



**IFIL S.p.A. - SEPARATE FINANCIAL STATEMENTS
AT JUNE 30, 2008 PURSUANT TO ART. 2501-QUATER
OF THE ITALIAN CIVIL CODE**

This English translation of the Italian original document has been prepared solely for the convenience of the reader. The version in Italian takes precedence.

IFIL S.p.A.

SEPARATE BALANCE SHEET

€ in thousands	Note	6/30/2008	12/31/2007	Change
Non-current assets				
Investments accounted for at cost		3,763,877	3,763,825	52
Available-for-sale investments		1,045,148	1,564,677	(519,529)
Total Investments	10	4,809,025	5,328,502	(519,477)
Other financial assets		239	285	(46)
Property, plant and equipment		1	1	0
Other receivables		1	1	0
Total Non-current assets		4,809,266	5,328,789	(519,523)
Current assets				
Financial assets held for trading	11	38,953	47,856	(8,903)
Cash and cash equivalents		193,394	165,553	27,841
Other financial assets		8,046	4,348	3,698
Tax receivables	12	39,825	47,109	(7,284)
Trade receivables from related parties		292	123	169
Other receivables		303	129	174
Total Current assets		280,813	265,118	15,695
Total Assets		5,090,079	5,593,907	(503,828)
Equity				
Capital stock	13	1,075,996	1,075,996	0
Capital reserves	14	1,456,924	1,456,924	0
Retained earnings and other reserves	15	1,467,336	1,959,005	(491,669)
Treasury stock	16	(118,099)	(48,450)	(69,649)
Profit for the period		208,627	123,398	85,229
Total Equity		4,090,784	4,566,873	(476,089)
Non-current liabilities				
Non-convertible bonds	17	943,824	943,578	246
Deferred tax liabilities		25,957	33,101	(7,144)
Provisions for employee benefits		2,264	2,299	(35)
Other payables		82	127	(45)
Total Non-current liabilities		972,127	979,105	(6,978)
Current liabilities				
Bank debt		27	0	27
Other financial liabilities		4,694	23,624	(18,930)
Trade and other payables to related parties	18	16,823	18,338	(1,515)
Trade payables to third parties		2,066	1,936	130
Tax payables		2,592	1,000	1,592
Other payables		966	3,031	(2,065)
Total Current liabilities		27,168	47,929	(20,761)
Total Equity and liabilities		5,090,079	5,593,907	(503,828)

IFIL S.p.A.

SEPARATE INCOME STATEMENT

2007	€ in thousands	Note	I Half 2008	I Half 2007	Change
Investment income (charges)					
171,355	Dividends from investments	21	255,636	171,355	84,281
19,267	Impairment reversals on investments		0	27,296	(27,296)
(4)	Impairment losses on investments		0	0	0
190,618	Net investment income		255,636	198,651	56,985
Financial income (expenses)					
(43,937)	Financial expenses from third parties	22	(41,049)	(13,796)	(27,253)
(3,748)	Financial income (expenses) from related parties		0	(3,749)	3,749
8,168	Financial income from third parties	23	9,470	1,179	8,291
1,162	Financial income from related parties		0	1,162	(1,162)
(616)	Foreign exchange gains (losses)		(718)	(6)	(712)
(38,971)	Net financial expenses		(32,297)	(15,210)	(17,087)
Net general expenses					
(9,122)	Personnel costs		(3,478)	(3,286)	(192)
(5,468)	Purchases of goods and services from third parties		(2,503)	(1,781)	(722)
(5,932)	Purchases of goods and services from related parties		(2,501)	(2,993)	492
(2,881)	Other current operating expenses		(1,647)	(1,672)	25
(28)	Depreciation and amortization		(1)	(14)	13
(23,431)			(10,130)	(9,746)	(384)
180	Revenues from third parties		78	96	(18)
480	Revenues from related parties		340	189	151
(22,771)	Net general expenses		(9,712)	(9,461)	(251)
Other nonrecurring income (expenses)					
3,525	Other non-current income from third parties		0	0	0
(12,751)	Other non-current expenses from related parties	24	(5,000)	0	(5,000)
(9,226)	Other nonrecurring income (expenses)		(5,000)	0	(5,000)
119,650	Profit before income taxes		208,627	173,980	34,647
3,748	Income taxes		0	(549)	549
123,398	Profit for the period		208,627	173,431	35,196

SEPARATE STATEMENT OF CHANGES IN EQUITY

€ in thousands	Capital stock	Capital reserves	Retained earnings and other reserves	Treasury stock	Profit for the period	Total Equity
Equity at December 31, 2006	1,075,996	1,456,924	1,477,673	(48,450)	625,321	4,587,464
Dividends paid out to stockholders (€ 0.1 per ordinary share, € 0.1207 per savings share)					(107,133)	(107,133)
Movements among reserves			518,188		(518,188)	0
Fair value changes to investments			(49,803)			(49,803)
Deferred taxes on fair value changes to investments			2,657			2,657
Fair value changes to cash flow hedge derivatives			4,442			4,442
Profit for the period					173,431	173,431
Net changes during the period	0	0	475,484	0	(451,890)	23,594
Equity at June 30, 2007	1,075,996	1,456,924	1,953,157	(48,450)	173,431	4,611,058
Fair value changes to investments			(25,803)			(25,803)
Release of deferred taxes on fair value changes to investments			355			355
Release of deferred taxes on fair value changes to investments for reduction in IRES tax rate and taxable change			33,713			33,713
Fair value changes to cash flow hedge derivatives			(2,368)			(2,368)
Actuarial gains (losses) recognized directly in equity			(54)			(54)
Dividends statute-barred			5			5
Profit for the period					(50,033)	(50,033)
Net changes during the period	0	0	5,848	0	(50,033)	(44,185)
Equity at December 31, 2007	1,075,996	1,456,924	1,959,005	(48,450)	123,398	4,566,873
Dividends paid out to stockholders (€ 0.1 per ordinary share, € 0.1207 per savings share)					(106,297)	(106,297)
Movements among reserves			17,101		(17,101)	0
Fair value changes to investments			(519,530)			(519,530)
Purchase of 12,978,200 IFIL ordinary shares				(65,981)		(65,981)
Purchase of 841,500 IFIL savings shares				(3,668)		(3,668)
Release of deferred taxes on fair value changes to investments			7,144			7,144
Fair value changes to cash flow hedge derivatives			3,377			3,377
IFIL stock options granted			239			239
Profit for the period					208,627	208,627
Net changes during the period	0	0	(491,669)	(69,649)	85,229	(476,089)
Equity at June 30, 2008	1,075,996	1,456,924	1,467,336	(118,099)	208,627	4,090,784
Note	13	14	15	16		

STATEMENT OF RECOGNIZED INCOME AND EXPENSE

€ in thousands	6/30/2008	6/30/2007
Gains (losses) recognized directly in the cash flow hedge reserve	3,377	4,442
Gains (losses) recognized directly in the reserve for fair value adjustments of available-for-sale financial assets	(519,530)	(49,803)
Deferred taxes on fair value changes to investments	7,144	2,657
Actuarial gains (losses) recognized directly in equity	0	0
Income (expense) recognized directly in equity	(509,009)	(42,704)
Profit for the period	208,627	173,431
Total recognized income and expense	(300,382)	130,727

SEPARATE STATEMENT OF CASH FLOWS

€ in thousands	I Half 2008	I Half 2007
Cash and cash equivalents, at start of period	165,553	309
Cash flows from (used in) operating activities		
Profit for the period	208,627	173,431
Adjustments for:		
Depreciation and amortization	1	14
Reversal of impairment losses on investments	0	(27,296)
Accruals for deferred taxes	0	549
Total adjustments	1	(26,733)
Change in working capital:		
Change in other financial assets, current and non-current	(3,652)	(4,372)
Change in tax receivables, excluding items adjusting profit for the period	7,284	(795)
Change in trade receivables from related parties	(169)	444
Change in other receivables, current and non-current	(174)	14
Change in other payables, current and non-current	(2,110)	(5,603)
Change in other financial liabilities, current and non-current	(18,930)	1,858
Change in trade payables and other payables to related parties, excluding items adjusting profit for the period	(1,515)	(4,471)
Change in trade payables to third parties	130	(450)
Change in tax payables	1,592	(283)
Net change in provisions for employee benefits, excluding actuarial differences recognized in equity	(35)	18
Net change in working capital	(17,579)	(13,640)
Net cash flows from operating activities	191,049	133,058
Cash flows from (used in) investing activities		
Purchases of property, plant and equipment	(1)	0
Investment (disinvestment) in current financial assets	8,903	0
Additions to investments	0	(62,906)
Net cash flows from investing activities	8,902	(62,906)
Cash flows from (used in) financing activities		
Loans secured from related parties (or repaid)	0	(208,912)
Bonds issued 2007-2017	0	744,079
Other changes in bonds	246	0
Net change in bank debt	27	(274,570)
Changes in fair value of cash flow hedge derivatives	3,377	4,442
Change in stock option reserve	186	0
Dividends paid out	(106,297)	(107,133)
Purchase (sale) of treasury stock	(69,649)	0
Net cash flows used in financing activities	(172,110)	157,906
Net increase in cash and cash equivalents	27,841	228,058
Cash and cash equivalents, at end of period	193,394	228,367

NOTES TO THE SEPARATE FINANCIAL STATEMENTS AT JUNE 30, 2008 EX ART. 2501-QUATER OF THE ITALIAN CIVIL CODE

1. General information on the activities of IFIL S.p.A.

IFIL S.p.A. is one of Europe's leading investment companies and is controlled by the Agnelli family. Founded in 1919, it is headquartered in Turin, Italy, Corso Matteotti 26, and listed on the Italian stock exchange.

Besides being the majority stockholder of the Fiat Group, IFIL invests in diverse sectors, mainly in Europe, the United States and the two most important emerging markets, India and China.

Investment activities are conducted with entrepreneurial vision and solid financial backing. IFIL cooperates on an ongoing basis with the management teams of its holdings, while respecting their right to operate autonomously and with a perspective geared to the medium-/long-term.

The major investments of the IFIL Group are indicated below.

Fiat S.p.A., in which IFIL S.p.A. has a holding of more than 30% of ordinary and preferred capital stock, is listed on the Electronic Share Market of the Italian stock exchange (Blue Chip segment). Founded in 1899, the Fiat Group operates in the sectors of automobiles (Fiat, Lancia, Alfa Romeo, Abarth, Ferrari, Maserati and Fiat Light Commercial), agricultural and construction equipment (Case and New Holland), trucks and commercial vehicles, buses and special-purpose vehicles (Iveco, Irisbus, Astra and Magirus), components and production systems (Fiat Powertrain Technologies, Magneti Marelli, Teksid and Comau); it is also active in publishing and communications (La Stampa and Publikompass). Other sectors also offer financial services to the sales networks and the clientele in addition to rental services to customers.

Cushman & Wakefield (C&W), in which the subsidiary Ifil Investissements S.A. has a 72.11% stake, is the largest privately held company for real estate services. The C&W Group has its headquarters in New York, where it was founded in 1917, and now has 221 offices and 15,000 employees in 58 countries.

Sequana S.A., in which Ifil Investissements S.A. has a 26.65% stake, is a French company listed on the Euronext market which since 2006 has focused its operations on the paper sector where it operates through:

- **Arjowiggins S.A.** (100% holding), the world leader in the manufacture of high value-added paper products, with 7,700 employees in 82 countries;
- **Antalis S.A.** (100% holding), the leading European group in the distribution of paper products for printing and writing, with over 7,900 employees in 44 countries.

Intesa Sanpaolo S.p.A., in which IFIL S.p.A. has a 1.25% stake in ordinary capital stock, is listed on the Electronic Share Market of the Italian stock exchange (Blue Chip segment). It is one of the most important banking groups in Europe and is the foremost bank in Italy with an approximate 20% market share on average in all segments of business (retail, corporate and wealth management).

SGS S.A., in which Ifil Investissements S.A. has a 15% stake, is a Swiss company listed on the Virt-x market. Founded in 1878, the company is today the global leader in verification, inspection, control and certification activities with 50,000 employees and a network of more than 1,000 offices and laboratories throughout the world.

Gruppo Banca Leonardo S.p.A., in which Ifil Investissements S.A. has a 9.76% stake, is an independent investment bank offering corporate finance advisory and asset management services.

Alpitour S.p.A., in which IFIL S.p.A. has a 100% stake, is the largest integrated group in the tourist sector in Italy. It operates with 4,000 employees and has more than 2.3 million customers across all areas of the tourism business: Tour Operating (Alpitour, Francorosso, Viaggidea, Villaggi Bravo, Volando and Karambola), Hotels (Alpitour World Hotel & Resorts), Incoming (Jumbo Tours), Aviation (Neos), Distribution (Welcome Travel Group) and Incentive & Eventi (A World of Events).

Juventus Football Club S.p.A., in which IFIL S.p.A. has a 60% stake, is listed on the Electronic Share Market of the Italian stock exchange (Star segment). Founded in 1897, it is one of the most prominent professional soccer teams in the world.

Vision Investment Management Limited, founded in 2000, is one of the most important hedge fund managers specialized in Asian markets.

In April 2008, Ifil Investissements S.A. subscribed to 5-year bonds issued by Perfect Vision with a mandatory conversion into shares at maturity which will give Ifil Investissements a 40% stake in Vision Investment Management.

Banijay Holding S.A.S., in which Ifil Investissements S.A. holds a 17.17% stake with voting rights, is headquartered in Paris. The company is a new player in European TV production with a strategy aimed at rapid external growth through the acquisition of companies specialized in the production of TV formats and content for distribution via TV, Internet and mobile phones.

The following chart is updated to the end of August 2008 and presents the main business segments in which the IFIL Group holds investments. Percentage holdings refer to ordinary capital stock.



- (a) IFIL also holds 30.09% of Fiat preferred capital stock.
 (b) Post-conversion of convertible bonds.
 (c) Percentage interest held in the NoCo A LP limited partnership.

The board of directors, committees, board of statutory auditors and independent auditors of IFIL S.p.A. are the following:

Board of Directors

<i>Chairman</i>	John Elkann
<i>Honorary Chairman</i>	Gianluigi Gabetti
<i>Vice Chairman</i>	Tiberto Brandolini d'Adda
<i>Chief Executive Officer</i>	Carlo Barel di Sant'Albano
<i>Non-independent directors</i>	Edoardo Ferrero Ventimiglia, Franzo Grande Stevens, Pio Teodorani-Fabbri
<i>Independent directors</i>	Antonio Maria Marocco, Giuseppe Recchi, Claudio Saracco, Sandro Salvati

Audit Committee

<i>Chairman</i>	Antonio Maria Marocco
<i>Members</i>	Sandro Salvati, Claudio Saracco

Compensation and Nominating Committee

<i>Chairman</i>	John Elkann
<i>Members</i>	Antonio Maria Marocco, Giuseppe Recchi

Board of Statutory Auditors

<i>Standing Auditors</i>	Eugenio Colucci (<i>Chairman</i>), Lionello Jona Celesia, Paolo Piccatti
<i>Alternate Auditors</i>	Francesco Facchini, Ruggero Tabone

Independent Auditors

Deloitte & Touche S.p.A.

2. Accounting policies used in the preparation of the separate financial statements at June 30, 2008, ex art. 2501-quater of the Italian Civil Code

Starting from the financial year 2006, the separate financial statements of IFIL S.p.A. have been prepared in conformity with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and recognized by the European Community in accordance with Regulation 1606/2002 of the European Parliament and Council dated July 19, 2002. The designation IFRS also includes all valid International Accounting Standards (IAS), as well as all interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the Standing Interpretations Committee (SIC).

These separate financial statements at June 30, 2008, IAS 34 pursuant – Interim Financial Reporting have been prepared applying the same accounting standards as those adopted for the preparation of the separate financial statements at December 31, 2007, to which reference should be made.

These separate financial statements at June 30, 2008 include the accounting statements and notes and are expressed in millions of Euro.

The Euro is the functional currency of the company.

3. Formats of the statements

The formats of the balance sheet, income statement, statement of changes in equity and the statement of cash flows are the same as those used for the separate financial statements at December 31, 2007.

4. Content of the Notes

The Notes include only the effect of those events and transactions considered relevant to the understanding of the changes in the balance sheet and financial position and the results of the operations of the Company for the first half of the current year. Accordingly, these notes do not disclose updates that are not considered relevant to the information which has already been disclosed in the notes to the most recent annual consolidated financial statements, ended December 31, 2007.

5. Unusual and/or atypical transactions and significant nonrecurring events and transactions and related party transactions

During the first half of 2008, there are no unusual and/or atypical transactions. The balances in the balance sheet and income statement originating from transactions with related parties are recorded in specific items in the balance sheet and income statement.

6. Seasonality of transactions

The results of IFIL S.p.A. are normally impacted by the concentration of dividends collected from investee companies in the first half while the most important costs and expenses are distributed on a homogeneous basis over the course of the entire year; however, investment or divestiture transactions, if any, may have a material effect on the income statement and balance sheet when realized.

7. Use of estimates

The preparation of separate financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities at the date of these financial statements. If in the future such estimates and assumptions, which are based on the best judgment of the group companies' management at the date of the interim financial

statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

Some valuation procedures, in particular those of a more complex nature regarding matters such as any impairment losses or impairment reversals, are only carried out in full during the preparation of the annual consolidated financial statements, when all the information required is available, other than in the event that there are indications of impairment, when an immediate assessment is necessary.

In the same way, the actuarial valuations that are required for the determination of employee benefit provisions are also usually only carried out during the preparation of the annual separate financial statements.

Income taxes are recognized based upon the best estimate of the weighted average income tax rate expected for the full financial year.

8. Major events in the first half of 2008

Buyback Program

In its meeting held on February 18, 2008, the IFIL S.p.A. board of directors approved the start of a Buyback Program for ordinary and savings treasury stock aimed at the efficient management of the company's capital and for investment purposes. The Program envisages a maximum disbursement of € 150 million.

Under this Program, during the period February 26 – August 18, 2008, IFIL S.p.A. purchased 20,783,200 ordinary shares (2% of the class of stock) at the average cost per share of € 4.8 for a total of € 99.8 million, and also 917,000 savings shares (2.45% of the class of stock) at the average cost per share of € 4.3 for a total of € 3.9 million. The total investment adds up to € 103.7 million (about 69% of the total disbursement stated in the Program). Buybacks up to June 30, 2008 amount to € 69.7 million. The effect on the interim balance sheet at June 30, 2008 is presented in Note 16.

After these purchases, IFIL holds, directly and indirectly, the following treasury stock:

	Number	Amount		% of class
	of shares	Per share (€)	Total (€ in thsd)	
Ordinary shares, held by IFIL S.p.A.	33,186,198	4.38	145,441	3.20
Ordinary shares, held by subsidiary Soiem S.p.A.	810,262	3.41	2,762	0.08
Total ordinary shares	33,996,460	4.36	148,203	3.28
Savings shares, held by IFIL S.p.A.	917,000	4.30	3,943	2.45

With regard to the press release issued by Giovanni Agnelli e C. S.a.p.az. on August 25, 2008, IFIL S.p.A. has temporarily suspended the treasury stock Buyback Program.

Resolutions passed by the ordinary and special sessions of the IFIL S.p.A. stockholders' meeting

On May 13, 2008, the stockholders' meeting approved the separate financial statements at December 31, 2007 and the motion for the distribution of dividends of € 0.10 per ordinary share and € 0.1207 per savings share, for a total maximum amount of € 108.4 million, unchanged compared to the prior year. Having taken into account the treasury stock in portfolio at the ex dividend date (May 19, 2008), the payment made on May 22, 2008 amounted to € 106.3 million.

The stockholders' meeting also approved:

- the renewal of the authorization for the purchase and disposal of treasury stock for 18 months from the date of the resolution passed by the stockholders' meeting, up to a

- maximum of 55 million ordinary and/or savings shares for a maximum disbursement of € 450 million;
- the renewal of the five-year mandate pursuant to articles 2443 and 2420 ter of the Italian Civil Code to increase capital stock, at one or more times, up to a maximum of € 1,500 million and the issue, at one or more times, of convertible bonds up to the same amount;
 - the stock option plan for the chief executive officer, Carlo Barel di Sant'Albano, for 3,000,000 stock options, and the employees of the IFIL Group (IFIL S.p.A. and the companies in the "Holdings System") who are or will be regarded as key people in the organization on the basis of the positions held or activities performed, for a maximum of 12,000,000 stock options; additional details on the stock option plan and the effect on the balance sheet and income statement are disclosed in Note 19 to the half-yearly condensed financial statements at June 30, 2008;
 - the authorization of the right to proceed with the payment of a part of the variable compensation to employees (MBO) with treasury stock.

The stockholders' meeting, finally, elected the new board of directors (which met immediately after the stockholders' meeting to appoint the positions on the board and committees) and the new board of statutory auditors for the three years 2008-2010 which are composed as indicated on page 8. On the same date the board of directors of IFIL has resolved on the compensation to the chairman, honorary chairman, chief executive officer and committees as described in Note 29 to the half-yearly condensed consolidated financial statements of the IFIL Group at June 30, 2008, to which reference should be made.

9. Significant events subsequent to the end of the first half of 2008 and evolution of the net financial position

Besides the aforementioned buyback of treasury stock carried out in the period July 1, – August 18, 2008, in July, IFIL S.p.A. sold on the market 141,716,165 Intesa Sanpaolo ordinary shares (equal to 1.20% of ordinary capital stock) for a total of € 496,958 thousand. The transaction will result in a net capital gain in the separate financial statements in the third quarter of 2008 of € 141,745 thousand.

Currently, IFIL S.p.A. holds 148,200,000 shares, equal to 1.25% of the ordinary capital stock of Intesa Sanpaolo S.p.A..

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 with the Court of Cassation by the other parties involved in the Consob sanctionary measure.

In the penal proceedings, the preliminary hearing is being held pursuant to ex article 420 and subsequent articles of the Code of Penal Procedure which was stayed for the continuation of the discussion to October 10-11, 2008. The magistrate for the preliminary hearings has reserved the decision on the question of territorial jurisdiction.

At August 31, 2008, the net borrowings position of IFIL S.p.A. decreased to € 254,773 thousand from € 707,913 thousand. The change is due to the sale of a stake in Intesa Sanpaolo (+€ 496,958 thousand), the buyback of treasury stock (-€ 34,048 thousand) and other net changes (-€ 9,770 thousand).

10. Non-current assets – Investments

Details are as follows:

€ in thousands	6/30/2008		12/31/2007		Change
	% of class of stock	Amount	% of class of stock	Amount	
Investments accounted for at cost					
Fiat S.p.A. (ordinary shares)	30.45	2,619,379	30.45	2,619,379	0
Fiat S.p.A. (preferred shares)	30.09	250,401	30.09	250,401	0
		2,869,780		2,869,780	0
Ifil Investissements S.A.	79.82	641,554	79.82	641,502	52
Alpitour S.p.A.	100.00	100,027	100.00	100,027	0
Ifil Investment Holding N.V.	100.00	68,276	100.00	68,276	0
Soiem S.p.A.	100.00	9,981	100.00	9,981	0
Ifil New Business S.r.l.	100.00	28	100.00	28	0
Juventus Football Club S.p.A.	60.00	74,231	60.00	74,231	0
		3,763,877		3,763,825	52
Available-for-sale investments					0
Intesa Sanpaolo S.p.A. (ordinary shares)	2.45	1,045,148	2.45	1,564,677	(519,529)
Total investments		4,809,025		5,328,502	(519,477)

The net decrease of € 519,529 thousand relating to the stake in Intesa Sanpaolo S.p.A. is due to the change in fair value of the investments at June 30, 2008, recorded as a reduction in equity, net of the release of deferred taxes on fair value changes to investments of € 7,144 thousand.

The original purchase cost of the investment in Intesa Sanpaolo S.p.A. amounts to € 726,631 thousand; at June 30, 2008, the change in fair value of the investments amounts to € 318,517 thousand.

The carrying amounts of the investments at June 30, 2008 are as follows:

	Number of shares held	Carrying amount	
		Per share (€)	Total (€ in thousands)
Fiat S.p.A. (ordinary shares)	332,587,447	7.88	2,619,379
Fiat S.p.A. (preferred shares)	31,082,500	8.06	250,401
			2,869,780
Ifil Investissements S.A.	886,548	723.65	641,554
Alpitour S.p.A.	35,450,000	2.82	100,027
Ifil Investment Holding N.V.	120,000	568.96	68,276
Soiem S.p.A.	18,250,000	0.55	9,981
Ifil New Business S.r.l.	-	-	28
Juventus Football Club S.p.A.	120,934,166	0.61	74,231
Intesa Sanpaolo S.p.A. (ordinary shares)	289,916,165	3.61	1,045,148
Total investments			4,809,025

11. Current assets – Financial assets held for trading

These assets amount to € 38,953 thousand and refer to equity shares listed on the main European and United States markets.

Such shares are measured at fair value at period end in base al loro fair value using the market price translated, if necessary, to the period-end rate. Changes in fair value are recognized in the income statement under financial income (expenses) with third parties.

12. Current assets – Tax receivables

Tax receivables from the tax authorities refer to:

€ in thousands	6/30/2008	12/31/2007	Change
Receivables for prior years' taxes, refunds requested	35,195	42,778	(7,583)
Receivable for reduction of Consob sanction	3,525	3,525	0
Receivables for current and prior years' taxes, carried forward	1,105	806	299
Total tax receivables	39,825	47,109	(7,284)

13. Equity – Capital stock

At June 30, 2008 IFIL S.p.A.'s capital stock, fully subscribed to and paid-in, amounts to € 1,075,995,737 and consists of 1,038,612,717 ordinary shares (96.53% of capital stock) and 37,383,020 non-convertible savings shares (3.47% of capital stock), with a par value of € 1 each.

There are no restrictions on the transfer of stock, restrictions on voting rights and shares which confer special rights of control.

Each share has the right to a proportional share of the profits which have been approved for distribution and of the equity resulting from a wind-up except for the rights established for the savings shares with regard to the appropriation of profits, as described below.

Pursuant to art. 25 of the bylaws, the savings shares carry the right to a preference dividend, cumulative according to law, of 8.27% of their par value and to a total dividend higher than that of ordinary shares by 2.07% of the same par value. When, in any one year, the dividends assigned to the savings shares are below the percentages indicated above, the difference shall be added to the preference dividend of the next two years.

The savings shares carry no voting rights and can either be registered or bearer shares, as elected by the stockholders.

In case of exclusion of the ordinary shares and/or savings shares from trading, the preference dividend and the higher dividend allocated to the savings shares will be automatically increased in order to reach, respectively, 8.52% and 2.32%.

The board of directors has been vested with the power, for a period of five years from the resolution passed by the special stockholders' meeting held on May 13, 2008, to increase at one or more times, also in divisible form, the capital stock up to an amount of € 1,500 million and to issue convertible bonds, at one or more times, up to the same figure.

Finally, the capital stock includes € 1,342 thousand of transfers from the revaluation reserves made in the past which, in the event of distribution, will form part of the taxable income of the company.

14. Equity – Capital reserves

Details are as follows:

€ in thousands	6/30/2008	12/31/2007	Change
Additional paid-in capital	970,167	941,822	28,345
Undistributable reserve from cancellation of treasury stock	65,102	65,102	0
Reserve for purchase of treasury stock	421,655	450,000	(28,345)
Total capital reserves	1,456,924	1,456,924	0

15. Equity – Retained earnings and other reserves

Details are as follows:

€ in thousands	6/30/2008	12/31/2007
Revaluation reserve Law 408/90	243,894	243,894
Revaluation reserve Law 413/91	2,586	2,586
Legal reserve	215,199	215,199
Cash flow hedge reserve	7,315	3,938
Fair value reserve	314,144	826,531
Stock option reserve	239	0
Extraordinary reserve	683,959	666,857
Total retained earnings and other reserves	1,467,336	1,959,005

16. Equity – Treasury stock

Under the buyback programme approved by the board of directors of IFIL S.p.A. on February 18, 2008, which envisages a maximum disbursement of € 150 million, in the first six months of 2008, 12,978,200 IFIL ordinary shares (1.25% of class of stock) were purchased at the average cost per share of € 5.08 for a total of € 65,981 thousand, and also 841,500 IFIL savings shares (2.25% of class of stock) at the average cost per share of € 4.36 for a total of € 3,668 thousand, for a total disbursement of € 69,649 thousand.

At June 30, 2008, IFIL S.p.A. holds, directly and indirectly, the following treasury stock:

	Number of shares	% of class of stock	Carrying amount	
			Per share (€)	Total (€ in thsd)
Ordinary shares, held by IFIL S.p.A.	25,381,198	2.44	4.40	111,669
Ordinary shares, held by subsidiary Soiem S.p.A.	810,262	0.08	3.41	2,762
Total ordinary shares	26,191,460	2.52	4.37	114,431
Savings shares, held by IFIL S.p.A.	841,500	2.25	4.36	3,668
Total treasury stock	27,032,960	-	-	118,099

17. Non-current liabilities – Non-convertible bonds

Details are as follows:

Issue date	Maturity date	Issue price	Interest coupon	Interest rate	Face value (€/000)	Effect of valuation at amortized cost (€/000)	Balance (€/000)
				3-month Euribor			
6/9/2006	6/9/2011	99.900	Quarterly	+ spread	200,000	(554)	199,446
6/12/2007	6/12/2017	99.554	Annual	Fixed 5.375%	750,000	(5,622)	744,378
Total					950,000	(6,176)	943,824

18. Current liabilities – Trade and other payables to related parties

At June 30, 2008 trade and other payables to related parties amount to € 16,823 thousand and include the measurement of the liability of € 15,871 thousand with respect to the grantees of the Alpitour stock option plan.

For additional details, reference should be made to Note 26 to the separate financial statements of IFIL S.p.A. at December 31, 2007.

19. Stock option plans with underlying IFIL stock

The ordinary session of the IFIL stockholders' meeting held on May 13, 2008 approved a stock option plan for the chief executive officer, Carlo Barel di Sant'Albano, for 3,000,000 stock options corresponding to the same number of ordinary shares and for the employees of the IFIL Group (IFIL S.p.A. and the companies in the "Holdings System") who are or will be regarded as key people in the organization on the basis of the positions held or activities performed, for a maximum of 12,000,000 stock options. At June 30, 2008, a total of 6,525,000 options had been granted to 17 key employees.

The Plan is aimed at attracting and retaining managerial resources who hold important positions in the company while involving them in achieving performance objectives and aligning the economic incentives to the value of the company for the stockholders. The vesting period of the options granted will start from May 14, 2014 to May 14, 2016 and precisely: the first part, equal to 25% of the options, will vest on May 14, 2014, the second part, again equal to 25% of the options, will vest on May 14, 2015 and the third part, equal to 50% of the options, will vest on May 14, 2016. The exercise price of the options granted is € 5.291 and equal to the arithmetic average of the official stock market prices of IFIL ordinary shares recorded at Borsa Italiana S.p.A. in the month prior to the date of the stockholders' meeting that approved the Plan.

The Plan will be implemented by gratuitously granting options on treasury stock purchased by IFIL S.p.A. or by companies of the "Holdings System" in accordance with existing laws.

From an accounting standpoint, the plan represents an "equity-settled stock-based payment transaction" discussed under paragraph 10 and subsequent articles of IFRS 2 and requires that the fair value of the services received be measured in reference to the fair value of the equity instruments at the grant date.

The fair value of services received should be recorded during the option vesting period with a corresponding increase in equity.

The valuation was made by an independent expert assuming that the options would be exercised by May 15, 2016 using the Black-Scholes model based on the following parameters:

Valuation date	5/13/2008
IFIL stock price at grant date	€ 5.286
Exercise price	€ 5.291
Expected volatility (%)	30.56%
Vesting period	8 years
Expected dividends (%)	2.15%
Risk-free interest rate	4.1114%
Turnover rate (%)	1%

The fair value of the 9,525,000 options granted was determined to be € 15,263 thousand, divided as follows:

€ in thousands	Number of options granted	Total cost	Cost referring to the first half
Chief executive officer IFIL S.p.A.	3,000,000	4,807	75
Key employees IFIL S.p.A. (13)	4,425,000	7,091	111
Total IFIL S.p.A.	7,425,000	11,898	186
Key employees of Ifil Investissements S.A. and other subsidiaries in the Holdings System (4)	2,100,000	3,365	52
Total	9,525,000	15,263	238

At IFIL S.p.A., the stock option plan was recorded as follows:

- the compensation to the chief executive officer for € 75 thousand recorded as costs and € 111 thousand as personnel costs and € 186 thousand as an increase in the stock option reserve, for the portion relating to the chief executive officer and the employees of IFIL S.p.A. who are grantees of the plan;
- the increase in the value of the interest in Ifil Investissements for € 52 thousand and the increase for the same amount in the stock option reserve, for the portion relating to the employees of Ifil Investissements and its subsidiaries of the "Holdings System", who are grantees of the plan.

20. Net financial position

The composition of the net financial position of IFIL S.p.A. is provided below:

€ in thousands	6/30/2008			12/31/2007		
	Current	Non-current	Total	Current	Non-current	Total
Financial assets held for trading	38,953	0	38,953	47,856	0	47,856
Other financial assets	8,046	239	8,285	4,348	285	4,633
Cash and cash equivalents	193,394	0	193,394	165,553	0	165,553
Total financial assets and cash and cash equivalents	240,393	239	240,632	217,757	285	218,042
IFIL bonds 2007-2017	0	(744,378)	(744,378)	0	(744,224)	(744,224)
IFIL bonds 2006-2011	0	(199,446)	(199,446)	0	(199,354)	(199,354)
Bank debt and other financial liabilities	(4,721)	0	(4,721)	(23,624)	0	(23,624)
Total financial liabilities	(4,721)	(943,824)	(948,545)	(23,624)	(943,578)	(967,202)
Net financial position	235,672	(943,585)	(707,913)	194,133	(943,293)	(749,160)

The net financial position at June 30, 2008 is a borrowings position of € 707,913 thousand and corresponds to the balance of the net financial position above.

There are no financial receivable or payable balances with related parties.

21. Dividends from investments

Dividends from investments amount to € 255,636 thousand at June 30, 2008 (€ 171,355 thousand at June 30, 2007). Details are as follows:

€ in thousands	I Half 2008	I Half 2007
Fiat S.p.A.		
- ordinary shares	133,035	51,551
- preferred shares	12,433	9,636
Intesa Sanpaolo S.p.A.	110,168	110,168
Total dividends	255,636	171,355

22. Financial expenses from third parties

These include:

€ in thousands	I Half 2008	I Half 2007	Change
Interest on IFIL bonds 2007/2017	19,829	2,159	17,670
Interest on IFIL bonds 2006/2011	5,487	4,657	830
Interest expenses on bank debt	1	5,769	(5,768)
Bank commissions	676	1,208	(532)
Charges from discounting to present value	5	3	2
Financial expenses on securities held for trading (a)	15,051	0	15,051
Financial expenses from third parties	41,049	13,796	27,253

(a) Includes € 11,670 thousand for fair value adjustments.

23. Financial income from third parties

This includes:

€ in thousands	I Half 2008	I Half 2007	Change
Interest income on receivables from:			
- tax authorities	333	466	(133)
- banks	1,305	614	691
Interest rate hedging income	905	99	806
Income on securities held for trading (a)	6,927	0	6,927
Total income from third parties	9,470	1,179	8,291

(a) Of which € 102 thousand for fair value adjustments.

24. Transactions with related parties

The relevant transactions with related parties are described and commented in the preceding Notes and can be summarized as follows:

- the stock option plan approved for the chief executive officer, Carlo Barel di Sant'Albano (refer to the preceding Note 19);
- the special compensation of € 5 million, recorded in "other nonrecurring income (expenses), voted in favor of Mr. Gabetti by the board of directors of IFIL held on May 13, 2008;
- the liability of € 15,871 thousand to the grantees of the Alpitour stock option plan (refer to the preceding Note 18).

Receivables and payables to related parties are trade receivables and payables, are not guaranteed and are settled in cash. Guarantees have neither been granted nor received.

Costs have not been recognized during the period for non-existent or doubtful liabilities in relation to amounts due from related parties.

The purchase of goods and services from related parties represents trade receivables from related parties and mainly relates to the offices of the headquarters in Turin, Corso Matteotti 26, computer, telephone and logistics services and other minor services.

25. Business outlook

At June 30, 2008, dividends from investments amount to € 255.6 million, and in July, IFIL S.p.A. has a net capital gain of € 141.8 million on the partial sale of the stake in Intesa Sanpaolo.

Taking into account the aforementioned data, a profit much higher than that of 2007 (a profit of € 123.4 million) is forecast for IFIL S.p.A. for 2008.

26. Half-yearly financial report 2008

The half-yearly financial report 2008 of IFIL S.p.A. was approved by the board of directors on August 29, 2008, which authorized its publication on the same date.

For additional details on IFIL S.p.A. and the Group's companies as well as the half-yearly consolidated financial statements at June 30, 2008, reference should be made to the half-yearly financial report 2008.

27. Approval of the separate financial statements at June 30, 2008 of IFIL S.p.A. ex art.2501-quater of the Italian Civil Code.

The separate financial statements at June 30, 2008 were approved by the board of directors on September 23, 2008, which authorized their publication on the same date.

Turin, September 23, 2008

For the Board of Directors
The Chairman
John Elkann

ATTESTATION ACCORDING TO ART. 154-BIS, PARAGRAPH 2, OF THE CONSOLIDATED ACT OF FINANCE (LEGISLATIVE DECREE 58/98)

I, the undersigned, Aldo Mazzia, manager responsible for the preparation of the financial reports of IFIL Investments S.p.A., attest, taking into account the provisions of art. 154-bis, paragraph 2 of the Consolidated Act of Finance (Legislative Decree 58/98), that the separate financial statements at June 30, 2008 of IFIL S.p.A., prepared in accordance with ex art. 2501-quater of the Italian Civil Code, correspond to the amounts shown in the Company's accounts, books and records.

Turin, September 23, 2008

Manager responsible for the preparation
of the financial reports
Aldo Mazzia

**AUDITORS' REVIEW REPORT ON THE FINANCIAL STATEMENTS
PURSUANT TO ART. 2501-QUATER OF THE ITALIAN CIVIL CODE
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2008**

**To the Board of Directors of
IFIL INVESTMENTS S.p.A.**

1. We have reviewed the financial statements pursuant to art. 2501-quater of the Italian Civil Code, consisting of the balance sheet, income statement, statements of changes in stockholders' equity and cash flows and related explanatory notes of IFIL Investments S.p.A. as of June 30, 2008. These financial statements pursuant to art. 2501-quater of the Italian Civil Code prepared in conformity with the International Financial Reporting Standard applicable for interim financial statements (IAS 34) as adopted by the European Union, are the responsibility of the Directors of IFIL Investments S.p.A. Our responsibility is to issue a report on these financial statements pursuant to art. 2501-quater of the Italian Civil Code based on our review.
2. We conducted our review in accordance with the standards recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-year interim financial statements under Resolution n° 10867 of July 31, 1997. Our review consisted principally of applying analytical procedures to the financial statements pursuant to art. 2501-quater of the Italian Civil Code, assessing whether accounting policies have been consistently applied and making enquiries of management responsible for financial and accounting matters. The review excluded audit procedures such as tests of controls and substantive verification procedures of the assets and liabilities and was therefore substantially less in scope than an audit performed in accordance with established auditing standards. Accordingly, unlike our report on the year-end financial statements, we do not express an audit opinion on the financial statements pursuant to art. 2501-quater of the Italian Civil Code.

With regard to the figures related to the previous year-end financial statements presented in the financial statements pursuant to art. 2501-quater of the Italian Civil Code, reference should be made to our auditors' report dated April 2, 2008, while the figures related to June 30, 2007 included in such financial statements have been examined by us only for the purpose of the review of the financial statements pursuant to art. 2501-quater of the Italian Civil Code as of June 30, 2008.

3. Based on our review, nothing has come to our attention that causes us to believe that the financial statements pursuant to art. 2501-quater of the Italian Civil Code of IFIL Investments S.p.A. as of June 30, 2008 are not presented fairly, in all material respects, in accordance with the International Financial Reporting Standard applicable for interim financial statements (IAS 34) as adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Franco Riccomagno
Partner

Turin, Italy
September 23, 2008

This report has been translated into the English language solely for the convenience of international readers.