited.