

PRESS RELEASE

IFIL's Board of Directors Approves Consolidated Results to September 30, 2008

Highlights of results

<i>€ in millions</i> <i>Criteria used in preparing data indicated in attached statements</i>	2008	2007	<i>Change</i>
Consolidated profit attributable to the equity holders of the company:			
3 rd Quarter	172.1	123.8	+ 48.3
Cumulative 9 months to September 30	481.9	438.6	+43.3

	9/30/2008	12/31/2007	<i>Change</i>
Consolidated net financial position – Holdings System	292.3	(104.5)	+ 396.8
Consolidated equity attributable to the equity holders of the company	6,363.7	6,666.5	- 302.8

- *3rd quarter 2008 consolidated profit attributable to the equity holders of the company at €172.1 million (+€48.3 million compared to 3rd quarter 2007)*
- *Cumulative 9 months 2008 consolidated profit attributable to the equity holders of the company at €481.9 million (+€43.3 million compared to same period of 2007)*
- *Consolidated net financial position – Holdings System at 9/30/2008 is a positive €292.3 million (a negative €104.5 million at year-end 2007)*
- *Forecasts for full-year 2008 are a consolidated profit and a considerably higher profit for IFIL S.p.A. compared to 2007*

The IFIL S.p.A. board of directors, which met today in Turin under the chairmanship of John Elkann, approved the consolidated results to September 30, 2008.

In the third quarter of 2008, consolidated profit attributable to the equity holders of the company amounts to €172.1 million (€123.8 million in the corresponding period of 2007). The increase of €48.3 million is due to higher gains on sales of investments (+€64.2 million)

which are partly offset by higher writedowns of securities recorded in current financial assets (-€12.2 million) and other net changes (-€3.7 million).

As for the first nine months of 2008, consolidated profit attributable to the equity holders of the company amounts to €481.9 million, a growth of €43.3 million compared to the first nine months of 2007 (€438.6 million). The increase is due to higher dividends collected from holdings (+€27.6 million) and gains on disposals of investments (+€64.2 million) which are partly offset by higher writedowns of securities recorded in current financial assets (-€41.4 million) and other net changes (-€7.1 million).

The consolidated net financial position of the “Holdings System” at September 30, 2008 shows a positive balance of €292.3 million and a positive change of €396.8 million compared to the negative balance of €104.5 million at the end of 2007. The improvement is due to the sale of a 1.2% stake in Intesa Sanpaolo ordinary capital stock (+€497 million) and the collection of dividends from investment holdings (+€293.9 million) which is partly offset by the buyback of treasury stock (-€103.7 million), the payment of dividends by IFIL S.p.A. (-€106.2 million), investments made during the period (-€82.3 million) and other net changes (-€82.3 million).

At the beginning of November 2008, the positive balance of the consolidated net financial position of the Holdings System further increased from €292.3 million to €380.6 million; the net positive change of €88.3 million originated from the sale of an additional 0.25% stake in Intesa Sanpaolo capital stock (+€101.4 million) and from financial expenses and other net negative changes of €13.1 million.

The consolidated equity attributable to the equity holders of the company at September 30, 2008 amounts to €6,363.7 million (€6,666.5 million at the end of 2007). The change is due to the release of the fair value reserve on the stake sold in Intesa Sanpaolo (-€327.4 million), the fair value adjustments of the remaining stake held in Intesa Sanpaolo and the investment in SGS (-€214.4 million), the buyback of treasury stock (-€103.7 million), dividends paid by IFIL S.p.A. (-€106.2 million) and other changes (-€33 million) which were only partly offset by the profit for the period (+€481.9).

Significant events in the third quarter of 2008

Project for the merger by incorporation of IFIL S.p.A. in IFI S.p.A.

In line with the announcement made to the market in the press releases on September 8, and September 10, 2008, the boards of directors of IFI S.p.A. and IFIL S.p.A. on September 23, 2008 unanimously approved the merger proposal for the incorporation of the subsidiary IFIL S.p.A. in the parent IFI S.p.A., confirming the exchange ratios approved in the merger guidelines on September 8 which call for:

- 0.265 of a new IFI ordinary share of par value €1 each for 1 IFIL ordinary share of par value €1 each;
- 0.265 of a new IFI savings share of par value €1 each for 1 IFIL savings share of par value €1 each;

The boards of directors were assisted by their respective financial advisors, Leonardo & Co. for IFI and Goldman Sachs International for IFIL, which issued fairness opinions on the fairness of the exchange ratios from a financial standpoint and issued documents on the valuation.

As established by existing law, the experts appointed pursuant to art. 2501-sexies of the Italian Civil Code, that is, the audit firms of Reconta Ernst & Young S.p.A. for IFIL S.p.A. and KPMG S.p.A. for IFI S.p.A., both assigned by the Turin Court on September 17, 2008, issued their reports on the fairness of the exchange ratios on October 28, 2008.

On December 1, 2008 (or December 2, 2008, possibly in second call), stockholders' meetings will be held by IFIL S.p.A. (special) and IFI S.p.A. (special and ordinary).

Partial sale of the investment in Intesa Sanpaolo S.p.A.

In July 2008, IFIL S.p.A. sold on the market 141,716,165 Intesa Sanpaolo ordinary shares (equal to 1.2% of ordinary capital stock) for net proceeds of €497 million and a net gain of €65.1 million on consolidation. In the 4th quarter, IFIL S.p.A. sold on the market another 30,200,000 Intesa Sanpaolo ordinary shares (equal to 0.25% of ordinary capital stock) for net proceeds of €101.4 million and a net gain of €9.4 million on consolidation. These transactions will be recognized in the last quarter of the year for accounting purposes. After these sales, IFIL S.p.A. holds 118,000,000 shares equal to 1% of Intesa Sanpaolo S.p.A. ordinary capital stock.

Buyback of treasury stock

Under the Program for the buyback of ordinary and savings treasury stock voted by the IFIL S.p.A. board of directors' meeting on February 18, 2008, and later suspended on September 8, 2008, during the period July 1 to August 18, 2008, IFIL purchased on the market 7,805,000 ordinary shares (0.75% of the class of stock) at an average cost per share of €4.33 for a total of €33.8 million as well as 75,500 savings shares (0.20% of the class of stock) at an average cost per share of €3.64 for a total of €0.2 million, both adding up to a total of €34 million. On September 30, 2008, the overall investment amounts to €103.7 million (about 69% of the maximum disbursement of €150 million stated in the Program). After these buybacks, IFIL holds, directly and indirectly, about 34 million IFIL ordinary shares (equal to 3.28% of the class) and 917,000 IFIL savings shares (equal to 2.45% of the class).

Proceedings relative to the contents of the press releases issued by IFIL S.p.A. and Giovanni Agnelli e C. S.a.p.az. on August 24, 2005

In July, IFIL filed an appeal with the Court of Cassation against the December 5, 2007 – January 23, 2008 ruling by the Court of Appeals of Turin which had partially upheld the opposition's appeal and reduced the administrative sanction levied by Consob. Appeals were also filed in the Court of Cassation by the other parties involved in the Consob sanctionary measure. In October, Consob notified the company that it had filed a counter-appeal and an incidental appeal asking for the rejection of the main appeal and the cancellation of the reduction of the sanctions originally levied. Consob acted in the same manner against the other petitioners.

In the penal proceedings communicated to the same parties, on November 7, 2008, the Preliminary Hearing Judge of the Turin Court committed to trial Gianluigi Gabetti, Franzo Grande Stevens and Virgilio Marrone for the offense pursuant to art. 185 of the Consolidated Finance Act, as well as IFIL and Giovanni Agnelli e C. S.a.p.az. as those responsible administratively under Legislative Decree 231/2001, setting a hearing for March 26, 2009.

Business outlook

For the first nine months of 2008, IFIL S.p.A. reported a profit of €339.3 million mainly as a result of the dividends collected from investment holdings (€ 255.6 million) and the gain realized on the sale of a part of its investment in Intesa Sanpaolo (€141.7 million). Thus, the profit for the full-year 2008 is expected to be considerably higher than that reported in 2007 (which closed with a profit of €123.4 million).

As for the consolidated financial statements, the forecast is a profit for 2008, even though market conditions are not favorable for the principal companies of the Group.

The manager responsible for the preparation of the financial reports, Aldo Mazzia, attests, in accordance with paragraph 2, article 154 bis of the Consolidated Finance Act that the accounting disclosure contained in this press release corresponds to the company's documents, accounting records and entries.

MEDIA RELATIONS

Tel. 011.5090.320
e-mail: ufficio.stampa@ifil.it

INVESTOR RELATIONS

Tel. 011.5090.345
e-mail: relazioni.investitori@ifil.it

IFIL GROUP – INTERIM CONSOLIDATED FINANCIAL STATEMENTS - SYNTHESIZED^(*)

(*) Prepared by consolidating the financial statements of the subsidiaries of the “Holdings System” on a line-by-line basis and accounting for the other operating subsidiaries and associates by the equity method.

Synthesized consolidated income statement

Year 2007	€ in millions	9 months to September 30			Quarter III		
		2008	2007	Change	2008	2007	Change
	Share of the profit (loss) of companies accounted for by the equity method	358.6	358.0	0.6	129.9	132.4	(2.5)
	Net financial income (expenses):						
111.6	- Dividends from investments	139.2	111.6	27.6	0.0	0.0	0.0
0.9	- Gains on the sale of investments	65.1	0.9	64.2	65.1	0.9	64.2
	- Net writedowns of securities in						
(2.6)	current financial assets	(43.3)	(1.9)	(41.4)	(13.9)	(1.7)	(12.2)
(7.5)	- Other financial income (expenses)	(8.4)	(4.8)	(3.6)	(3.6)	(3.2)	(0.4)
102.4	Net financial income (expenses):	152.6	105.8	46.8	47.6	(4.0)	51.6
(25.9)	Net general expenses	(19.5)	(15.0)	(4.5)	(5.2)	(4.5)	(0.7)
(17.2)	Other non-recurring income (expenses)	(5.0)	(7.9)	2.9	0.0	0.0	0.0
670.2	Profit before income taxes	486.7	440.9	45.8	172.3	123.9	48.4
1.5	Income taxes	(4.8)	(2.3)	(2.5)	(0.2)	(0.1)	(0.1)
671.7	Profit attributable to the equity holders of the company	481.9	438.6	43.3	172.1	123.8	48.3

Share of the profit (loss) of companies accounted for by the equity method

€ in millions	9 months to September 30			Quarter III		
	2008	2007	Change	2008	2007	Change
Fiat Group	426.1	401.0	25.1	129.4	126.9	2.5
Consolidation adjustments	0.0	0.6	(0.6)	0.0	0.3	(0.3)
Total Fiat Group	426.1	401.6	24.5	129.4	127.2	2.2
Sequana Group	(1.1)	46.7	(47.8)	(6.6)	0.0	(6.6)
Consolidation adjustments	0.0	(54.3) (a)	54.3	0.0	(0.8)	0.8
Total Sequana Group	(1.1)	(7.6)	6.5	(6.6)	(0.8)	(5.8)
Cushman & Wakefield Group	(26.8)	1.2 (b)	(28.0)	5.5	4.8	0.7
Alpitour Group	(28.8) (c)	(24.3) (c)	(4.5)	(0.2)	4.3	(4.5)
Juventus Football Club S.p.A.	(10.8) (d)	(12.9) (d)	2.1	1.8	(3.1)	4.9
Total	358.6	358.0	0.6	129.9	132.4	(2.5)

(a) Loss realized on the sale of the 22% stake in capital stock.

(b) The result refers to the period April 1 – September 30, 2007, subsequent to acquisition (March 31, 2007).

(c) Data for the period November 1 – July 31.

(d) Data for the period January 1 – September 30.

The quarterly report is unaudited.

IFIL GROUP – INTERIM CONSOLIDATED FINANCIAL STATEMENTS - SYNTHESIZED^(*)

(*) Prepared by consolidating the financial statements of the subsidiaries of the “Holdings System” on a line-by-line basis and accounting for the other operating subsidiaries and associates by the equity method.

Synthesized consolidated balance sheet

€ in millions	Balances at		Change
	9/30/2008	12/31/2007	
Non-current assets			
Investments accounted for by the equity method	4,263.2	4,081.0	182.2
Other financial assets	1,777.5	2,667.3	(889.8)
Property, plant and equipment	13.7	13.8	(0.1)
Deferred tax assets	1.7	1.4	0.3
Total Non-current assets	6,056.1	6,763.5	(707.4)
Current assets			
Financial assets and cash and cash equivalents	1,255.1	862.4	392.7
Trade receivables and other receivables	42.5	47.9	(5.4)
Total Current assets	1,297.6	910.3	387.3
Total Assets	7,353.7	7,673.8	(320.1)
Equity attributable to the equity holders of the company	6,363.7	6,666.5	(302.8)
Non-current liabilities			
Provisions for employee benefits and provisions for other liabilities and charges	2.7	2.6	0.1
Bonds and other debt	944.0	943.6	0.4
Deferred tax liabilities and other liabilities	1.8	10.3	(8.5)
Total Non-current liabilities	948.5	956.5	(8.0)
Current liabilities			
Bank debt and other financial liabilities	19.0	23.6	(4.6)
Trade payables and other liabilities	22.5	27.2	(4.7)
Total Current liabilities	41.5	50.8	(9.3)
Total Equity and Liabilities	7,353.7	7,673.8	(320.1)

The quarterly report is unaudited.

IFIL GROUP – INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - SYNTHESIZED^(*)

(*) Prepared by consolidating the financial statements of the subsidiaries of the “Holdings System” on a line-by-line basis and accounting for the other operating subsidiaries and associates by the equity method.

Consolidated net financial position of the “Holdings System”

€ in millions	9/30/2008			12/31/2007		
	Current	Non-current	Total	Current	Non-current	Total
Financial assets and cash and cash equivalents	1,255.1	0.2	1,255.3	862.4	0.3	862.7
Bonds 2007-2017	0.0	(744.5)	(744.5)	(22.8)	(744.2)	(767.0)
Bonds 2006-2011	0.0	(199.5)	(199.5)	(0.6)	(199.4)	(200.0)
Bank debt and other financial liabilities	(19.0)	0.0	(19.0)	(0.2)	0.0	(0.2)
Total financial liabilities	(19.0)	(944.0)	(963.0)	(23.6)	(943.6)	(967.2)
Consolidated net financial position of the "Holdings System"	1,236.1	(943.8)	292.3	838.8	(943.3)	(104.5)

Rating

Standard & Poor's rates IFIL's long-term debt at “BBB+” and its short-term debt at “A-2”, both with a stable outlook.

The quarterly report is unaudited.