

***IFI***  
*Istituto Finanziario Industriale*

Annual Report 2007

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This is an English translation of the Italian original document “Relazioni e Bilanci 2007” approved by the IFI S.p.A. board of directors on March 28, 2008, which has been prepared solely for the convenience of the reader.

The version in Italian takes precedence and for complete information about IFI S.p.A. and the Group, reference should be made to the full original report in Italian containing the Directors' Report on Operations and the Separate and Consolidated Financial Statements also available on the corporate website: <http://www.gruppoifi.com>

**Board of Directors**

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<i>Chairman</i>	John Elkann
<i>Vice Chairman</i>	Pio Teodorani-Fabbri
<i>Chief Executive Officer and General Manager</i>	Virgilio Marrone
<i>Directors</i>	Carlo Acutis <sup>(a)</sup> Andrea Agnelli Tiberto Brandolini d'Adda Oddone Camerana Luca Ferrero Ventimiglia Gianluigi Gabetti Franzo Grande Stevens Francesco Marini Clarelli Andrea Nasi Lupo Rattazzi
<i>Secretary to the Board</i>	Pierluigi Bernasconi

<sup>(a)</sup> Independent director

**Board of Statutory Auditors**

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<i>Chairman</i>	Gianluca Ferrero
<i>Standing Auditors</i>	Giorgio Giorgi Lionello Jona Celesia
<i>Alternate Auditors</i>	Giorgio Ferrino Paolo Piccatti

**Independent Auditors**

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Deloitte & Touche S.p.A.

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**Expiry of the terms of office**

The terms of office of the board of directors and the board of statutory auditors, elected by the stockholders' meeting held on May 25, 2006, will expire concurrently with the stockholders' meeting that will be held to approve the statutory financial statements for the year ending December 31, 2008. The appointment of the independent auditors will expire concurrently with the stockholders' meeting that will be held to approve the financial statements for the year ending December 31, 2011.

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## IFI GROUP PROFILE

**IFI – Istituto Finanziario Industriale S.p.A.** was founded in 1927 by Senator Giovanni Agnelli in Turin, where the headquarters is still located.

IFI controls **IFIL S.p.A.**, one of Europe's leading investment companies, and its capital is divided into two classes of stock: preferred stock – listed on the Italian stock exchange – and ordinary stock, all of which is held by **Giovanni Agnelli e C.**, which draws together the interests of the Agnelli family.

**IFIL S.p.A.**, founded in 1919, is headquartered in Turin and listed on the Electronic Share Market of the Italian stock exchange.

IFIL conducts diversified investments on an international scale with entrepreneurial vision and solid financial backing. At the same time, it cooperates continuously 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.

The other holdings which comprise the dynamically managed diversified portfolio are listed below.

**Cushman & Wakefield (C&W)**, in which the subsidiary Ifil Investissements S.A. has a 70.18% 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 Capital S.A.**, in which Ifil Investissements S.A. has a 26.65% stake, is a French company listed on the Euronext market which in 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 7,800 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 8,400 employees in 44 countries.

**Intesa Sanpaolo S.p.A.**, in which IFIL S.p.A. has a 2.45% 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 a market share of 20% on average in all segments of business (retail, corporate and wealth management). With its network of 6,100 branches, the Group offers its services to 10.7 million customers. It also operates in 13 Central-East European countries and in the Mediterranean basin with 1,200 branches and 7.2 million customers in the retail and commercial banking sectors. It also has an international network specialized in corporate customer support covering 34 countries including the United States, Russia, China and India.

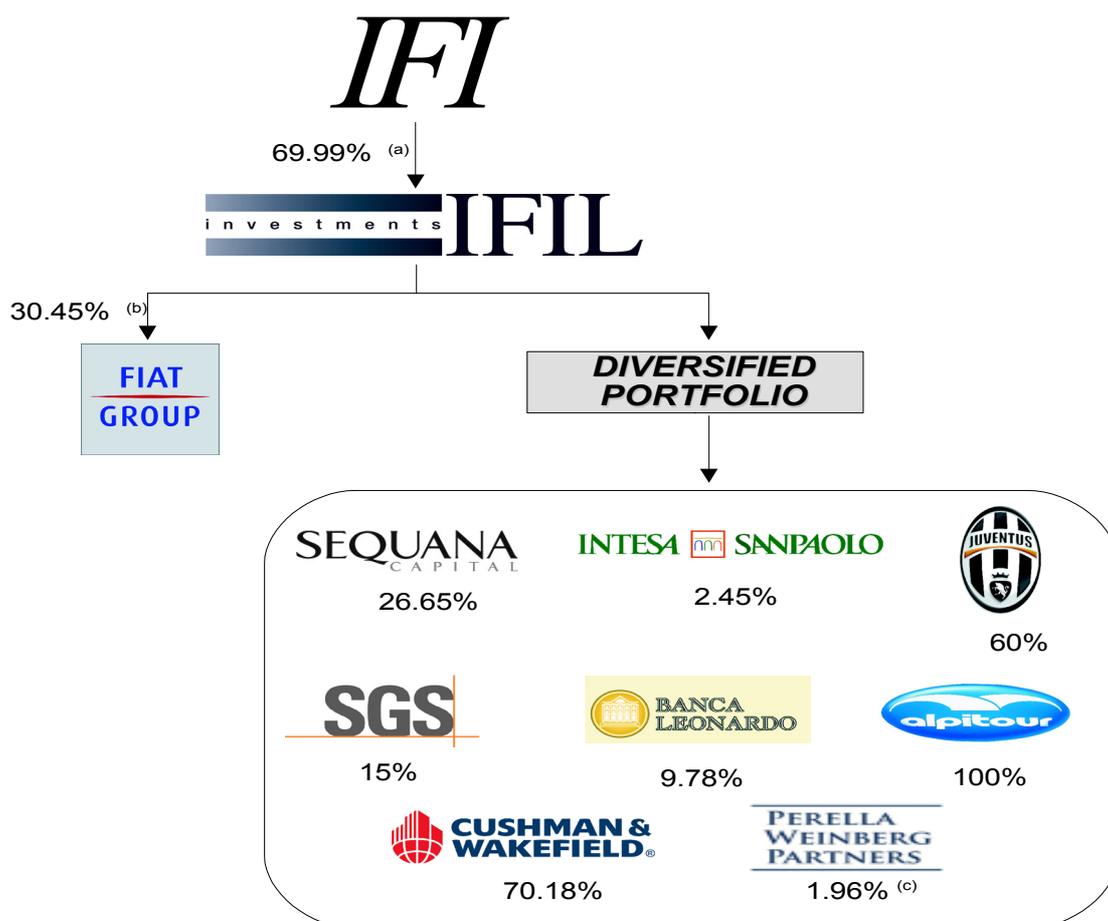
**SGS S.A.**, in which Ifil Investissements S.A. has a 15% stake, is a Swiss company listed on the Virt-x market. Founded in 1878, the company is today the global leader in verification, inspection, control and certification activities with 50,000 employees and a network of more than 1,000 offices and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

**Gruppo Banca Leonardo S.p.A.**, in which Ifil Investissements S.A. has a 9.78% stake, is an independent investment bank offering corporate finance advisory and asset management services; it also provides private equity services under a joint venture with a leading European Group.

**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.

The following chart is updated to March 20, 2008, and presents the simplified structure of the investment portfolio. Percentage holdings refer to ordinary capital stock.



(a) IFI also holds 4.99% of IFIL savings capital stock. Giovanni Agnelli e C. S.a.p.az. also holds 3% of IFIL ordinary capital stock.

(b) IFIL also holds 30.09% of Fiat preferred capital stock.

(c) Percentage interest held in the NoCo A LP limited partnership.

## Key operating and financial data

<b>IFI Group – Consolidated figures</b>			
€ in millions	<b>2007</b>	2006	Change
Profit attributable to the equity holders of the company	<b>444</b>	221	223
Equity attributable to the equity holders of the company	<b>4,161</b>	3,800	361
Consolidated net financial position	<b>(470)</b>	(196)	(274)

<b>Earnings per share (€) <sup>(a)</sup></b>			
	<b>2007</b>	2006	Change
Profit attributable to the equity holders of the company:			
- per ordinary share	<b>2.79</b>	1.38	1.41
- per preferred share	<b>2.84</b>	1.43	1.41
Equity attributable to the equity holders of the company	<b>26.35</b>	24.07	2.28

(a) Details of the calculation are presented in Note 19 to the consolidated financial statements.

<b>IFI S.p.A. – Separate financial statement figures</b>			
€ in millions	<b>2007</b>	2006	Change
Profit	<b>54</b>	218	(164)
Equity	<b>1,847</b>	1,794	53
Net financial position	<b>(393)</b>	(98)	(295)

Dividends were not distributed from the profit for the year ended December 31, 2006.

The board of directors' meeting held March 28, 2008 put forward a motion to the ordinary stockholders' meeting called to approve the separate financial statements for the year ended December 31, 2007 to appropriate the entire profit to reserves.

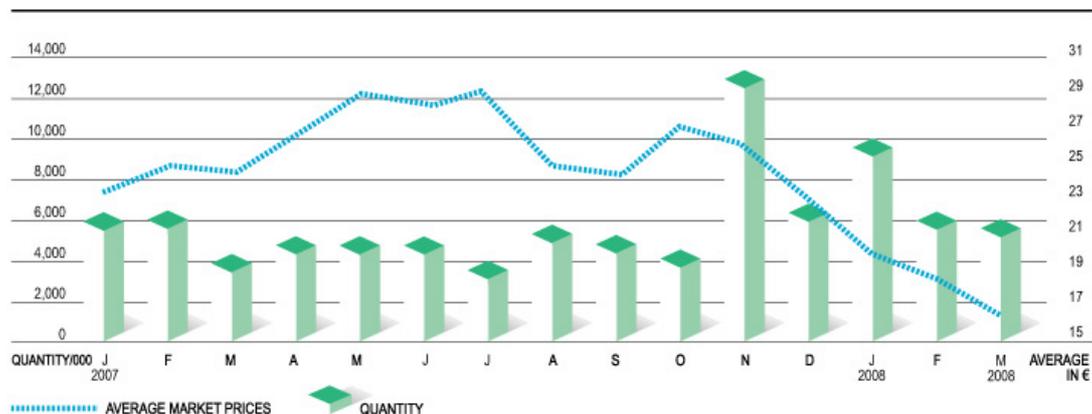
### Stock market performance

Whereas in the first part of 2007 the markets continued to record positive performance, the second half of the year registered an inversion of the trend. This heightened in the last two months when fears over growth prospects in the United States became stronger, largely fueled by the impact of the subprime mortgage crisis. In this scenario, IFI preferred shares continually outperformed the Mibtel Index.

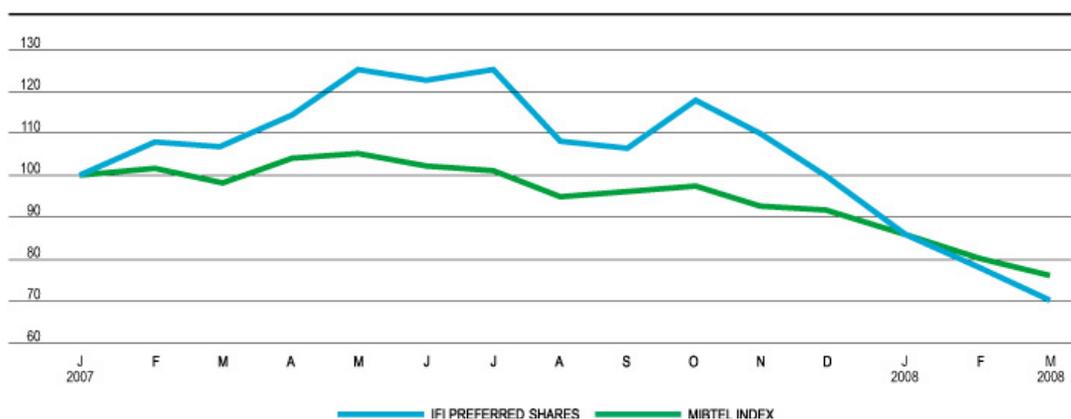
Overall 2007 performance by IFI preferred stock was positive at 1.8% against a decline of 4.5% in the Mibtel Index.

The negative downturn of the stock during the last part of 2007 then sharply accelerated in the first part of 2008 mirroring the performance of the world's major indexes.

## IFI preferred stock – Market prices and volumes traded



## IFI preferred stock – Performance against the Mibtel Index <sup>(a)</sup>



(a) The line graph is based on the average monthly market prices.

IFI preferred shares – Market information	2008 <sup>(a)</sup>	2007	2006	2005
Market price per preferred share (€)				
- year-end	15.655	22.810	22.930	13.867
- maximum	22.990	31.380	23.250	14.525
- minimum	15.560	22.420	13.966	10.562
Trading volumes during the year (millions)	21.2	69.2	62.9	41.5
Value of trading volumes during the year (€ in millions)	396.0	1,818.3	1,161.0	500.9

(a) From January 1, to March 20, 2008.

## **Financial Communications and Investor Relations**

In 2007, IFI has again devoted special attention to relations with the financial community, stockholders, financial analysts and the financial Press and, also, where requested, through individual meetings.

Information about the company, press releases, financial statements and the other account statements issued during the year are made available on the corporate website [www.gruppoifi.com](http://www.gruppoifi.com)

In total, approximately 800 copies (in Italian and English) of the annual report, the first-half report and the quarterly reports have been distributed.

The corporate functions in charge of communications and external relations with investors are listed below:

### **External Relations and Media Relations**

Tel. +39.011.5090318

Fax +39.011.5090386

e-mail: [relazioni.esterne@gruppoifi.com](mailto:relazioni.esterne@gruppoifi.com)

### **Institutional Investors and Financial Analysts Relations**

Tel. +39.011.5090338

Fax +39.011.5090280

[relazioni.investitori@gruppoifi.com](mailto:relazioni.investitori@gruppoifi.com)

### **Stocks and Bonds Service**

Tel. +39.011.5090315

Tel. +39.011.5090205

Fax +39.011.5090321

e-mail: [servizio.titoli@gruppoifi.com](mailto:servizio.titoli@gruppoifi.com)

## INFORMATION ON THE OWNERSHIP STRUCTURE PURSUANT TO EX ART. 123 BIS OF LEGISLATIVE DECREE 58/98

### Capital stock

At December 31, 2007, IFI S.p.A.'s capital stock, fully subscribed to and paid-in, amounts to € 163,251,460 and consists of 86,450,000 ordinary shares (52.96% of capital stock) and 76,801,460 preferred shares (47.04% of capital stock) with a par value of € 1 each. The ordinary capital stock of the company is held entirely by Giovanni Agnelli e C. S.a.p.az. IFI preferred stock is listed on the Electronic Share Market of the Italian stock exchange (Blue Chip segment).

Pursuant to art. 6 of the bylaws, ordinary shares may not be disposed of, with effect towards the company, to parties other than the consanguine descendants of their holder and other holders of ordinary shares, unless the shares have been offered beforehand in option to the latter mentioned, with the right of accretion among them.

Pursuant to art. 10 of the bylaws, preferred shares have voting rights only for the resolutions set forth in art. 2365 of the Italian Civil Code and the second paragraph of art. 13 of the bylaws.

Pursuant to art. 27 of the bylaws, the profit of each year is appropriated as follows:

- 10% to the legal reserve until it reaches one-fifth of capital stock;
- of the remaining amount, 1% is at the board of directors' disposition for distribution among its members;
- the remaining profit is appropriated as follows:
  - to preferred shares, a preference dividend of 5.17% of their par value, which is not cumulative from one year to the next;
  - after any appropriations to reserves, the residual amount is attributed equally to the ordinary and preferred shares.

There are no restrictions on the voting rights or shares which confer special rights of control. There is not any share participation system for employees nor, consequently, any relative mechanism for the exercise of voting rights.

IFI S.p.A. has approximately 13,700 preferred stockholders.

At March 20, 2008, the ten major preferred stockholders, indicated below, represent in total 53.67% of the class of stock.

<b>Stockholders</b>	<b>%</b>	<b>Preferred shares</b>
Amber Capital LP as Manager of Amber Master Fund	21.45	16,477,468
Deutsche Bank AG	4.24	3,254,137
Credit Suisse Securities (Europe) Limited	4.22	3,240,718
UBS AG	4.05	3,112,592
ING Bank NV	3.80	2,920,315
K Capital Partners LLC Group	3.20	2,455,411
Morgan Stanley & Co. International Ltd	3.05	2,339,632
Citadel Investment Group (Europe) Limited	2.92	2,246,026
Kairos Fund Limited	2.34	1,796,700
The Trident European Fund-Dem	2.33	1,790,000
Banca d'Italia	2.07	1,593,625
	<b>53.67</b>	<b>41,226,624</b>

Source: Stockholders' Book supplemented by Consob communications received up to March 20, 2008.

There are no agreements known to the company regarding its shares pursuant to art. 122 of Legislative Decree 58/1998.

The bylaws of the parent, Giovanni Agnelli e C. S.a.p.az., include an article which requires the advance authorization by all the general partners in office and the ordinary stockholders' meeting, with more than a two-thirds majority vote by the ordinary capital stock, for any act regarding the disposition of ordinary shares of IFI S.p.A. which does not leave full ownership of at least of 51% of IFI ordinary capital stock with Giovanni Agnelli e C. S.a.p.az.

With regard to the subsidiary IFIL, the only agreement known by the company to exist is that signed on March 27, 1990 between IFIL S.p.A. and Citicorp, now Citigroup, with headquarters in New York (USA), on the subject of the right of first refusal on IFIL ordinary shares held granted by Citigroup.

#### **Appointment of the board of directors**

The motion for the appointment of the directors is put forward by the majority stockholder which holds 100% of ordinary capital stock.

The directors remain in office for a three-year period and can be re-elected; the board of directors currently has 13 members.

#### **Mandate for capital stock increases**

Capital stock may be increased for a period of five years, at one or more times, also in divisible form, up to a maximum of € 561,750,000, by the authority delegated, pursuant to art. 2443 of the Italian Civil Code, to the board of directors by the special stockholders' meeting held April 22, 2003.

The board of directors will put forward a motion to renew this resolution at the next special stockholders' meeting.

#### **Authorization to purchase treasury stock**

The ordinary stockholders' meeting held on May 15, 2007 authorized, for a period 18 months, pursuant to art. 2357 of the Italian Civil Code and art. 132 of Legislative Decree 58 dated February 24, 1998, the purchase of a maximum of 16 million IFI shares for a total amount of € 200 million.

The board of directors will put forward a motion to the ordinary stockholders' meeting to renew this resolution.

#### **Effects of a possible change in control on the most important agreements in force**

At December 31, 2007, a possible change in control over IFI S.p.A. would give a lending bank the right to ask for the early repayment of two committed credit lines of € 50 million (expiring May 2008) currently utilized for € 25 million.

#### **Agreements between the company and the directors**

There are no agreements between the company and the directors which call for indemnities in the case of resignation or dismissal without a just cause or if their working relationship ceases as a result of a takeover bid.

## MAJOR EVENTS IN 2007 AND IN THE FIRST QUARTER OF 2008

### **Increase of the investment in IFIL**

During 2007, IFI purchased on the market 48,750,000 IFIL S.p.A. ordinary shares (4.69% of the class of stock) for an investment of € 349.9 million. At December 31, 2007, IFI held 723,950,000 IFIL ordinary shares, equal to 69.7% of the class of stock, and 1,866,420 IFIL savings shares, equal to 4.99% of the class of stock. The investment represents 67.46% of total IFIL capital stock.

During the first quarter of 2008, IFI purchased on the market 2,950,000 IFIL ordinary shares (0.29% of the class of stock) for an investment of € 16.2 million.

IFI currently holds 726,900,000 IFIL ordinary shares, equal to 69.99% of the class of stock and 1,866,420 IFIL savings shares, equal to 4.99% of the class of stock. The investment represents 67.73% of IFIL capital stock.

### **Dividends approved by IFIL S.p.A. from profit for the year ended December 31, 2007**

The IFIL S.p.A. board of directors in its meeting held on March 28, 2008 voted to put forward a motion to the stockholders' meeting called for May 13, 2008 for the payment of dividends of € 0.10 per ordinary share and € 0.1207 per savings share.

IFI S.p.A.'s share of the dividends amounts to € 72.9 million.

### **Resolutions passed by the IFI S.p.A. board of directors' meeting held on March 28, 2008**

In its meeting held on March 28, 2008, the board of directors approved the consolidated financial statements and the draft separate financial statements for the year ended December 31, 2007, authorizing their publication starting from March 29, 2008.

A motion will be put forward to the stockholders' meeting fixed for May 14, 2008 (in first call) and May 15, 2008 (in second call) to appropriate the profit of € 54.5 million to the extraordinary reserve and thus not distribute dividends.

The board has also voted to put forward a motion to the stockholders' meeting to renew the authorization for the purchase and disposition of treasury stock. This authorization would allow the board to purchase on the market, for a period of 18 months from the resolution passed by the stockholders' meeting, up to a maximum of 16 million ordinary and/or preferred shares, for a maximum disbursement of € 200 million, at a price of not less than or more than 15% of the price recorded by the stock in the trading session of the day prior to each single purchase transaction. The authorization request to purchase treasury stock is considered opportune, among other things, in order to be able to possibly use the treasury stock for investment purposes for an efficient utilization of the company's liquidity. IFI currently holds 5,360,300 preferred shares of treasury stock, equal to 6.98% of the class of stock.

The board of directors has thus passed a resolution to put forward a motion to the special stockholders' meeting, pursuant to article 2443 of the Italian Civil Code, to renew the five-year authorization to increase capital stock, at one or more times, up to a maximum of € 561.7 million. The current mandate is expiring and the Company believes that this is an efficient and flexible operating tool to nonetheless have at its disposition.

## BUSINESS OUTLOOK

For IFI S.p.A., the forecast is for a profit for the year 2008.

On the basis of the indications formulated by the IFIL Group for 2008, the IFI Group is expected to show a consolidated profit.

## IFI S.p.A. – REVIEW OF THE RESULTS OF THE SEPARATE FINANCIAL STATEMENTS

The year 2007 shows a profit of € 54.5 million, which does not include nonrecurring transactions.

In the year 2006, instead, profit was reported for € 217,6 million, of which € 69.6 million is the net amount deriving from the impairment reversal on the investment held in IFIL (€ 73.5 million) and the accrual for the related deferred taxes (-€ 3.9 million) and, an additional amount of € 104 million from the gain on the sale of the investment in Exor Group to the same Exor Group.

The condensed income statement and balance sheet and comments on the most important items are presented below.

### IFI S.p.A. - Condensed income statement

€ in millions	Note	2007	2006	Change
Dividends from investments	1	<b>67.8</b>	54.3	13.5
Gain on sale of investment	2	<b>0.1</b>	104.0	(103.9)
Impairment reversals on investments	3	<b>0.0</b>	73.5	(73.5)
Net financial expenses	4	<b>(8.8)</b>	(5.4)	(3.4)
Net general expenses		<b>(5.2)</b>	(4.9)	(0.3)
<b>Profit before income taxes</b>		<b>53.9</b>	221.5	(167.6)
Deferred income taxes		<b>0.6</b>	(3.9)	4.5
<b>Profit for the year</b>		<b>54.5</b>	217.6	(163.1)

### IFI S.p.A. - Condensed balance sheet

€ in millions	Note	12/31/2007		12/31/2006		Change
		Amount	%	Amount	%	
Investments	5	<b>2,226.9</b>	<b>99.0</b>	1,878.9	95.8	348.0
Non-current other financial assets		<b>0.2</b>	<b>0.0</b>	0.4	0.0	(0.2)
Current financial assets		<b>2.5</b>	<b>0.1</b>	63.2	3.2	(60.7)
Other current assets		<b>19.2</b>	<b>0.9</b>	19.4	1.0	(0.2)
<b>Total Assets</b>		<b>2,248.8</b>	<b>100.0</b>	1,961.9	100.0	286.9
Equity	6	<b>1,846.8</b>	<b>82.1</b>	1,793.7	91.4	53.1
Financial liabilities						
- current		<b>295.4</b>	<b>13.1</b>	36.1	1.8	259.3
- non-current		<b>100.0</b>	<b>4.5</b>	125.0	6.4	(25.0)
		<b>395.4</b>	<b>17.6</b>	161.1	8.2	234.3
Other current and non-current liabilities		<b>6.6</b>	<b>0.3</b>	7.1	0.4	(0.5)
<b>Total Equity and liabilities</b>		<b>2,248.8</b>	<b>100.0</b>	1,961.9	100.0	286.9

#### 1. Dividends from investments

Dividends from investments in 2007 amount to € 67.8 million, an increase compared to € 13.5 million in 2006. In both years, dividends were collected almost entirely from the subsidiary IFIL. Dividends collected on IFIL shares purchased from January 1, 2007 to May 24, 2007 (€ 1.8 million) were recorded as a deduction from the purchase cost of these same shares.

## 2. Gain on sale of investment

In 2006, the gain on sale of investment amounted to € 104 million and was due to the sale of 29.3% of the capital stock of Exor Group to the same Exor Group at the price of € 206.6 million, net of costs to sell of € 0.2 million.

## 3. Impairment reversals on investments

In 2006, impairment reversals on investments refer to the carrying amount of 138,426,775 IFIL ordinary shares which in 2002 had been written down on the basis of their market price. The impairment was totally reversed up to the original cost of the purchase for an amount of € 73.5 million.

Deferred taxes were recorded on this impairment reversal for € 3.9 million which, in 2007, were partly released for an amount of € 0.6 million (credited to the income statement in 2007) following the reduction of the IRES tax rate from 33% to 27.5%.

## 4. Net financial expenses

Net financial expenses of € 8.8 million increased by € 3.4 million compared to 2006 (€ 5.4 million) due to higher debt as a result of the previously mentioned purchases of IFIL ordinary shares.

## 5. Investments

Details are as follows:

€ in millions	12/31/2007	12/31/2006	Change
<b>Accounted for at cost</b>			
IFIL S.p.A. (ordinary shares)	<b>2,220.2</b>	1,872.1	348.1
IFIL S.p.A. (savings shares)	<b>6.4</b>	6.4	0.0
	<b>2,226.6</b>	1,878.5	348.1
Other investments	<b>0.3</b>	0.4	(0.1)
<b>Total investments</b>	<b>2,226.9</b>	1,878.9	348.0

In 2007, IFI purchased on the market 48,750,000 IFIL ordinary shares (4.69% of the class of stock) for an investment of € 349.9 million, net of dividends of € 1.8 million collected on 18,511,000 IFIL ordinary shares purchased in the early months of 2007, recorded as a deduction of the carrying amount of these same shares.

The comparison between carrying amounts and market prices of IFIL shares held at December 31, 2007 is as follows:

	Number of shares held	Carrying amount Per share (€) (€ thsd)	Market price				
			December 28, 2007		March 20, 2008		
			Total Per share (€) (€ thsd)				
IFIL S.p.A.							
- ordinary shares	723,950,000	3.07	2,220.2	6.39	<b>4,627.5</b>	4.60	<b>3,326.6</b>
- savings shares	1,866,420	3.42	6.4	5.76	<b>10.7</b>	4.00	<b>7.5</b>
<b>Total</b>			2,226.6		<b>4,638.2</b>		<b>3,334.1</b>

## 6. Equity

Equity at December 31, 2007 is equal to € 1,846.8 million (€ 1,793.7 million at December 31, 2006). The positive change of € 53.1 million is due to the profit for the year (+€ 54.5 million) and other net changes (-€ 1.4 million).

## 7. Net financial position

Details are as follows:

€ in millions	12/31/2007	12/31/2006	Change
Cash and cash equivalents	0.2	59.7	(59.5)
Other financial assets, current and non-current	2.5	3.9	(1.4)
Bank debt, current and non-current	(394.3)	(160.3)	(234.0)
Current other financial liabilities	(1.1)	(0.8)	(0.3)
<b>Net financial position</b>	<b>(392.7)</b>	<b>(97.5)</b>	<b>(295.2)</b>

The negative change of € 295.2 million in 2007 is due to the following cash flows.

€ in millions	
<b>Net financial position at December 31, 2006</b>	<b>(97.5)</b>
Purchase of 48,750,000 IFIL ordinary shares (4.69% of the class of stock)	(349.9)
Dividends collected (a)	69.6
Net financial expenses	(8.8)
Net general expenses	(5.2)
Other net changes	(0.9)
<b>Net change during the year</b>	<b>(295.2)</b>
<b>Net financial position at December 31, 2007</b>	<b>(392.7)</b>

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

## 8. Reconciliation between the separate financial statements of IFI S.p.A. and the consolidated financial statements of the Group

The following reconciliation of the profit for the year and the equity in the separate financial statements of IFI S.p.A. for the years ended December 31, 2007 and December 31, 2006 and the corresponding figures in the consolidated financial statements of the IFI Group at the same dates are presented as required by Consob Communication 6064293 dated July 28, 2006.

€ in millions	Profit		Equity	
	2007	2006	12/31/2007	12/31/2006
<b>Separate financial statements of IFI S.p.A.</b>	<b>54</b>	<b>218</b>	<b>1,847</b>	<b>1,794</b>
Difference between the carrying amounts of investments and corresponding equity at the end of the prior year			<b>2,006</b>	1,509
Net balance between the changes during the year in the equity of consolidated companies and companies accounted for by the equity method (excluding the result)			<b>(151)</b>	494
companies accounted for by the equity method, net of consolidation adjustments	<b>458</b>	222	<b>458</b>	222
Elimination of dividends collected from consolidated companies and companies accounted for by the equity method	<b>(68)</b>	(54)	<b>(68)</b>	(54)
Elimination of impairment losses and reversals on consolidated investments and companies accounted for by the equity method	<b>0</b>	(70)	<b>0</b>	(70)
Adjustments of gains on the sale of investments		(97)		(97)
Other consolidation adjustments		2	<b>68</b>	2
<b>Consolidated financial statements of the IFI Group (attributable to the equity holders of the company)</b>	<b>444</b>	<b>221</b>	<b>4,160</b>	<b>3,800</b>

## IFI GROUP – REVIEW OF THE CONSOLIDATED RESULTS

In order to facilitate the analysis of the equity and financial position and the results of operations of the Group, it is IFI's practice to present financial statements for the period (balance sheet and income statement) prepared by accounting for the investment in the IFIL Group (68.29 % of capital stock outstanding) by the equity method in the separate financial statements or in the separate accounting situations of IFI S.p.A. This method consists of presenting a condensed representation of the consolidated results of the IFI Group. Such consolidated financial statements are presented along with the annual consolidated financial statements and the interim consolidated financial statements for the first-half of each year. The quarterly consolidated data is also presented in the same format in the quarterly reports at March 31 and September 30 of each year.

The condensed income statement and balance sheet and comments on the most important items are presented below.

### Income statement prepared by accounting for the investment in the IFIL Group by the equity method

The consolidated profit attributable to the equity holders of the IFI Group for 2007 amounts to € 444.3 million and increased by € 222.9 million compared to € 221.4 million in 2006.

€ in millions	Note	2007	2006	Change
Share of the profit of the IFIL Group	1	<b>458.2</b>	222.0	236.2
Gain on sale of investment		<b>0.0</b>	7.3	(7.3)
Dividends from other investments		<b>0.1</b>	0.1	0.0
Net financial expenses		<b>(8.8)</b>	(5.4)	(3.4)
Net general expenses		<b>(5.2)</b>	(4.9)	(0.3)
Income taxes		<b>0.0</b>	2.3	(2.3)
<b>Profit attributable to the equity holders of the company</b>		<b>444.3</b>	221.4	222.9

### 1. Share of the profit of the IFIL Group

€ in millions	Profit		IFI's share		Change
	2007	2006	2007	2006	
IFIL Group	<b>671.7</b>	341.5	<b>458.7</b>	217.6	241.1
Consolidation adjustments			<b>(0.5)</b>	4.4 (a)	(4.9)
<b>Total IFIL Group</b>			<b>458.2</b>	222.0	236.2

(a) Of which € 4.9 million is due to the excess of the increase in IFI's share of the consolidated equity of the IFIL Group compared to the cost of IFIL shares purchased during the year and -€ 0.5 million for other minor adjustments.

Comments on the operating performance of the IFIL Group are presented in the next section.

**Balance sheet prepared by accounting for the investment in the IFIL Group by the equity method**

€ in millions	Note	12/31/2007	12/31/2006	Change
<b>Non-current assets</b>				
Investment in the IFIL Group	2	4,537.0	3,880.8	656.2
Other financial assets		0.6	0.8	(0.2)
<b>Total Non-current assets</b>		<b>4,537.6</b>	<b>3,881.6</b>	<b>656.0</b>
<b>Current assets</b>				
Other financial assets		2.2	3.5	(1.3)
Cash and cash equivalents		0.2	59.7	(59.5)
Trade receivables and other receivables		19.3	19.4	(0.1)
<b>Total Current assets</b>		<b>21.7</b>	<b>82.6</b>	<b>(60.9)</b>
<b>Total Assets</b>		<b>4,559.3</b>	<b>3,964.2</b>	<b>595.1</b>
<b>Equity attributable to the equity holders of the company</b>				
Capital and reserves	3	4,231.0	3,870.3	360.7
Treasury stock		(70.5)	(70.5)	0.0
<b>Total Equity attributable to the equity holders of the company</b>		<b>4,160.5</b>	<b>3,799.8</b>	<b>360.7</b>
<b>Non-current liabilities</b>				
Provisions for employee benefits		2.1	1.8	0.3
Debt		100.0	125.0	(25.0)
Deferred tax liabilities and other liabilities		0.1	0.1	0.0
<b>Total Non-current liabilities</b>		<b>102.2</b>	<b>126.9</b>	<b>(24.7)</b>
<b>Current liabilities</b>				
Debt		295.4	36.2	259.2
Trade payables and other liabilities		1.2	1.3	(0.1)
<b>Total Current liabilities</b>		<b>296.6</b>	<b>37.5</b>	<b>259.1</b>
<b>Total Equity and liabilities</b>		<b>4,559.3</b>	<b>3,964.2</b>	<b>595.1</b>

**2. Investment in the IFIL Group**

The carrying amount of the investment in the IFIL Group, accounted for by the equity method is € 4,537 million at December 31, 2007. The increase of € 656.2 million compared to the end of 2006 (€ 3,880.8 million) is due to purchases of IFIL shares made in 2007 (+€ 348.1 million) and IFI's share (+€ 308.1 million) of the change in the equity of the IFIL Group.

The carrying amount of IFIL stock per share is € 6.25 (€ 5.73 at December 31, 2006).

### 3. Equity attributable to the equity holders of the company

The consolidated equity attributable to the equity holders of the company at December 31, 2007 amounts to € 4,160.5 million (€ 3,799.8 million at the end of 2006). The increase of € 360.7 million is the result of the consolidated profit attributable to the equity holders of the company for the year (+€ 444.3 million) and other net changes (-€ 83.6 million).

The analysis of changes during the year is as follows:

€ in millions	
<b>Equity attributable to the equity holders of the company at December 31, 2006</b>	<b>3,799.8</b>
Share of translation differences (-€ 72.1 million) and other net changes (-€ 10.2 million) shown in the equity of the subsidiary IFIL	(82.3)
Other net changes	(1.3)
Profit attributable to the equity holders of the company	444.3
<b>Net change during the year</b>	<b>360.7</b>
<b>Equity attributable to the equity holders of the company at December 31, 2007</b>	<b>4,160.5</b>

## OTHER INFORMATION

### Investments held by directors and statutory auditors

(Art. 79 of Consob Regulation under Resolution 11971 dated May 14, 1999 and subsequent amendments)

Name	Company	Number of shares			Held at 12/31/2007
		Held at 12/31/2006	Increase	Decrease	
<b>Directors</b>					
Gabetti Gianluigi	IFIL ordinary shares (a)	652,000			652,000
Teodorani-Fabbri Pio	IFI preferred shares (b)	427,895			427,895
	IFIL ordinary shares (a)	90,000		90,000	0
	IFIL ordinary shares (b)	469,000			469,000
	Fiat ordinary shares (b)	6,583			6,583
	Fiat ordinary share warrants 2007 (b)	825		825	0
	Fiat savings shares (b)	5,720			5,720
Marrone Virgilio	IFIL ordinary shares (a)	85,700			85,700
Ferrero Ventimiglia Luca	IFI preferred shares (a)	1			1
Camerana Oddone	IFIL savings shares (a)	30,500		30,500	0
Marini Clarelli Francesco	CNH Global (b)	10,000		10,000	0
<b>Statutory Auditors</b>					
Jona Celesia Lionello	IFIL ordinary shares (b)	785			785

(a) Direct holding.

(b) Indirect holding through spouse.

There are no key managers with strategic responsibilities in IFI S.p.A.

### Annual Report on Corporate Governance 2007

Information concerning the corporate governance of IFI S.p.A. is presented in the Annual Report on Corporate Governance 2007 which, in accordance with art. 89 bis of Consob Regulation 11971 dated May 14, 1999 and subsequent amendments, will be published on the corporate website [www.gruppoifi.com](http://www.gruppoifi.com) and made available at the company's head office within the times established by existing law.

### Management and coordination

IFI S.p.A. is not subject to management and coordination on the part of companies or entities.

### Programming document on security

The company has prepared the programming document on security on December 13, 2007 for the year 2007 according to the provisions of Legislative Decree 196 dated June 30, 2003, attachment B – technical specifications regarding minimum safety measures. The document has been drawn up by the person in charge of the treatment of the data.

The review of the operating performance of the subsidiary IFIL Investments S.p.A. is commented below.



(69.99% of ordinary capital stock)

The following comments are in respect of the condensed consolidated income statement and balance sheet of the IFIL Group for the year ended December 31, 2007.

This data has been prepared by consolidating the companies which constitute the "Holdings System" on a line-by-line basis and accounting for the other operating subsidiaries and associates (Fiat, Sequana Capital, Cushman & Wakefield, Alpitour and Juventus Football Club) by the equity method.

#### **IFIL GROUP – Condensed consolidated income statement**

The **profit attributable to the equity holders of the company** for the year 2007 is € 671.7 million, with an increase of € 330.2 million compared to the profit reported for the year 2006 (€ 341.5 million). The increase is due to the higher contribution to earnings by investment holdings (+€ 317.7 million) and higher net financial income (+€ 30.9 million), partially compensated by other net negative changes (-€ 18.4 million).

€ in millions	Note	2007	2006	Change
Share of the profit (loss) of companies accounted for by the equity method	1	<b>610.9</b>	293.2	317.7
Net financial income:				
- Dividends from investments	2	<b>111.6</b>	53.0	58.6
- Gains (losses) on the sale of securities and investments		<b>0.9</b>	(0.7)	1.6
- Net other financial income (expenses)	3	<b>(10.1)</b>	19.2	(29.3)
Net financial income		<b>102.4</b>	71.5	30.9
Net general expenses		<b>(25.9)</b>	(23.2)	(2.7)
Net other nonrecurring income (expenses)	4	<b>(17.2)</b>	0.2	(17.4)
<b>Profit before income taxes</b>		<b>670.2</b>	341.7	328.5
Income taxes		<b>1.5</b>	(0.2)	1.7
<b>Profit attributable to the equity holders of the company</b>		<b>671.7</b>	341.5	330.2

## IFIL GROUP – Condensed consolidated balance sheet

€ in millions	Note	Balances at		Change	
		12/31/2007	12/31/2006		
<b>Non-current assets</b>					
Investments accounted for by the equity method	5	4,081.0	3,291.8	789.2	
Other financial assets	6	2,667.3	2,563.5	103.8	
Property, plant and equipment		13.8	13.2	0.6	
Deferred tax assets		1.4	0.0	1.4	
		<b>Total Non-current assets</b>	<b>6,763.5</b>	<b>5,868.5</b>	<b>895.0</b>
<b>Current assets</b>					
Financial assets and cash and cash equivalents	9	862.4	862.8	(0.4)	
Trade receivables and other receivables		47.9	47.2	0.7	
		<b>Total Current assets</b>	<b>910.3</b>	<b>910.0</b>	<b>0.3</b>
<b>Assets held for sale</b>					
		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	
		<b>Total Assets</b>	<b>7,673.8</b>	<b>6,778.5</b>	<b>895.3</b>
<b>Equity attributable to the equity holders of the company</b>					
	8	<b>6,666.5</b>	<b>6,222.3</b>	<b>444.2</b>	
<b>Non-current liabilities</b>					
Provisions for employee benefits and provisions for other liabilities and charges		2.6	2.4	0.2	
Bonds and other debt	9	943.6	199.2	744.4	
Deferred tax liabilities and other liabilities		10.3	52.6	(42.3)	
		<b>Total Non-current liabilities</b>	<b>956.5</b>	<b>254.2</b>	<b>702.3</b>
<b>Current liabilities</b>					
Bonds and other debt	9	23.6	277.6	(254.0)	
Trade payables and other liabilities		27.2	24.4	2.8	
		<b>Total Current liabilities</b>	<b>50.8</b>	<b>302.0</b>	<b>(251.2)</b>
		<b>Total Equity and liabilities</b>	<b>7,673.8</b>	<b>6,778.5</b>	<b>895.3</b>

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

In 2007, the share of the profit (loss) of companies accounted for by the equity method is a profit of € 610.9 million (€ 293.2 million in 2006). The positive change of € 317.7 million reflects the higher profit contribution by the Fiat Group (+€ 276.4 million), the Sequana Capital Group (+€ 2.4 million, also including the loss of € 54.3 million on the sale of the 22% stake in capital stock), the Alpitour Group (+€ 4.5 million), the result for the nine months following the acquisition of the Cushman & Wakefield Group (+€ 34.9 million), a lower profit contribution by Juventus Football Club (-€ 0.8 million) and other changes (+€ 0.3 million).

€ in millions	Profit (loss)		IFIL's share		
	2007	2006	2007	2006	Change
Fiat Group	<b>1,953.0</b>	1,065.0	<b>566.6</b>	304.6	262.0
Consolidation adjustments			<b>(1.0)</b> (a)	(15.4) (a)	14.4
<b>Total Fiat Group</b>			<b>565.6</b>	289.2	276.4
Sequana Capital Group					
first half	<b>95.8</b>	-	<b>46.8</b>		
second half	<b>46.4</b>	-	<b>12.4</b>		
	<b>142.2</b>	958.0	<b>59.2</b>	504.2	(445.0)
Consolidation adjustments			<b>(46.7)</b> (b)	(494.1) (c)	447.4
<b>Total Sequana Capital Group</b>			<b>12.5</b>	10.1	2.4
Cushman & Wakefield Group	<b>48.4</b> (d)	-	<b>34.9</b>	0.0	34.9
Alpitour Group	<b>7.5</b> (e)	3.0 (e)	<b>7.5</b>	3.0	4.5
Juventus Football Club S.p.A.	<b>(16.0)</b> (f)	(14.7) (f)	<b>(9.6)</b>	(8.8)	(0.8)
Other			-	(0.3)	0.3
<b>Total</b>			<b>610.9</b>	293.2	317.7

(a) Mainly for the assignment of preference dividends to the minority interest.

(b) Of which -€ 54.3 million for losses (including transaction costs of € 0.8 million) realized on the sale of the 22% stake in Sequana Capital and +€ 7.6 million for lower goodwill impairment losses on the AWA Group, since it was partially amortized by IFIL in prior years.

(c) For the elimination of the gain net of taxes on the Sequana Capital/SGS Public Exchange and Purchase Offer (-€ 465.8 million) and for the diluting effect of the reduction in the stake held (-€ 28.3 million).

(d) Data for the period April 1 – December 31, subsequent to acquisition.

(e) Data for the period November 1 – October 31.

(f) Data for the period January 1 – December 31 prepared for purposes of consolidation by IFIL.

### 2. Dividends from investments

Dividends from investments in 2007 amount to € 111.6 million and include dividends collected from Intesa Sanpaolo S.p.A. for € 110.2 million (€ 53 million in 2006) and Gruppo Banca Leonardo for € 1.4 million.

### 3. Net other financial income (expenses)

In 2007, net other financial expenses amount to € 10.1 million whereas, in 2006, the balance of net financial income totaled € 19.2 million. The negative change of € 29.3 million is mainly due to the change in the consolidated net financial position of the "Holdings System" (which over the course of the year went from a cash position of € 386.2 million to a borrowings position of € 104.5 million as a result of significant investments), in addition to an increase in IFIL S.p.A. borrowing costs as described previously.

#### 4. Net other nonrecurring income (expenses)

In 2007, net other nonrecurring expenses amount to € 17.2 million and comprise transaction costs and expenses incurred to close the dispute over the sale of La Rinascente (€ 8 million), the current-year cost of € 12.7 million for the stock option plan approved for management of the subsidiary Alpitour, as well as income of € 3.5 million resulting from the reduction decided by the Court of Appeals of Turin in respect of the administrative sanction levied on the company by Consob.

In 2006, net other nonrecurring expenses amounted to € 0.2 million and included the accrual for the administrative sanction of € 4.5 million levied on the company by Consob in relation to the content of the press release dated August 24, 2005, the current-year cost of € 3.1 million for that year for the stock option plan approved for management of the subsidiary Alpitour, as well as the release of the provision set aside in prior years for the Alpitour stock option plan 2000 which was not exercised by the expiration date of August 31, 2006, equal to € 7.8 million.

#### 5. Investments accounted for by the equity method

Details are as follows:

€ in millions	Carrying amount at		Change
	12/31/2007	12/31/2006	
Fiat Group	<b>3,125.3</b>	2,610.6	514.7
Sequana Capital Group	<b>341.0</b>	588.8	(247.8)
Cushman & Wakefield Group	<b>466.1</b>	0.0	466.1
Alpitour Group	<b>78.8</b>	70.4	8.4
Juventus Football Club S.p.A.	<b>69.8</b>	17.7	52.1
Turismo&Immobiliare S.p.A.	<b>0.0</b>	4.3	(4.3)
<b>Total</b>	<b>4,081.0</b>	3,291.8	789.2

#### 6. Non-current other financial assets

Details are as follows:

€ in millions	Carrying amount at		Change
	12/31/2007	12/31/2006	
Intesa Sanpaolo S.p.A.	<b>1,564.7</b>	1,640.3	(75.6)
SGS S.A.	<b>956.6</b>	870.0	86.6
Gruppo Banca Leonardo S.p.A.	<b>82.4</b>	47.0	35.4
NoCo ALP	<b>18.7</b>	-	18.7
Subsidiaries of the "Holdings System" in liquidation	<b>0.0</b>	1.0	(1.0)
<b>Other investments</b>			
DLMD bonds	<b>27.6</b>	-	27.6
Ocean Club Méditerranée bonds	<b>5.1</b>	5.0	0.1
NoCo B LP	<b>11.9</b>	-	11.9
<b>Sundry</b>	<b>0.3</b>	0.2	0.1
<b>Total</b>	<b>2,667.3</b>	2,563.5	103.8

The original acquisition cost of the investment in Intesa Sanpaolo is € 883.4 million; the change in fair value of the investment amounts in total to € 681.3 million.

The original carrying amount of the investment in SGS is € 469.7 million; the change in fair value of the investment amounts in total to € 486.9 million.

## 7. Comparison between carrying amounts and market prices of listed investments and other listed financial assets

Details are as follows:

	Number of shares held	Carrying amount		Market price at			
				December 28, 2007		March 20, 2008	
				Per share (€)	Total (€ ml)	Per share (€)	Total (€ ml)
<b>Investments</b>							
Fiat Group							
- ordinary shares	332,587,447	8.59	<b>2,858.2</b>	17.50	<b>5,819.6</b>	13.06	<b>4,343.6</b>
- preferred shares	31,082,500	8.59	<b>267.1</b>	14.46	<b>449.4</b>	9.78	<b>303.9</b>
			<b>3,125.3</b>		<b>6,269.0</b>		<b>4,647.5</b>
Sequana Capital Group	13,203,139	25.83	<b>341.0</b>	21.95	<b>289.8</b>	16.13	<b>213.0</b>
Juventus Football Club S.p.A.	120,934,166	0.58	<b>69.8</b>	0.97	<b>117.5</b>	0.76	<b>91.7</b>
<b>Other financial assets</b>							
Intesa Sanpaolo S.p.A.	289,916,165	5.40	<b>1,564.7</b>	5.40	<b>1,564.7</b>	4.22	<b>1,222.9</b>
SGS S.A.	1,173,400	815.25	<b>956.6</b>	815.25	<b>956.6</b>	846.98	<b>993.8</b>
Ocean Club Méditerranée bonds	76,614	66.57	<b>5.1</b>	66.36	<b>5.1</b>	65.92	<b>5.0</b>
<b>Total</b>			<b>6,062.5</b>		<b>9,202.7</b>		<b>7,173.9</b>

## 8. Equity attributable to the equity holders of the company

Details are as follows:

€ in millions	12/31/2007	12/31/2006	Change
Capital and reserves	<b>6,715.0</b>	6,270.8	444.2
Treasury stock	<b>(48.5)</b>	(48.5)	0.0
<b>Total</b>	<b>6,666.5</b>	6,222.3	444.2

The change during the year is analyzed as follows:

€ in millions	
<b>Equity attributable to the equity holders of the company at December 31, 2006</b>	<b>6,222.3</b>
Change in fair value of the investments in Intesa Sanpaolo (-€ 75.6 million) and SGS (-€ 21.5 million)	(97.1)
Deferred taxes released on the change in fair value of the investment in Intesa Sanpaolo	36.7 (a)
Share of translation differences (-€ 105.5 million) and other net changes (+€ 45.4 million) shown in the equity of the companies consolidated and those accounted for by the equity method	(60.1)
Dividends paid-out by IFIL S.p.A.	(107.0) (b)
Profit attributable to the equity holders of the company	671.7
<b>Net change during the year</b>	<b>444.2</b>
<b>Equity attributable to the equity holders of the company at December 31, 2007</b>	<b>6,666.5</b>

(a) Inclusive of the effect deriving from the reduction of the IRES tax rate from 33% to 27.5% (€ 35.7 million).

(b) Net of € 0.1 million of intragroup dividends.

At December 31, 2007, IFIL S.p.A. holds, directly and indirectly, the following treasury stock:

	Number of IFIL % of class		Amount	
	ordinary shares	of stock	Per share (€)	Total (€ ml)
Held by IFIL S.p.A.	12,402,998	1.19	3.68	45.7
Held by the subsidiary Soiem S.p.A.	810,262	0.08	3.41	2.8
<b>Balance at December 31, 2007</b>	<b>13,213,260</b>	<b>1.27</b>	<b>3.67</b>	<b>48.5</b>

There were no transactions involving treasury stock during the year 2007.

#### 9. Consolidated net financial position of the “Holdings System”

The consolidated net financial position of the “Holdings System” at December 31, 2007 shows a borrowings position of € 104.5 million with a negative change of € 490.7 million compared to the cash position at the end of 2006 (€ 386.2 million).

The balance is composed as follows:

€ in millions	12/31/2007			12/31/2006		
	Current	Non-current	Total	Current	Non-current	Total
<b>Financial assets and cash and cash equivalents</b>	<b>862.4</b>	<b>0.3</b>	<b>862.7</b>	862.8	0.2	863.0
Bonds 2007-2017		(744.2)	(744.2)	0.0	0.0	0.0
Bonds 2006-2011		(199.4)	(199.4)	0.0	(199.2)	(199.2)
Bank debt and other financial liabilities	(23.6)		(23.6)	(277.6)	0.0	(277.6)
<b>Total financial liabilities</b>	<b>(23.6)</b>	<b>(943.6)</b>	<b>(967.2)</b>	(277.6)	(199.2)	(476.8)
<b>Consolidated net financial position of the “Holdings System”</b>	<b>838.8</b>	<b>(943.3)</b>	<b>(104.5)</b>	585.2	(199.0)	386.2

At December 31, 2007, IFIL S.p.A. has irrevocable credit lines for € 660 million, of which € 150 million is due by December 31, 2008 and € 510 million at later expiration dates.

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 net negative change of € 490.7 million during the year 2007 is due to the following flows:

€ in millions	
<b>Consolidated net financial position of the "Holdings System"</b>	
<b>at December 31, 2006</b>	<b>386.2</b>
<b>Dividends collected from:</b>	
- Intesa Sanpaolo S.p.A.	110.2
- Fiat S.p.A.	61.2
- Sequana Capital S.A.	14.4
- SGS S.A.	13.3
- Banca Leonardo S.p.A.	1.4
	200.5
<b>Dividends paid out by IFIL S.p.A.</b>	(107.0) (a)
<b>Investments in equity holdings and other financial assets:</b>	
- Acquisition of 71.52% stake in C&W capital stock	(483.1)
- Purchase of 143,944 SGS S.A. shares (1.84% stake)	(121.5)
- Subscription to Juventus Football Club S.p.A. capital stock increase	(62.9)
- Subscription to Gruppo Banca Leonardo S.p.A. capital stock increase	(35.4)
- Subscription to 2,723 S-Bonds 2010 issued by DLMD	(27.2)
- Purchase of 100% stake in Ancom USA and bonds issued by it	(19.1)
- Investment in NoCo B LP	(11.9)
	(761.1)
<b>Disposals:</b>	
- Sequana Capital to DLMD, 22% stake (net of transaction costs)	226.1
- Turismo&Immobiliare, 25% stake	5.2
	231.3
<b>Other net changes:</b>	
- Net general expenses	(25.9)
- Other nonrecurring expenses	(8.0)
- Payment of Consob administrative sanction	(4.5)
- Net other financial expenses	(10.1)
- Net sundry expenses	(5.9)
	(54.4)
<b>Net change during the year</b>	<b>(490.7)</b>
<b>Consolidated net financial position of the "Holdings System"</b>	
<b>at December 31, 2007</b>	<b>(104.5)</b>

(a) Net of € 0.1 million of intragroup dividends.

**10. Reconciliation between the consolidated net financial position of the “Holdings System” and the net financial position of the consolidated financial statements with line-by-line consolidation**

€ in millions	12/31/2007	12/31/2006	Change
<b>Consolidated net financial position - Holdings System</b>	<b>(104)</b>	386	(490)
Net financial position of the companies consolidated line-by-line:			
- Sequana Capital Group (a)	-	(380)	380
- Cushman & Wakefield Group	3	-	3
- Alpitour Group	17	(29)	46
- Juventus Football Club S.p.A.	7	(75)	82
<b>Consolidated net financial position - line-by-line consolidation</b>	<b>(77)</b>	(98)	21

(a) In the consolidated financial statements at December 31, 2007, the investment in the Sequana Capital Group has been deconsolidated with effect from July 1, 2007 following the sale of the 22% stake in the company.

The major events in 2007 and in the first quarter of 2008 are presented below.

**Acquisition of the controlling interest in the Cushman & Wakefield Group**

On March 30, 2007, the subsidiary Ifil Investissements S.A. purchased 71.52% of the capital stock of Cushman & Wakefield (C&W) from Rockefeller Group International Inc. (RGI), a subsidiary of the Mitsubishi Group, for an investment of \$625 million (€ 473.7 million), in addition to transaction costs of € 9.4 million. The remaining 28.48% stake is held by C&W management and employees.

On March 30, 2007, IFIL S.p.A. also made an interest-earning loan at market rates to C&W for \$126.3 million, equal to € 94.9 million, which was repaid in full by June 1, 2007.

**Subscription to the Juventus Football Club S.p.A. capital increase**

On April 20, 2007, the stockholders' meeting of Juventus Football Club S.p.A. approved the capital stock increase of € 104.8 million proposed by the board of directors in order to finance the company's medium-term development plan. The stock increase was carried out in June 2007 through the issue of 80,621,332 shares (in a ratio of 2 new shares for every 3 shares held) at € 1.30 per share (of which € 1.20 is additional paid-in capital).

On June 14, 2007, IFIL S.p.A. subscribed to its portion of the increase for 48,373,666 shares for an investment of € 62.9 million.

**Increase of the investment in SGS S.A.**

In 2007, Ifil Investissements S.A. purchased 143,944 SGS shares on the market, equal to 1.84% of capital stock, for an investment of € 121.5 million. Currently, Ifil Investissements S.A. holds 1,173,400 SGS shares representing 15% of capital stock.

**Subscription to the Gruppo Banca Leonardo S.p.A. capital increase**

On April 30, 2007, Ifil Investissements S.A. subscribed to 11,055,537 shares issued as part of the capital increase by Gruppo Banca Leonardo for an investment of € 35.4 million. Ifil Investissements S.A. currently holds 25,255,537 Gruppo Banca Leonardo shares, equal to 9.78% of outstanding capital stock.

**Other investments**

On May 2, 2007, Ifil Investissements S.A. succeeded Exor Group S.A., a company controlled by Giovanni Agnelli & C. S.a.p.az., in a commitment for a maximum investment of \$80 million in the limited partnership NoCo B LP which Groups a series of funds managed by Perella Weinberg Partners L.P. As a result of this commitment, on December 31, 2007, Ifil Investissements S.A. invested \$17 million (€ 11.9 million).

On September 30, 2007, Ifil Investissements S.A. purchased a 100% stake in the capital stock of the American company ANCOM USA Inc, from Exor Group S.A., for a total payment of approximately \$27 million (€ 19.1 million). ANCOM USA Inc holds 1.96% of the limited partnership NoCo A LP, under which the Perella Weinberg Group conducts all of its activities.

#### **Sale of a stake in Sequana Capital S.A.**

On July 6, 2007, Ifil Investissements S.A. reached an agreement for the sale of an approximate 22% stake in Sequana Capital S.A. to DLMD – a company controlled by Pascal Lebard, general manager of Sequana Capital S.A.

After having obtained approval from the competent authorities, on July 27, 2007, Ifil Investissements S.A. sold 10,806,343 Sequana Capital shares at € 21 per share for a total equivalent amount of € 226.9 million.

Ifil Investissements S.A. partially financed the deal for a total equivalent amount of € 27.2 million by subscribing to 2,723 S-Bonds issued by DLMD, maturing July 27, 2010.

After this deal (which led to a loss on consolidation of € 54.3 million, including transaction costs), Ifil Investissements S.A. holds 13,203,139 Sequana Capital S.A. shares, equal to 26.65% of outstanding capital stock.

Ifil Investissements S.A. and DLMD signed a three-year stockholders' agreement aimed at keeping the stockholder base of Sequana Capital S.A. stable.

#### **Sale of the investment in Turismo&Immobiliare S.p.A.**

After having obtained authorization from the competent authorities, on September 18, 2007, Ifil Investissements S.A. sold its 25% holding in Turismo&Immobiliare to the Marcegaglia Group, Pirelli RE and Gabetti Property Solutions for € 5.2 million; a gain of € 0.9 million was realized on the sale on consolidation.

#### **Issue of non-convertible bonds**

On June 12, 2007, IFIL S.p.A. issued 10-year non-convertible bonds to Italian and foreign investment professional investors for a nominal amount of € 750 million. The purpose of the bond issue was to raise new funds for IFIL S.p.A. in order to refinance its existing debt as part of the strategy to extend its debt maturities. The bonds were admitted for trading on the Luxembourg stock exchange.

#### **Closing of the dispute regarding the sale of La Rinascente**

On February 14, 2006 and September 5, 2006, the buyer of the investment in La Rinascente filed two separate arbitration proceedings against Ifil Investissements S.A. seeking compensation for an amount of approximately € 52 million for extraordinary expenses relating to certain points of sale in addition to legal questions in connection principally with the accounting treatments used in the financial statements of La Rinascente.

On June 27, 2007, Ifil Investissements S.A. settled the dispute on the basis of which the buyer of the investment in La Rinascente renounced all claims filed in the above arbitration proceedings against Ifil Investissements S.A. and any other claim and/or demand, also in the future, relating to the sale of the investment in La Rinascente. The settlement involved a total payment of € 8 million (of which € 6.1 million was borne by Ifil Investissements S.A. and € 1.9 million by Auchan Group).

#### **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 the opposing judgment against the administrative sanctions imposed by Consob under Resolution 15760 notified on February 13, 2007, the Court of Appeals of Turin, in its decision of December 5, 2007, reduced the administrative sanctions from a total of € 16 million to € 6.3 million. The reduction for IFIL was from € 4.5 million to € 1 million and for Mr Gabetti from € 5 million to € 1.2 million. Furthermore, the additional administrative sanction levied against Mr Gabetti was reduced by two months, from six to four months, the period of which is now over, as are the periods for the administrative sanctions against Mr Grande Stevens, as the legal advisor, and Mr Marrone.

As for the penal proceedings communicated to these individuals, the judge in the preliminary investigations of December 4, 2007 declared the notification pursuant to ex art. 415 bis of the Italian Code of Penal Procedure null and void and sent the case to the public prosecutor's office. The proceedings are therefore again in the preliminary stages.

#### **Subscription of bonds convertible into Vision Investment Management shares**

On February 20, 2008, Ifil Investissements S.A. reached an agreement to invest € 61 million (\$90 million) in 5-year bonds with a mandatory conversion into shares at maturity and thus become a prominent stockholder of Vision Investment Management Limited (Vision), one of the most important alternative asset managers in Asia.

Vision, which has offices in Hong Kong, was founded in June 2000 by Jerry Wang, one of the pioneers in the sector in Asia. Vision launched its benchmark product, Vision Asia Maximus Fund, in 2002 and since then has become one of the largest local managers of hedge funds specialized in Asian markets.

Ifil Investissements S.A. will use available liquidity for the investment. The bonds will guarantee a fixed annual yield of 5% until conversion at maturity in spring 2013. The finalization of the transaction, subject to the approval of the competent authorities, is expected to take place in spring 2008.

The proceeds from the bonds will mainly be used by Vision management to buy back treasury stock from a Group of the company's founding financial investors – which currently hold 32% of ordinary capital stock issued by Vision – and to ensure future resources to sustain the development plan in the alternative asset management sector in Asia. Vision management and employees remain the largest stockholders of the company with a controlling stake.

Upon conversion of the bonds, Ifil Investissements S.A. will receive shares equal to a 40% stake in Vision.

#### **Buyback program**

In its meeting held on February 18, 2008, the IFIL S.p.A. board of directors approved the start of a Treasury Stock Buyback Program aimed at efficiently managing the Company's capital from an investment standpoint.

The Buyback Program falls under the resolution for the purchase of treasury stock approved by the stockholders' meeting held on May 14, 2007 and will be in effect until November 13, 2008. The Program calls for a maximum disbursement of € 150 million and covers the purchase of IFIL ordinary and savings shares on the market at a price of not less than or more than 15% of the price recorded by the stock in the trading session of the day prior to each single purchase transaction.

The purchases will be made on regulated markets and the maximum number of shares purchased daily may not exceed 25% of the average daily trading volumes, respectively, of IFIL ordinary shares and IFIL savings shares, as provided by EC regulation 2273/2003.

Under this Program, during the period February 26 – March 17, 2008, IFIL S.p.A. purchased 4,465,200 ordinary shares (0.43% of the class of stock) at the average cost per share of € 5.07 for a total of € 22.6 million, and also 275,000 savings shares (0.74% of the class of stock) at the average cost per share of € 4.26 for a total of € 1.2 million. The total investment amounts to € 23.8 million (15.9% of the total disbursement stated in the Program).

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

	Number of shares	Amount		% of class
		Per share (€)	Total (€ in thousands)	
Ordinary, held by IFIL S.p.A.	16,868,198	4.05	68,328	1.62
Ordinary, held by subsidiary Soiem S.p.A.	810,262	3.41	2,762	0.08
<b>Total ordinary shares</b>	<b>17,678,460</b>	<b>4.02</b>	<b>71,090</b>	<b>1.70</b>
<b>Savings shares, held by IFIL S.p.A.</b>	<b>275,000</b>	<b>4.26</b>	<b>1,172</b>	<b>0.74</b>

### **Dividends approved by the investment holdings from profit for the year ended December 31, 2007**

On the basis of the resolutions passed by the boards of directors, the following dividends should be collected:

Holding	Class of stock	Number of shares	Dividends	
			Per share (€)	Total (€/ml)
Fiat S.p.A.	ordinary	332,587,447	0.40	133.0
Fiat S.p.A.	preferred	31,082,500	0.40	12.4
Intesa Sanpaolo S.p.A.	ordinary	289,916,165	0.38	110.2
Sequana Capital S.A.	ordinary	13,203,139	0.70	9.2
SGS S.A.	ordinary	1,173,400	22.3 (a)	26.2
Gruppo Banca Leonardo	ordinary	25,255,537	0.11	2.8
<b>Total</b>				<b>293.8</b>

(a) Equal to CHF 35.

### **Business outlook**

For IFIL S.p.A., a profit is expected to be reported for the year 2008.

Taking into account the forecasts formulated by the major holdings, a profit is forecast for the IFIL Group for 2008.

**MOTION FOR THE APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS AND THE APPROPRIATION OF THE PROFIT FOR THE YEAR**

We invite you to approve the separate financial statements of IFI S.p.A. for the year ended December 31, 2007.

In view of the fact that the board of directors has waived, by specific resolution, the share of the profits to which it is entitled pursuant to art. 27 of the bylaws and that the legal reserve amounts to one-fifth of capital stock, we propose the appropriation of the profit for the year of € 54,472,566 to the extraordinary reserve.

Turin, March 28, 2008

For the Board of Directors  
The Chairman  
John Elkann

***IFI***  
*Istituto Finanziario Industriale*

Annual Report 2007

Separate financial statements of IFI S.p.A.  
at December 31, 2007

## SEPARATE INCOME STATEMENT

€	Note	2007	2006	Change
<b>Investment income (charges)</b>				
Dividends from investments	8	67,816,928	54,259,119	13,557,809
Gains on sales of investments	9	91,474	104,067,063	(103,975,589)
Impairment reversals on investments	10	0	73,472,823	(73,472,823)
Impairment losses on investments		(48,002)	(24,987)	(23,015)
<b>Net investment income</b>		<b>67,860,400</b>	231,774,018	(163,913,618)
<b>Financial income (expenses)</b>				
Financial expenses from third parties	11	(12,117,681)	(7,883,364)	(4,234,317)
Financial expenses from related parties	30	0	(122,896)	122,896
Financial income from third parties	12	3,276,986	2,651,153	625,833
Financial income from related parties	30	15,026	0	15,026
Foreign exchange gains (losses)		(5)	(99)	94
<b>Net financial expenses</b>		<b>(8,825,674)</b>	(5,355,206)	(3,470,468)
<b>Net general expenses</b>				
Personnel costs	13	(2,665,754)	(2,776,430)	110,676
Purchases of goods and services from third parties	14	(874,246)	(809,393)	(64,853)
Purchases of goods and services from related parties	30	(1,093,895)	(1,098,649)	4,754
Other current operating expenses	15	(1,028,078)	(949,576)	(78,502)
Depreciation and amortization		(2,485)	(5,264)	2,779
		(5,664,458)	(5,639,312)	(25,146)
Revenues from third parties		268,578	350,267	(81,689)
Revenues from related parties	30	187,159	374,181	(187,022)
		455,737	724,448	(268,711)
<b>Net general expenses</b>		<b>(5,208,721)</b>	(4,914,864)	(293,857)
<b>Profit before income taxes</b>		<b>53,826,005</b>	221,503,948	(167,677,943)
<b>Income taxes</b>	16	646,561	(3,879,365)	4,525,926
<b>Profit for the year</b>		<b>54,472,566</b>	217,624,583	(163,152,017)

# IFI S.p.A.

## SEPARATE BALANCE SHEET

€	Note	12/31/2007	12/31/2006	Change
<b>Non-current assets</b>				
Investments accounted for at cost	17	2,226,877,516	1,878,935,972	347,941,544
Other financial assets		228,299	361,411	(133,112)
Property, plant and equipment		975	1,860	(885)
<b>Total Non-current assets</b>		<b>2,227,106,790</b>	<b>1,879,299,243</b>	<b>347,807,547</b>
<b>Current assets</b>				
Cash and cash equivalents		166,046	59,680,530	(59,514,484)
Other financial assets	18	2,241,593	3,500,003	(1,258,410)
Tax receivables	19	18,970,639	18,761,288	209,351
Trade receivables from related parties	30	68,806	166,839	(98,033)
Other receivables		247,324	501,743	(254,419)
<b>Total Current assets</b>		<b>21,694,408</b>	<b>82,610,403</b>	<b>(60,915,995)</b>
<b>Total Assets</b>		<b>2,248,801,198</b>	<b>1,961,909,646</b>	<b>286,891,552</b>
<b>Equity</b>				
Capital stock	20	163,251,460	163,251,460	0
Capital reserves	21	386,346,907	386,346,907	0
Retained earnings and other reserves	22	1,313,173,550	1,096,937,669	216,235,881
Treasury stock	24	(70,477,224)	(70,477,224)	0
Profit for the year		54,472,566	217,624,583	(163,152,017)
<b>Total Equity</b>		<b>1,846,767,259</b>	<b>1,793,683,395</b>	<b>53,083,864</b>
<b>Non-current liabilities</b>				
Bank debt	25	100,000,000	125,000,000	(25,000,000)
Deferred tax liabilities	26	3,332,804	3,979,365	(646,561)
Provisions for employee benefits	27	2,145,488	1,809,966	335,522
Other payables		0	25,032	(25,032)
<b>Total Non-current liabilities</b>		<b>105,478,292</b>	<b>130,814,363</b>	<b>(25,336,071)</b>
<b>Current liabilities</b>				
Bank debt	25	294,322,692	35,349,713	258,972,979
Other financial liabilities		1,035,577	803,386	232,191
Trade payables to related parties	30	147,195	215,880	(68,685)
Trade payables to third parties		145,733	123,547	22,186
Tax payables		158,699	245,657	(86,958)
Other payables		745,751	673,705	72,046
<b>Total Current liabilities</b>		<b>296,555,647</b>	<b>37,411,888</b>	<b>259,143,759</b>
<b>Total Equity and liabilities</b>		<b>2,248,801,198</b>	<b>1,961,909,646</b>	<b>286,891,552</b>

# IFI S.p.A.

## SEPARATE STATEMENT OF CHANGES IN EQUITY

€	Capital stock	Capital reserves	Retained earnings and other reserves	Treasury stock	Profit for the year	Total Equity
<b>Equity at January 1, 2006</b>	<b>163,251,460</b>	<b>386,346,907</b>	<b>1,056,864,871</b>	<b>(70,477,224)</b>	<b>38,489,652</b>	<b>1,574,475,666</b>
Movements among reserves			38,489,652		(38,489,652)	0
Fair value changes to cash flow hedge derivatives			1,486,236			1,486,236
Actuarial gains (losses) recognized directly in equity			61,806			61,806
Dividends statute-barred			35,104			35,104
Profit for the year					217,624,583	217,624,583
<b>Net changes during the year</b>	<b>0</b>	<b>0</b>	<b>40,072,798</b>	<b>0</b>	<b>179,134,931</b>	<b>219,207,729</b>
<b>Equity at December 31, 2006</b>	<b>163,251,460</b>	<b>386,346,907</b>	<b>1,096,937,669</b>	<b>(70,477,224)</b>	<b>217,624,583</b>	<b>1,793,683,395</b>
Movements among reserves			217,624,583		(217,624,583)	0
Fair value changes to cash flow hedge derivatives			(1,315,155)			(1,315,155)
Actuarial gains (losses) recognized directly in equity			(89,832)			(89,832)
Dividends statute-barred			16,285			16,285
Profit for the year					54,472,566	54,472,566
<b>Net changes during the year</b>	<b>0</b>	<b>0</b>	<b>216,235,881</b>	<b>0</b>	<b>(163,152,017)</b>	<b>53,083,864</b>
<b>Equity at December 31, 2007</b>	<b>163,251,460</b>	<b>386,346,907</b>	<b>1,313,173,550</b>	<b>(70,477,224)</b>	<b>54,472,566</b>	<b>1,846,767,259</b>
Note	20	21	22	24		

## STATEMENT OF RECOGNIZED INCOME AND EXPENSE FOR 2007 AND 2006

€	2007	2006
Gains (losses) recognized directly in the cash flow hedge reserve	<b>(1,315,155)</b>	1,486,236
Actuarial gains (losses) recognized directly in equity	<b>(89,832)</b>	61,806
<b>Income (expense) recognized directly in equity</b>	<b>(1,404,987)</b>	1,548,042
Profit for the year	<b>54,472,566</b>	217,624,583
<b>Total recognized income and expense</b>	<b>53,067,579</b>	219,172,625

## SEPARATE STATEMENT OF CASH FLOWS

€	Note	2007	2006
<b>Cash and cash equivalents, at start of year</b>		<b>59,680,530</b>	95,680
<b>Cash flows from (used in) operating activities</b>			
<b>Profit for the year</b>		<b>54,472,566</b>	217,624,583
Adjustments for:			
Gains on sales of investments	9	(91,474)	(104,067,063)
Losses on sales of property, plant and equipment		0	508
Impairment reversals on investments	10	0	(73,472,823)
Accruals for (release of) for deferred taxes	16	(646,561)	3,879,365
Impairment losses on investments		48,002	24,987
<b>Total adjustments</b>		<b>(690,033)</b>	(173,635,026)
Change in working capital:			
Change in other financial assets, current and non-current		1,391,522	(1,721,941)
Changes in tax receivables		(209,351)	(561,174)
Change in trade receivables from related parties		98,033	50,309
Change in other receivables, current		254,419	149,182
Change in other payables, current and non-current		47,014	(132,552)
Change in other financial liabilities, current and non-current		232,191	(402,471)
Change in trade payables to related parties		(68,685)	(4,956,248)
Change in trade payables to third parties		22,186	(58,801)
Change in tax payables		(86,958)	85,593
Net change in provisions for employee benefits, excluding actuarial differences recognized in equity		245,690	230,020
<b>Net change in working capital</b>		<b>1,926,061</b>	(7,318,083)
<b>Net cash flows from operating activities</b>		<b>55,708,594</b>	36,671,474
<b>Cash flows from (used in) investing activities</b>			
Additions to investments, net of dividends recognized as a reduction of the purchase price	17	(348,024,997)	(66,943,671)
Sales of investments and other securities		126,925	206,656,946
Net change in property, plant and equipment and intangible assets		885	13,584
<b>Net cash flows from (used in) investing activities</b>		<b>(347,897,187)</b>	139,726,859
<b>Cash flows from (used in) financing activities</b>			
Loans secured from related parties		0	(13,867,500)
Net change in bank debt, current and non-current		233,972,979	(104,467,324)
Change in fair value of cash flow hedge instruments		(1,315,155)	1,486,236
Dividends statute-barred and other net changes		16,285	35,105
<b>Net cash flows from (used in) financing activities</b>		<b>232,674,109</b>	(116,813,483)
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(59,514,484)</b>	59,584,850
<b>Cash and cash equivalents, at end of year</b>		<b>166,046</b>	59,680,530

## NOTES TO THE SEPARATE FINANCIAL STATEMENTS

### 1. General information on the activities of the company

IFI – Istituto Finanziario Industriale S.p.A. (abbreviated in IFI S.p.A.) is a corporation organized under the laws of the Republic of Italy.

The head office of the company is located in Turin, Italy, Corso Matteotti 26.

The ordinary capital stock of the company is held entirely by Giovanni Agnelli e C. S.p.A. IFI preferred stock is listed on the Electronic Share Market of the Italian stock exchange (Blue Chip segment).

The assets of the company are represented by its controlling investment in IFIL Investments S.p.A., for 69.99% of ordinary capital stock.

Additional information is presented in the Directors' Report on Operations in the section "IFI Group Profile".

### 2. General principles for the basis of presentation of the separate financial statements

Starting from the financial year 2006, the separate financial statements of IFI 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).

The disclosure required by IFRS 1 – First-time Adoption of IFRS, relative to the effects of the transition to IFRS, was presented in a specific Appendix to the separate financial statements at December 31, 2006.

The separate financial statements have also been prepared in accordance with the provisions contained in Consob Resolutions 15519 and 15520 dated July 27, 2006 and in Communication 6064293 dated July 28, 2006, pursuant to art. 9, paragraph 3, of Legislative Decree 38 dated February 28, 2005.

### 3. Format of the separate financial statements and other information

The separate income statement is presented using a classification based on the nature of the revenues and expenses, with the presentation of investment income (charges) and financial income (expenses) taking preference since these items are characteristic of IFI S.p.A.'s activities.

In the separate balance sheet, the current/non-current distinction has been adopted for the presentation of assets and liabilities.

The separate statement of changes in equity presents the total income and expense recognized directly as an increase or decrease of reserves in a specific section.

The separate statement of cash flows is presented using the indirect method, which reconciles cash and cash equivalents at the beginning and the end of the year.

The year-end closing date is December 31 of each year and covers a period of 12 months.

The Euro is the company's functional currency and presentation currency.

The notes are expressed in thousands of Euro, unless otherwise indicated.

Major events in 2007 and in the first quarter of 2008, as well as the business outlook are presented in the Directors' Report on Operations.

#### **4. Related party transactions, unusual and/or atypical transactions and significant nonrecurring events and transactions**

The balance sheet and income statement balances generated by transactions with related parties are shown separately in the financial statement formats and commented in Note 30.

With regard to the year 2007, there are no significant nonrecurring events or unusual and/or atypical transactions that require mention pursuant to Consob Communication 6064293 dated July 28, 2006.

With regard to the year 2006, the reported profit was € 217.6 million which included € 69.6 million for the net amount of the impairment reversal on the investment held in IFIL (€ 73.5 million) and the accrual for the related deferred taxes (-€ 3.9 million) and another € 104 million for the gain on the sale of the investment in Exor Group to the same Exor Group. Additional details are provided in Note 9.

#### **5. Significant accounting policies**

##### **General principle**

The separate financial statements of IFI S.p.A. are expressed in Euro and are prepared under the historical cost convention, except where the use of fair value is required for the measurement of certain available-for-sale financial instruments and those held for trading.

##### **Investments accounted for at cost**

Investments in subsidiaries and associates are stated at cost and tested for impairment if, and only if, there is objective evidence of an impairment due to one or more events which occurred after initial recognition which have an impact on the future cash flows of the subsidiaries and associates and on the dividends which they could distribute. For IFI S.p.A., this objective evidence is a significant and prolonged decline in the market prices to below cost of a directly and indirectly owned subsidiary or associate, together with its continuing negative operating performance. In these cases, the impairment is determined as the difference between the carrying amount of the investment and its recoverable amount. The recoverable amount is generally determined, in the case of listed subsidiaries and associates, by their fair value (market prices), and in the case of unlisted subsidiaries, by their fair value in use, based on the fair value of the indirect subsidiaries.

At each balance sheet date, IFI S.p.A. assesses whether there is any objective evidence that an impairment loss of an investment recognized in prior years may no longer exist or may have decreased. A significant or prolonged rise in the market price of the subsidiary or associate, together with its continuing positive operating performance is considered as objective evidence. In these cases, the recoverable amount of the investment is re-measured and, if necessary, the carrying amount is increased up to the cost of the investment.

**Receivables and payables**

Receivables are initially recognized at their nominal amount which substantially coincides with fair value.

If there is objective evidence of an impairment loss or a risk that the company will not be able to collect the contractual amount (principal and interest) at the contractually agreed dates, a provision is set aside which corresponds to the difference between the asset's carrying amount and the present value of estimated recoverable future cash flows, discounted at the effective interest rate.

Payables are initially recognized at their nominal amount, reduced by expenses incurred to assume them and increased by interest expense due, if any. Payables are subsequently measured at amortized cost using the effective interest method.

**Treasury stock**

The cost of any IFI treasury stock purchased and/or held, also through subsidiaries, as a result of specific stockholder resolutions, is recognized as a deduction of equity and, therefore, the reserve offsetting treasury stock in portfolio is not shown separately. The proceeds from any subsequent sale are recognized as movements in equity.

**Employee benefits – Pension plans**

The pension plans are currently either defined contribution or defined benefit plans.

Under defined contribution plans the company pays contributions to outside, legally separate entities with administrative autonomy, which frees the employer from any subsequent obligation as the outside entity assumes the commitment to pay what is due to the employee. Following the changes in regulations for employee severance indemnities pursuant to Law 296 dated December 27, 2006 (Budget Law 2007) and later decrees and regulations, defined contribution plans include the portions of employee severance indemnity accruing from January 1, 2007. However, since IFI S.p.A. has less than 50 employees, the employee severance indemnities are calculated using the customary actuarial method established in IAS 19 and adopted in prior years, except for the exclusion of the pro rata application of the service rendered for employees who transfer the entire amount accrued to the supplementary pension fund.

Consequently, for those who transfer the entire amount accrued to the supplementary pension fund, the company records the contribution paid as an expense and no additional obligation is recognized.

Defined benefit plans include post-employment benefits, other than those under defined contribution plans. Under defined benefit plans, the company has the obligation to set aside the costs relating to the benefits guaranteed to its employees in service. The actuarial risk and the investment risk are thus substantially borne by the company.

Defined benefit plans, which include employee severance indemnities, taking into account what was described above, are measured by actuarial techniques using the Projected Unit Credit Method.

As provided by the amendment to IAS 19 – Employee Benefits, issued by the IASB in December 2004, IFI S.p.A. has elected to recognize actuarial gains and losses immediately in the period in which they arise, outside the income statement, in a statement of recognized income and expense.

All cumulative actuarial gains and losses that existed at January 1, 2005 have been recognized in equity

For defined benefit plans, the expenses relating to the increase in the present value of the obligation, due to the fact that the payment date of the benefits is nearing, are recognized in financial expenses.

Payments relative to defined contribution plans are recognized as an expense in the income statement as incurred.

The liability for defined benefit plans is calculated on an individual basis and takes into account life expectancy, personnel turnover, salary changes, revaluation of the yields, inflation and the present value of the amounts to be paid.

#### **Provisions for other liabilities and charges**

Provisions for other liabilities and charges refer to costs and expenses of a determinate nature which are certain or likely to be incurred but, at the balance sheet date, are uncertain as to the amount or as to the date on which they will arise. Accruals are recorded when there is an obligation, legal or constructive, resulting from a past event, when it is probable that the use of resources will be required to satisfy the obligation and when a reliable estimate of the amount of the obligation can be made. The amount recognized in the financial statements as the provision for other liabilities and charges expresses the best estimate of the monetary resources necessary to extinguish the current obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When the accrual is determined by using estimated cash flows to extinguish the obligation, the carrying amount is represented the discounted present value of those cash flows.

Changes in estimates are recorded in the income statement in the period in which the change occurs.

#### **Debt**

Interest-bearing debt is recognized at cost which corresponds initially to the fair value of the amount received net of directly attributable costs. Debt is subsequently measured at amortized cost. The difference between amortized cost and the amount to be repaid is recognized in the income statement on the basis of the effective interest rate over the period of the loan.

Debt is classified in current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The amortized cost of a financial liability is the amount at which the financial liability was recognized initially net of principal repayments, increased or decreased by the total amortization on any difference between the initial amount and the maturity amount using the effective interest method.

The effective interest rate is a method for calculating the amortized cost of a financial liability and allocating the interest over the period of reference. The effective interest rate is the rate that exactly discounts future cash flows for estimated payments (including transaction costs paid) over the expected life of the financial instrument or, if appropriate, over a shorter period, to the net carrying amount of the financial liability.

#### **Derivative financial instruments**

Derivative financial instruments are recognized initially at fair value at the date the contracts are entered into and are subsequently measured at fair value at year-end. The resulting gains or losses are recognized in the income statement immediately, unless the derivative is designated and is effective as a hedging instrument, in which case the times for recognition in the income statement depend upon the nature of the hedging relationship. IFI S.p.A. designates certain derivatives as fair value hedges of certain assets or liabilities recognized in the financial statements or as cash flow hedges of certain highly probable forecast transactions.

A derivative is classified as a non-current asset or liability if the maturity date of the instrument is beyond 12 months and it is not expected to be realized or settled within 12 months. Other derivatives are classified as current assets or liabilities.

Financial instruments qualify for hedge accounting only when there is formal designation and documentation, including the company's risk management objective and strategy, and the hedge, verified periodically, is highly effective.

When financial instruments qualify for hedge accounting, the following accounting treatment applies:

- Fair value hedge: where a derivative financial instrument is designated as a hedge of the exposure to changes in fair value of a recognized asset or liability that is attributable to a particular risk and could affect the income statement, the gain or loss from re-measuring the hedging instrument at fair value is recognized in the income statement, together with the change in fair value of the hedged item. The gain or loss from the change in fair value of the hedging instrument is recognized on the same line of the income statement as the hedged item.
- Cash flow hedge: where a derivative financial instrument is designated as a hedge of the exposure to variability in cash flows of a recognized asset or liability or a highly probable forecast transaction and could affect profit and loss, the effective portion of any gain or loss of the derivative financial instrument is recognized directly in equity. The cumulative gain or loss is removed from equity and recognized in the income statement at the same time in which the hedged transaction affects the income statement. The gain or loss associated with a hedge or part of a hedge that has become ineffective is recognized in the income statement immediately. When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss realized to the point of termination remains in equity and is recognized in the income statement at the same time the related transaction occurs. If the hedged transaction is no longer probable, the cumulative unrealized gain or loss held in equity is recognized in the income statement immediately.

If the conditions of IAS 39 are not met, the transactions, even if they have been set up for the purpose of managing risk exposure, are classified and measured as trading transactions. In that case, the difference from fair value is recognized in the income statement.

#### **Financial income and expenses, other revenues and costs**

Dividends are recognized in the income statement when they are approved by the stockholders and only from the earnings generated after the acquisition of the investee company. Instead, when the dividends are distributed from reserves generated before acquisition, the dividends are reported as a deduction from the cost of the investment.

Financial income and expenses are recognized according to the accrual principle on the basis of the effective rate of return.

Revenues from services are recognized by reference to the stage of completion of the service at the balance sheet date.

#### **Transactions in foreign currencies**

Transactions in foreign currencies are recorded at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate prevailing at that date. Exchange differences arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period or in previous financial statements are recognized in the income statement.

### **Income taxes**

Current income taxes are calculated according to the tax laws in force.

Taxes on income are recognized in the income statement except to the extent that they relate to items directly charged or credited to equity, in which case the related income tax effect is recognized directly in equity.

Temporary differences between the amounts of assets and liabilities in the financial statements and the corresponding amounts for tax purposes give rise to temporarily deferred tax liabilities on the taxable temporary differences recorded in a specific provision in liabilities. Deferred tax assets relating to the carryforward of unused tax losses, as well as those arising from temporary differences, are recognized to the extent that it is probable that future profits will be available against which they can be utilized.

Deferred tax assets and liabilities are measured at the tax rates expected to apply to taxable income in the periods in which temporary differences will reverse. Deferred income tax assets and liabilities are offset where there is a legally enforceable right of offset.

Deferred tax assets and liabilities are shown separately from other tax receivables and payables in a specific caption under non-current assets or liabilities.

### **Use of estimates**

The preparation of financial statements and related disclosures that conforms to IFRS requires estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. Estimates are particularly used for the measurement of investments (impairment losses and reversals). Estimates and assumptions are reviewed periodically and the effects of any changes are reflected immediately in the income statement.

## **6. Adoption of new accounting standards and interpretations issued by the IASB**

### Standards and interpretations in effect from January 1, 2007

In August 2005, the IASB issued IFRS 7 – Financial Instruments: Disclosures and a complementary amendment to IAS 1 – Presentation of Financial Statements: Capital Disclosures. The European Commission endorsed IFRS 7 and the complementary amendment to IAS 1 with EC Regulation 108/2006 dated January 11, 2006.

IFRS 7 requires disclosures about the significance of financial instruments for an entity's financial position and performance. These disclosures incorporate many of the requirements previously in IAS 32 – Financial Instruments: Disclosure and Presentation. IFRS 7 also requires information about the extent to which the entity is exposed to risks arising from financial instruments, and a description of management's objectives, policies and processes for managing those risks.

The amendment to IAS 1 introduces requirements for disclosures about an entity's capital and has no effect on the valuation or classification of those items.

On March 3, 2006, IFRIC issued the interpretation IFRIC 9 – Reassessment of Embedded Derivatives. The European Commission endorsed IFRIC 9 with EC Regulation 1329/2006 dated September 8, 2006.

IFRIC 9 requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the original cash flows which would otherwise be called for by the contract.

On July 20, 2006, IFRIC issued the interpretation IFRIC 10 – Interim Financial Reporting and Impairment. The European Commission endorsed IFRIC 10 with EC Regulation 610/2007 dated June 1, 2007.

IFRIC 10 states that where an entity has recognized an impairment loss in an interim period on goodwill or on some financial assets, that impairment cannot be reversed in subsequent interim financial statements nor in the annual financial statements.

Standards and interpretations not yet in effect

On November 30, 2006, the IASB issued the standard IFRS 8 – Operating Segments that will come into effect beginning January 1, 2009 and supersedes IAS 14 – Segment Reporting. The European Commission endorsed IFRS 8 with EC Regulation 1358/2007 on November 21, 2007.

On November 2, 2006, IFRIC issued the interpretation IFRIC 11 - IFRS 2 – Group and Treasury Share Transactions, applicable for annual periods beginning on or after March 1, 2007. The European Commission endorsed IFRIC 11 with EC Regulation 611/2007 on June 1, 2007.

IFRIC 11 establishes how to apply IFRS 2 – Share-based Payment to stock-based payment arrangements with an entity's own equity instruments or equity instruments of another entity of the same Group.

On March 29, 2007, the IASB issued a revised version of IAS 23 – Borrowing costs. The standard is in effect from January 1, 2009. The new version removes the option of immediately recognizing as an expense borrowing costs that relate to assets that take a substantial period of time to get ready for use or sale. The standard will be applicable prospectively to borrowing costs relating to qualifying assets capitalized starting from January 1, 2009. At the date of this report, this standard has not yet been endorsed by the European Union.

On July 5, 2007, IFRIC issued the interpretation IFRIC 14 – IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. The interpretation is in effect from January 1, 2008. The interpretation provides general guidance on how to assess the limit in IAS 19 - Employee Benefits on the amount of the surplus that can be recognized as an asset. It also explains how the defined benefit asset or liability may be affected when there is a statutory or contractual minimum funding requirement. At the date of this report, this interpretation has not yet been endorsed by the European Union.

On September 6, 2007, the IASB issued a revised version of IAS 1 - Presentation of Financial Statements that is in effect from January 1, 2009. The revised standard requires an entity to present changes in its equity resulting from transactions with owners in a statement of changes in equity. All non-owner changes (meaning changes in comprehensive income) are required to be presented either in a single statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Transactions with non-owners may not be presented in the statement of changes in equity. This standard had not yet been endorsed by the European Union at the balance sheet.

The company believes that the adoption of these standards and interpretations will not have a material effect on the separate financial statements of IFI S.p.A.

Finally, during 2006 and in the first half of 2007, the following interpretations were issued and are not applicable to the separate financial statements of IFI S.p.A.:

- IFRIC 7 – Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies (in effect from January 1, 2007);
- IFRIC 8 – Scope of IFRS 2 (in effect from January 1, 2007);
- IFRIC 12 – Service Concession Arrangements (in effect from January 1, 2008);
- IFRIC 13 – Customer Loyalty Programmes (in effect from January 1, 2009).

## **7. Risk management**

IFI S.p.A. is not subject to either direct credit risks or currency risks.

Financing needs and cash flows are managed with the aim of optimizing financial resources. In particular, outgoing cash flows from current operations are basically financed by dividends collected. Liquidity risk could thus arise only for investment decisions in excess of cash availability or the revocation of existing credit lines. In this sense, IFI S.p.A. operates so that it has available and partly irrevocable credit lines with expiration dates and amounts consistent with its needs.

IFI S.p.A. assesses and manages its exposure to interest rate risk consistently with its financial management policies and uses derivative financial instruments to fix some of the financing obtained with a pre-set interest rate. There were no derivative financial instruments put into place for speculative purposes. In particular, in 2007, the only derivative financial instruments used to manage fluctuations in interest rate risks were interest rate swaps on some of the existing loans.

## COMMENTS ON THE PRINCIPAL ITEMS IN THE SEPARATE INCOME STATEMENT

### 8. Dividends from investments

Dividends amount to € 67,817 thousand (€ 54,259 thousand in 2006) and include dividends collected from IFIL (€ 67,745 thousand) and Emittenti Titoli (€ 72 thousand). In 2006, dividends included those received from IFIL (€ 54,183 thousand) and Emittenti Titoli (€ 76 thousand).

### 9. Gains on sales of investments

In 2007, gains on sales of investments include the gains from the reimbursement of shares by Deutsche Morgan Grenfell Capital Italy for € 91 thousand (€ 41 thousand in 2006).

In 2006, this line also included the gain of € 104,026 thousand on the sale of the entire investment in Exor Group (3,418,242 shares representing 29.3% of capital stock) to the same Exor Group. Since this was a transaction between related parties, the advisor for the transaction, Citigroup Global Market Limited, had checked the fairness of the sales price, equal to € 206,804 thousand (€ 60.5 per share).

### 10. Impairment reversals on investments

In 2006, the impairment reversal of € 73,473 thousand referred to 138,426,775 IFIL ordinary shares which in 2002 had been written down on the basis of their market price. The value of IFIL ordinary shares had been completely increased by the reversal up to the original purchase cost. Deferred income taxes had been recorded on the reversal for € 3,879 thousand which, in 2007, were partly released for an amount of € 646 thousand as a result of the reduction in the IRES tax rate from 33% to 27.5%.

### 11. Financial expenses from third parties

These include:

€ in thousands	2007	2006	Change
Interest expenses on bank debt	10,998	6,541	4,457
Bank commissions	1,087	1,081	6
Interest rate hedging charges on bank loans	30	255	(225)
Charges from discounting to present value	3	6	(3)
<b>Financial expenses from third parties</b>	<b>12,118</b>	<b>7,883</b>	<b>4,235</b>

### 12. Financial income from third parties

This includes:

€ in thousands	2007	2006	Change
Interest income on receivables from:			
- tax authorities	501	473	28
- banks	232	1,403	(1,171)
Interest rate hedging income on bank loans	2,544	761	1,783
Other income	0	14	(14)
<b>Total income from third parties</b>	<b>3,277</b>	<b>2,651</b>	<b>626</b>

### 13. Personnel costs

These amount to € 2,666 thousand (€ 2,776 thousand in 2006) and show a total net decrease of € 110 thousand.

Details are as follows:

€ in thousands	2007	2006	Change
Salaries	1,592	1,762	(170)
Social security contributions	466	531	(65)
Employee severance indemnities, other long-term benefit plans and defined benefit plans and payments of plan contributions	426	324	102
Other personnel costs	182	159	23
<b>Total personnel costs</b>	<b>2,666</b>	<b>2,776</b>	<b>(110)</b>

At the end of 2007, employees number 14 (15 at the end of 2006).

The average number of employees in 2007 was 14, summarized by category as follows:

	2007	2006
Managers	2	2
Middle management	2	2
Clerical staff	7	8
Messengers	3	3
<b>Average number of employees</b>	<b>14</b>	<b>15</b>

#### Compensation policies

The overall compensation is composed of a fixed and a variable portion, as well as additional benefits.

The fixed compensation is connected to the responsibilities of the person's role, the level of individual expertise and the experience acquired; the variable compensation is tied to objectives and rewards for the results of the work performed by that person both individually and in a team.

Further discretionary bonuses may be paid for exemplary performance in transactions which create value for the company.

The additional benefits, mainly in reference to personnel with management responsibilities, include supplementary pension plans, health care plans, life and disability insurance coverage, loyalty bonuses and, where provided for, the use of a company car.

For additional information on employee benefits, reference should be made to Note 27.

#### 14. Purchases of goods and services from third parties

These amount to € 874 thousand and show an increase of € 65 thousand compared to 2006 (€ 809 thousand). The main expenses refer to the following:

€ in thousands	2007	2006	Change
Compensation:			
- Board of Statutory Auditors	146	146	0
- Supervisory Board	6	6	0
- Common representatives of preferred stockholders	3	3	0
- Supplementary contribution	5	4	1
	160	159	1
Consulting	331	309	22
Travel expenses and entertainment	55	19	36
Bank expenses and fees	29	16	13
Insurance	62	60	2
Audit fees	32	34	(2)
Office management	137	131	6
Rentals	15	19	(4)
Raw materials and supplies	16	17	(1)
Maintenance, transport and car insurance	16	23	(7)
Gifts	6	7	(1)
Other expenses	15	15	0
<b>Total purchases of goods and services from third parties</b>	<b>874</b>	<b>809</b>	<b>65</b>

#### 15. Other current operating expenses

These total € 1,028 thousand (€ 950 thousand in 2006).

Details are as follows:

€ in thousands	2007	2006	Change
Sundry taxes and duties	279	312	(33)
Association dues	56	60	(4)
Securities listing fees	74	48	26
Publications of annual, first-half and quarterly financial statements	63	64	(1)
Stockholders' meetings expenses	170	0	170
Notary and corporate charges	10	41	(31)
Donations	329	358	(29)
Books, newspapers and magazines	21	25	(4)
Ads	10	7	3
Dividends statute-barred	16	35	(19)
<b>Total other current operating expenses</b>	<b>1,028</b>	<b>950</b>	<b>78</b>

#### 16. Income taxes

The taxable base calculated in accordance with tax laws did not generate any current income tax expense for the year 2007.

Since reasonable certainty of recovery against future taxable income currently is not assured, no deferred tax assets have been booked on the tax losses for the years 2003 to 2007 (€ 239 million, in total).

Details are as follows:

€ in millions	2007		2006	
	Amount	Theoretical tax effect (27.5% rate)	Amount	Theoretical tax effect (33% rate)
<b>Tax losses carried forward (for a maximum of 5 years)</b>				
- year 2003	147		147	
- year 2004	20		20	
- year 2005	33		33	
- year 2006	28		28	
- year 2007	11		0	
<b>Total tax losses carried forward</b>	<b>239</b>	<b>66</b>	228	75

The following table presents the reconciliation between the pre-tax profit and the taxable income for the computation of Ires taxes (the taxable income for the computation of Irap taxes is negative).

€ in millions	2007	2006
Pre-tax profit	54	222
Increases for permanent differences	1	1
Decreases:		
- 95% of dividends collected	(64)	(52)
- impairment reversal on IFIL investment	0	(73)
- portion of impairment losses on investments deductible over 5 years	0	(26)
- gains on investments	0	(95)
- temporary differences	(2)	(5)
<b>Total decreases</b>	<b>(66)</b>	(251)
<b>Loss for the year for tax purposes</b>	<b>(11)</b>	(28)

The company has agreed the tax years up to December 31, 2002.

## COMMENTS ON THE PRINCIPAL ITEMS IN THE SEPARATE BALANCE SHEET

### 17. Non-current assets – Investments

Details of investments, which only include investments accounted for at cost, are as follows:

€ in thousands	12/31/2007		12/31/2006		Change
	% of class of stock	Amount	% of class of stock	Amount	
<b>Investments accounted for at cost</b>					
IFIL S.p.A (ordinary shares)	69.70	<b>2,220,167</b>	65.01	1,872,142	348,025
IFIL S.p.A (savings shares)	4.99	<b>6,384</b>	4.99	6,384	0
		<b>2,226,551</b>		1,878,526	348,025
Emittenti Titoli S.p.A.	6.43	<b>272</b>	6.43	272	0
Deutsche Morgan Grenfell Capital Italy S.A.					
- Class A shares	0.66	<b>53</b>	1.11	136	(83)
- Class B shares	1.28	<b>1</b>	1.28	2	(1)
<b>Total investments</b>		<b>2,226,877</b>		1,878,936	347,941

The changes during the year are as follows:

€ in thousands	Balances at 12/31/2006	Change during 2007			Balances at 12/31/2007
		Increases	Impairment (losses) reversals	Decreases	
IFIL S.p.A (ordinary shares)	1,872,142	348,025			<b>2,220,167</b>
IFIL S.p.A (savings shares)	6,384				<b>6,384</b>
Emittenti Titoli S.p.A.	272				<b>272</b>
Deutsche Morgan Grenfell Capital Italy S.A.					
- Class A shares	136		(47)	(36)	<b>53</b>
- Class B shares	2		(1)		<b>1</b>
<b>Total investments</b>	1,878,936	348,025	(48)	(36)	<b>2,226,877</b>

In 2007, IFI purchased 48,750,000 IFIL ordinary shares (4.69% of the class of stock) for € 349,876 thousand, net of dividends of € 1,851 thousand collected on 18,511,000 IFIL ordinary shares purchased in the early months of 2007 and booked as a deduction of the carrying amount of the stock.

The reimbursement of 247 Deutsche Morgan Grenfell Capital Italy Class A shares led to proceeds of € 127 thousand and a net gain of € 91 thousand. The impairment loss of € 48 thousand on Deutsche Morgan Grenfell Capital Italy shares was made on the basis of the equity in the most recent approved financial statements at December 31, 2006.

Comparison between the carrying amounts and market prices of IFIL shares held at December 31, 2007:

	Number of shares held	Carrying amount Per share (€)	Total (€ thsd)	Market price			
				December 28, 2007		March 20, 2008	
				Per share (€)	Total (€ thsd)	Per share (€)	Total (€ thsd)
IFIL S.p.A.							
- ordinary shares	723,950,000	3.07	2,220,167	6.39	<b>4,627,488</b>	4.60	<b>3,326,550</b>
- savings shares	1,866,420	3.42	6,384	5.76	<b>10,754</b>	4.00	<b>7,466</b>
<b>Total</b>			2,226,551		<b>4,638,242</b>		<b>3,334,016</b>

Furthermore:

- there are no investments requiring the assumption of unlimited responsibility for their obligations (art. 2361, paragraph 2 of the Italian Civil Code);
- there are no investments held as collateral for financial liabilities and contingent liabilities.

The following details present the additional disclosures required by the Italian Civil Code (art. 2427, paragraph 5) and Consob (Communication 6064293 dated July 28, 2006):

	Capital stock			FI investment				Equity €/000	Profit €/000
	Number of shares	Par value	Amount	Number of shares	% of Cap. st.	Cl. of st.	Carrying amount Per share (€)		
IFL S.p.A. - Turin								6,666,500 (a)	671,700 (a)
- ordinary shares	1,038,612,717	€ 1	1,038,612,717	723,950,000	67.28	69.70	3.07	2,220,167	
- savings shares	37,383,020	€ 1	37,383,020	1,866,420	0.17	4.99	3.42	6,384	
<b>Total</b>	<b>1,075,995,737</b>		<b>1,075,995,737</b>					<b>2,226,551</b>	

(a) Data taken from the consolidated financial statements at December 31, 2007.

#### 18. Current assets – Other financial assets

Details are as follows:

€ in thousands	12/31/2007	12/31/2006	Change
Fair value of cash flow hedge derivatives	<b>1,776</b>	3,120	(1,344)
Other financial assets	<b>466</b>	380	86
<b>Total current other financial assets</b>	<b>2,242</b>	<b>3,500</b>	<b>(1,258)</b>

#### 19. Current assets – Tax receivables

Tax receivables from the tax authorities refer to:

€ in thousands	12/31/2007	12/31/2006	Change
Receivables for prior years' taxes, refunds requested	<b>18,855</b>	18,382	473
Receivables for current and prior years' taxes, carried forward	<b>63</b>	379	(316)
VAT receivable	<b>53</b>	0	53
<b>Total tax receivables</b>	<b>18,971</b>	<b>18,761</b>	<b>210</b>

The change in receivables from the tax authorities for the year 2007 is summarized as follows:

€ in thousands	Refunds requested for IRES taxes	Carried forward for IRES taxes	VAT	Total
<b>Balances at December 31, 2006</b>	<b>18,382</b>	<b>379</b>		<b>18,761</b>
Used for compensation of withholdings		(379)		(379)
Interest earned during the year	473			473
Receivables generated during the year		63	53	116
<b>Balances at December 31, 2007</b>	<b>18,855</b>	<b>63</b>	<b>53</b>	<b>18,971</b>

## **20. Equity – Capital stock**

At December 31, 2007, IFI S.p.A.'s capital stock, fully subscribed to and paid-in, amounts to € 163,251,460 and consists of 86,450,000 ordinary shares (52.96% of capital stock) and 76,801,460 preferred shares (47.04% of capital stock) with a par value of € 1 each. The ordinary capital stock of the company is held entirely by Giovanni Agnelli e C. S.a.p.az. IFI's preferred shares are listed on the Electronic Share Market of the Italian stock exchange (Blue Chip segment).

Pursuant to art. 6 of the bylaws, ordinary shares may not be disposed of, with effect towards the company, to parties other than the consanguine descendants of their holder and other holders of ordinary shares, unless the shares have been offered beforehand in option to the latter mentioned, with the right of accretion among them.

Pursuant to art. 10 of the bylaws, preferred shares have voting rights only for the resolutions set forth in art. 2365 of the Italian Civil Code and the second paragraph of art. 13 of the bylaws.

Pursuant to art. 27 of the bylaws, the profit of each year is appropriated as follows:

- 10% to the legal reserve until it reaches one-fifth of capital stock;
- of the remaining amount, 1% is at the board of directors' disposition for distribution among its members;
- the remaining profit is appropriated as follows:
  - to preferred shares, a preference dividend of 5.17% of their par value, which is not cumulative from one year to the next;
  - after any appropriations to reserves, the residual amount is attributed equally to the ordinary and preferred shares.

Capital stock may be increased for a period of five years, at one or more times, also in divisible form, up to a maximum of € 561,750,000, by the authority delegated, pursuant to art. 2443 of the Italian Civil Code, to the board of directors by the special stockholders' meeting held April 22, 2003.

The board of directors will put forward a motion to the ordinary stockholders' meeting to renew this resolution.

The objectives identified by IFI S.p.A. are the creation of value for all the stockholders, safeguarding the continuity of the company and support for the development of the subsidiary IFIL S.p.A.

IFI thus aims to keep an adequate level of capitalization and guarantee economic accessibility to external sources of financing.

IFI constantly monitors changes in the consolidated debt level based upon the current asset value of its investments and expected dividend flows.

A very prudent approach is nevertheless taken to the use of debt. At December 31, 2007, the negative net financial position (equal to € 392.7 million) represents approximately 8.5% of the asset value (equal to the market value of the investment held in IFIL, € 4,638.2 million).

## **21. Equity – Capital reserves**

At December 31, 2007, the balance of € 386,347 thousand, unchanged compared to the end of the prior year, relates only to Additional paid-in capital.

## 22. Equity – Retained earnings and other reserves

Details are as follows:

€ in thousands	12/31/2007	12/31/2006
Revaluation reserve Law 74, 2/11/1952	157	157
Revaluation reserve Law 576, 12/2/1975	16,940	16,940
Revaluation reserve Law 72, 3/19/1983	64,265	64,265
Legal reserve	32,650	32,650
Cash flow hedge reserve	1,776	3,091
Reserve for purchase of treasury stock	200,000	150,000
Extraordinary reserve	997,386	829,835
<b>Total retained earnings and other reserves</b>	<b>1,313,174</b>	<b>1,096,938</b>

## 23. Equity reserves available and distributable

Disclosure required by art. 2427, 7 bis of the Italian Civil Code on the equity reserves available and distributable is as follows:

€ in thousands	Balance at 12/31/2007	Possibility of use	Amount available
<b>Capital reserves:</b>			
Additional paid-in capital (a)	386,347	A,B,C	386,347
Extraordinary reserve	458	A,B,C	458
<b>Earnings reserves:</b>			
Revaluation reserve Law 74, 2/11/1952 (b)	157	A,B,C	157
Revaluation reserve Law 576, 12/2/1975 (b)	16,940	A,B,C	16,940
Revaluation reserve Law 72, 3/19/1983 (b)	64,265	B	64,265
Legal reserve	32,650	A,B	0
Cash flow hedge reserve	1,776	B	0
Reserve for purchase of IFI treasury stock	200,000	B	0
Extraordinary reserve (c)	996,928	A,B,C	926,451
<b>Total</b>	<b>1,699,521</b>		<b>1,394,618</b>
<b>Residual portion distributable</b>			<b>1,394,618</b>

A: For capital increases; B: For coverage of losses; C: For distribution to stockholders.

(a) Since the legal reserve is equal to one-fifth of capital stock (art. 2431 Italian Civil Code), the reserve is distributable.

(b) The revaluation reserves can be used for bonus increases of capital stock. If used to cover losses, they must be later replenished, if not, then no dividends can be distributed. They may not be used to set up the reserve for the purchase of treasury stock. The monetary revaluation reserves can be reduced only by resolution of the stockholders' meeting and in observance of the prescriptions indicated in art. 2445, paragraphs 2 and 3 of the Italian Civil Code.

(c) The reserve is distributable except to the extent of the amount deriving from the reallocation of the reserve offsetting the stock in portfolio.

In the years 2004, 2005 and 2006, reserves were not used to absorb losses.

At December 31, 2007, tax-deferred reserves are recorded for a total of € 83,394 thousand, of which € 81,362 thousand relates to the monetary revaluation reserves and € 2,032 thousand to the legal reserve. In the event of distribution, these reserves would form part of the taxable income of the company.

In view of the unlikelihood of their distribution, no deferred taxes have been set aside in respect of such reserves.

## 24. Equity – Treasury stock

At December 31, 2007, IFI S.p.A. directly holds the following preferred shares of treasury stock:

€ in thousands	Number	Amount		% of class
	of shares	Per share (€)	Total (€ in thsd)	
IFI – preferred shares	5,360,300	13.15	70,477	6.98

In 2007, there were no transactions involving preferred shares of treasury stock.

The ordinary stockholders' meeting held on May 15, 2007 authorized the purchase of treasury stock for 18 months, pursuant to art. 2357 of the Italian Civil Code and art. 132 of Legislative Decree 58 dated February 24, 1998, for a maximum of 16 million shares, for a maximum amount of € 200 million.

The board of directors will put forward a motion to the ordinary stockholders' meeting to renew this resolution.

## 25. Current and non-current liabilities – Bank debt

Non-current bank debt amounts to € 100,000 thousand (€ 125,000 thousand at December 31, 2006).

Interest rate swaps are in place to guarantee fixed interest rates on the entire amount; at December 31, 2007, the fair value on these contracts is positive for € 254 thousand.

Bank debt is classified in non-current liabilities in relation to the residual period of the credit line granted and the duration of the relative hedging contracts.

The current portion of bank debt amounts to € 294,323 thousand (€ 35,350 thousand at December 31, 2006) and includes loans for € 150,000 thousand due by the end of June 2008, use of short-term funds for € 144,100 thousand and bank overdrafts for the remaining amount (€ 223 thousand).

Interest rate swaps are also in place on the current portion of loans secured in prior years. At December 31, 2007, the fair value on these contracts is positive for € 1,522 thousand.

With regard to the periods in which the outgoing cash flows relating to interest rate swap contracts will reverse, reference should be made to Note 28.

At December 31, 2007, the company has credit lines for € 1,101 thousand, of which € 605 thousand is irrevocable.

Credit lines by maturity are as follows:

€ in thousands	Agreed lines	Of which, irrevocable
To 1 year	731	235
2 to 5 years	370	370
<b>Total</b>	<b>1,101</b>	<b>605</b>

The loan contracts relating to irrevocable lines of credit provide for commitments which are common practice in the sector for this type of debt. In particular, some of the main commitments included in certain contracts refer to the obligation of periodic disclosure, not setting up new real guarantees on the assets of the company without the prior consent of the creditors, the non-subordination of the loan, as well as, in some cases, compliance with financial ratios. Finally, there are clauses that could change the duration in the case of serious non-fulfillment such as, for example, failure to pay interest or when extremely serious events arise such as a request to place the company under administration.

## 26. Non-current liabilities – Deferred tax liabilities

An analysis is as follows:

€ in thousands	Amount	Taxable (16%)	Rate reduction	To equity	To income statement	Total
<b>Balance at December 31, 2006</b>						<b>3,979</b>
Adjustment due to the change in the IRES tax rate from 33% to 27.5% on the impairment reversal of the carrying amount of IFIL ordinary shares in 2006	73,473	11,756	5.5%	0	(646)	<b>(646)</b>
<b>Balance at December 31, 2007</b>				<b>0</b>	<b>(646)</b>	<b>3,333</b>

The deferred income taxes originated from temporary differences between the carrying amount and the fiscally recognized amount for the investment held in IFIL.

## 27. Non-current liabilities – Provisions for employee benefits

The composition is as follows:

€ in thousands	12/31/2007	12/31/2006
Employee severance indemnities	<b>1,918</b>	1,746
Other provisions for employees	<b>227</b>	64
<b>Total provisions for employee benefits</b>	<b>2,145</b>	1,810

Details of the changes during 2007 are as follows:

€ in thousands	2007			2006		
	Employee severance indemnities	Other provisions for employees	Total	Employee severance indemnities	Other provisions for employees	Total
<b>Balance at beginning of year</b>	<b>1,746</b>	<b>64</b>	<b>1,810</b>	1,594	48	1,642
Current service cost	113	35	148	138	39	177
Financial expenses	65	38	103	63	33	96
Contributions paid by employees	0	0	0	0	0	0
Actuarial (gains) losses	(2)	92	90	(6)	(56)	(62)
Benefits paid	(4)	(2)	(6)	(43)	0	(43)
Past service cost	0	0	0	0	0	0
(Gains) losses on curtailments and/or settlements	0	0	0	0	0	0
Plan changes	0	0	0	0	0	0
<b>Balance at end of year</b>	<b>1,918</b>	<b>227</b>	<b>2,145</b>	1,746	64	1,810

An analysis of employee benefits is as follows:

### Employee severance indemnities

Employee severance indemnities represent the obligation due to employees by law (recently amended by Law 296/06) that has accrued and which will be paid upon termination of employment. In certain circumstances, a portion of the indemnity may be paid as an advance during the employee's service life. This is an unfunded defined benefit plan, considering the benefits almost entirely accrued, with the sole exception of the revaluation.

After the change made to the regulations for employee severance indemnities by Law 296 dated December 27, 2006 (Budget Law 2007), and subsequent decrees and

regulations, the portion of employee severance indemnities accruing from January 1, 2007, for employees who have asked, have been transferred to a complementary pension plan chosen by the employees and these therefore fall under defined contribution plans.

For those employees who did not elect the transfer of the accrued portion of employee severance indemnities, beginning January 1, 2007, the calculation of employee severance indemnities, including the portion accruing, will be made according to the usual actuarial method.

Besides employee severance indemnities, established by art. 2120 of the Italian Civil Code, IFI S.p.A. guarantees other forms of benefits (termination benefits, loyalty bonuses, health care plans, defined benefit and defined contribution pension plans) under company or individual supplementary agreements, described below.

#### Termination benefits

This is a fixed amount in addition to employee severance indemnities which will be paid at the time and in relation to the termination of the employment relationship, at the currently-expected retirement age, on the basis of existing legislation, at the age of 65 for men and at the age of 60 for women. Any raising of the retirement age for whatsoever reasons will have no effect on the payment of these benefits. In the eventuality of the termination of employment for whatsoever reason prior to the legal retirement age indicated above, the benefits shall be paid for the amount accrued up to the date of termination of employment, compared with and in proportion to the years of service since January 1, 2000 up to the date of the termination of employment. No interest or revaluations of any sort accrue on the amount.

#### Health care plans

Health care plans, historically offered to management staff, have been extended to all employees since the end of 2007, and require the payment of defined contributions to outside funds and entities which pay the health care benefits.

#### Pension plans

The company's pension plans are for employees categorized as managers and are covered by company agreements and regulations. They can be "defined benefit" or "defined contribution" plans and provide for the payment of contributions to outside funds that are legally separate and have autonomous assets. The plans provide for a contribution by the employer and a contribution by the employee plan participant, also by conferring a part of his/her employee severance indemnity. The liabilities for contributions payable are included in "Other payables". The contribution cost for the period accrues on the basis of the service rendered by the employee and is recognized in personnel costs.

#### Other benefits

Other benefits include loyalty bonuses payable to all employees. Loyalty bonuses accrue and are paid after a certain number of years of service (25, 30, 35 and 40 years).

#### Other information

The actuarial calculations required to determine the liability of defined benefit plans are performed by an independent actuary at the end of each year. At December 31, 2007 and December 31, 2006, the liability has been calculated on the basis of the following actuarial assumptions:

	12/31/2007	12/31/2006
Discount rate	4.60%	4.25%
Expected remuneration increase	2-3.50%	2-3.50%
Cost-of-living increase	2.00%	2.00%

In addition to the above financial indexes, account has also been taken of all the demographic assumptions relating to the probability of events such as death, disability, dismissal and retirement of the employees.

Defined benefit plans may be unfunded or they may be wholly or partly funded by contributions paid by the employer and the employee plan participants to an entity, or fund, that is legally separate from the employer and from which the employee benefits are paid.

#### **28. Additional information on financial instruments and financial risk management policies**

The carrying amounts and the relative income (expenses) originating from each category of asset and liability classified in accordance with IAS 39 is presented as follows:

€ in thousands	December 31, 2007		
	Carrying amount	Income	Expenses
<b>Financial assets</b>			
At fair value through the income statement			
- held for trading	0		
- designated initially	0		
Derivative instruments designated as hedging derivatives	1,776	2,544	30
Investments held to maturity	0		
Loans and receivables	1,058	248	
Available-for-sale assets	327	163	48
<b>Total</b>	<b>3,161</b>	<b>2,955</b>	<b>78</b>
<b>Financial liabilities</b>			
At fair value through the income statement			
- held for trading	0		
- designated initially	0		
Derivative instruments designated as hedging derivatives	0		
Amortized cost			
Debt	395,652		12,088
Financial guarantees	0		
<b>Total</b>	<b>395,652</b>	<b>0</b>	<b>12,088</b>

€ in thousands	December 31, 2006		
	Carrying amount	Income	Expenses
<b>Financial assets</b>			
At fair value through the income statement			
- held for trading			
- designated initially			
Derivative instruments designated as hedging derivatives	3,120	761	256
Investments held to maturity			
Loans and receivables	60,904	1,418	
Available-for-sale assets	410	117	25
<b>Total</b>	<b>64,434</b>	<b>2,296</b>	<b>281</b>
<b>Financial liabilities</b>			
At fair value through the income statement			
- held for trading			
- designated initially			
Derivative instruments designated as hedging derivatives			
Amortized cost			
Debt	161,492		7,751
Financial guarantees			
<b>Total</b>	<b>161,492</b>	<b>0</b>	<b>7,751</b>

#### Fair value of financial assets and liabilities and the criteria for the determination of fair value

For IFI S.p.A., the carrying amount of financial assets and liabilities approximates their fair value.

#### Credit risk

IFI S.p.A. effectively is not subject to credit risk since the counterparts are mainly represented by high-credit-quality leading banking institutions. At December 31, 2007 and December 31, 2006, there are no financial assets overdue and impaired and provisions for the impairment of receivables.

#### Liquidity risk

The residual contract maturities for all the financial liabilities which fall under the application of IAS 39 are indicated below.

The table has been prepared by allocating the remaining cash flows from existing contracts, including principal and interest; with regard to floating-rate loans, the most recent coupon rate with the bank counterpart was used for the projection of future maturities.

Flows relating to non-current and current bank debt are hedged by the interest rate swaps referred to in Note 25.

€ in thousands	2007					Total
	To 6 months or until canceled	6 months to 1 year	1 to 3 years	3 to 5 years	After 5 years	
Bank debt, non-current	2,422	2,422	109,723			114,567
Bank debt, current	296,756					296,756
Payables to related parties	147					147
Trade payables to third parties	146					146
<b>Total</b>	<b>299,471</b>	<b>2,422</b>	<b>109,723</b>	<b>0</b>	<b>0</b>	<b>411,616</b>

€ in thousands	2006					Total
	To 6 months or until canceled	6 months to 1 year	1 to 3 years	3 to 5 years	After 5 years	
Bank debt, non-current	2,253	2,253	151,708			156,214
Bank debt, current	10,805					10,805
Payables to related parties	216					216
Trade payables to third parties	124					124
Other current payables	15					15
<b>Total</b>	<b>13,413</b>	<b>2,253</b>	<b>151,708</b>	<b>0</b>	<b>0</b>	<b>167,374</b>

Outgoing flows from current operations are substantially financed by incoming flows from ordinary business and cash availability.

Liquidity risk could therefore arise only in the event of investment decisions in excess of cash availability that are not preceded by sufficient liquidation of assets or difficulties in raising sufficient funds that can be readily used. In this sense, IFI S.p.A. operates so as to have irrevocable credit lines available with expiration dates and amounts consistent with its investment plans.

#### **Market risk**

IFI S.p.A. is principally exposed to the following exchange rate, interest rate and price risks.

#### Exchange rate risk

IFI S.p.A. does not have financial liabilities denominated in currencies other than Euro. It is therefore not subject to direct currency risks.

#### Interest rate risk

The analysis of debt by interest rate shows that the rates are between 3.5% and 5.5% for both the current year and 2006.

IFI S.p.A. has some interest rate swap contracts in place at December 31, 2007, for a notional amount of a total of € 250 million, to hedge the risk of fluctuations in interest rates on bank debt with a positive fair value equal to € 1,776 thousand.

A sensitivity analysis at the balance sheet date has been prepared in respect of financial instruments exposed to interest rate risk. In the case of floating-rate liabilities, the analysis was prepared assuming that the exposure at the end of the year remained constant for the entire year. The assumptions used for the model are as follows:

- to debt: a symmetrical change of 50 basis points is applied;
- for interest rate swaps: the change in fair value is recalculated applying a parallel and symmetrical shift of 50 basis points to the current interest rate curve at the balance sheet date.

The effects of an increase or decrease of 50 basis points in interest rates would be the following:

€ in thousands	12/31/2007		12/31/2006	
	income statement	balance sheet	income statement	balance sheet
<b>+50 bsp</b>				
cash and cash equivalents/financing	(721)		296	
hedging instruments		417		304
<b>-50 bsp</b>				
cash and cash equivalents/financing	721		(296)	
hedging instruments		(440)		(319)

Price risk

IFI S.p.A. is only exposed to price risk in respect of its strategic investment in IFIL S.p.A., accounted for at cost.

Sensitivity analysis for price risks

Considering the characteristics of the company's principal investment, a sensitivity analysis for price risk would not be significant.

## 29. Compensation to directors and statutory auditors

(Art. 78 of Consob Regulation adopted by Resolution 11971 dated May 14, 1999 and subsequent amendments)

All amounts in the following table are expressed in thousands of Euro.

Name	Post held	Term of office	Expiration of term of office (a)	Compensation for post held	Non-monetary benefits	Bonuses and other incentives	Other compensation
<b>Directors in office</b>							
Elkann John	Chairman	4/17-12/31	2009				599 (b)
	Director	1/1-4/16					
Gabetti Gianluigi	Director	4/17-12/31	2009	158			1,594 (b)
	Chairman	1/1-4/16		39			-
Teodorani-Fabbri Pio	Vice Chairman	1/1-12/31	2009	100			9 (b)
Marrone Virgilio	Chief Executive Officer	1/1-12/31	2009	84	-		-
	General Manager	1/1-12/31	2009	-	18		622 (c) (d)
Acutis Carlo	Director	1/1-12/31	2009				
Agnelli Andrea	Director	1/1-12/31	2009				71 (b)
Brandolini D'Adda Tiberto	Director	1/1-12/31	2009				426 (b)
Camerana Oddone	Director	1/1-12/31	2009				
Ferrero Ventimiglia Luca	Director	1/1-12/31	2009				
Grande Stevens Franzo	Director	1/1-12/31	2009				7 (b)
Marini Clarelli Francesco	Director	1/1-12/31	2009				
Nasi Andrea	Director	1/1-12/31	2009				
Rattazzi Lupo	Director	1/1-12/31	2009				40 (b)
<b>Total Directors</b>				<b>381</b>	<b>18</b>	<b>0</b>	<b>3,368</b>
<b>Statutory Auditors</b>							
Ferrero Gianluca	Chairman	1/1-12/31	2009	62			53 (b)
Giorgi Giorgio	Statutory Auditor	1/1-12/31	2009	42			71 (b)
Jona Celesia Lionello	Statutory Auditor	1/1-12/31	2009	42			
<b>Total Statutory Auditors</b>				<b>146</b>	<b>0</b>	<b>0</b>	<b>124</b>

(a) The term of office expires in concurrence with the stockholders' meeting that will approve the financial statements for the year ended December 31, 2008.

(b) Compensation for the posts held in companies of the Group.

(c) Employment income paid by IFI S.p.A.

(d) Does not include € 56,918 paid by Fiat not received but collected directly by IFI S.p.A.

There are no key managers with strategic responsibilities in IFI S.p.A.

The company also signed a third-party liability insurance policy for the directors with a Group of insurance companies for a maximum claim per incident and per year of € 50 million for coverage in the event of requests for reparation of non-fraudulent acts.

The Chairman, John Elkann, does not receive any compensation for his post. The remuneration of the directors Gianluigi Gabetti and Pio Teodorani-Fabbri is not linked to either the economic results of the company or targets set by the board of directors.

A part of the compensation of the general manager, however, is tied to the economic results of the company and the reaching of specific targets.

### Stock options granted to the directors and the general manager

(Art. 78 of Consob Regulation adopted by Resolution 11971 dated May 14, 1999 and subsequent amendments)

The board of directors of IFI S.p.A. to date has not approved any stock option plans.

### 30. Transactions with related parties

The board of directors has adopted principles of conduct for carrying out transactions with related parties which are described in the Annual Report on Corporate Governance, available also on the website of the company (<http://www.gruppoifi.com>).

With regard to the year 2007, the transactions between IFI S.p.A. and the related parties identified in accordance with IAS 24 are carried out as set forth in existing laws on the basis of reciprocal economic gain.

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.

A summary of the balance sheet and income statement balances generated by transactions with related parties carried out during 2007 is presented below. All amounts are expressed in thousands of Euro.

Counterpart	Trade receivables	Trade payables
G.A. Servizi S.r.l.		64
IFIL S.p.A.	4	3
Soiem S.p.A.		54
Companies of the Fiat Group		26
Other companies	65	
<b>Total transactions with related parties</b>	<b>69</b>	<b>147</b>
Total Current assets	21,694	
Total Current liabilities		296,556
<b>Ratio of total transactions with related parties to the total of the line in the balance sheet %</b>	<b>0.32%</b>	<b>0.05%</b>

Counterpart	Purchases of goods and services	Financial income	Revenues (b)
Giovanni Agnelli e C. S.a.p.az.		15	33
G.A. Servizi S.r.l.			
IFIL S.p.A.	68		33
Soiem S.p.A.	388 (a)		
Juventus Football Club S.p.A.	2		
Companies of the Fiat Group	251		57
Companies of the Alpitour Group	4		
Compensation to Corporate Boards and Committees (c)			
- Chairman	39		
- Chief Executive Officer	84		
- Vice Chairman, for special mandates	100		
- Directors, for special mandates	158		
Directors for services rendered			64
<b>Total transactions with related parties</b>	<b>1,094</b>	<b>15</b>	<b>187</b>
Total transactions with third parties	874	3,277	269
<b>Total of the line on income statement</b>	<b>1,968</b>	<b>3,292</b>	<b>456</b>
<b>Ratio of total transactions with related parties</b>			
<b>to the total of the lines on the income statement %</b>	<b>55.59%</b>	<b>0.46%</b>	<b>41.01%</b>

The most important transactions are commented below with reference to the notes in the preceding tables.

- a) The purchases for goods and services from the subsidiary Soiem S.p.A., amounting to € 388 thousand, relate to the lease of the offices of the headquarters in Turin, Corso Matteotti 26, computer, telephone and logistics services.
- b) Revenues from Group companies derive from the performance of services and compensation for posts held by IFI S.p.A. staff.
- c) The compensation to directors in 2007 amounts to € 381 thousand. The preceding Note 29 presents the information required by art. 78 of Consob Regulation 11971, as amended by Resolution 15520 dated July 2006.

Information regarding dividends collected from related parties (€ 67,817 thousand), described in Note 8, represents almost the entire net amount of income from investments.

At December 31, 2007, Tiberto Brandolini d'Adda holds 304,153 options to subscribe or purchase the same number of Sequana Capital shares between May 2009 and May 2013 at a price per share of € 20.46.

Furthermore, Sequana Capital has assigned Tiberto Brandolini d'Adda, gratuitously, 12,340 shares that will be assigned on March 29, 2008 and available from March 29, 2010.

During 2007, Sequana Capital paid compensation to Tiberto Brandolini d'Adda for a total of € 3,361,973.

Moreover, in 2007, the director, Franzo Grande Stevens, rendered professional services to IFIL S.p.A. for € 1,150 thousand and to Fiat S.p.A. for € 1 million (including acting as the secretary to the board of directors).

**31. Fees paid to the Audit Firm  
(art. 149 – duodecies of Consob Regulation 11971 dated May 14, 1999 and subsequent amendments)**

The professional services rendered to IFI S.p.A. by the Audit Firm in 2007 are the following:

€ in thousands	Party which rendered the service	Parent IFI S.p.A.	Consolidated subsidiaries	Total
<b>Type of services</b>				
<i>Audit</i>	Deloitte & Touche S.p.A. Rete Deloitte	30	2,175	<b>2,205</b>
<i>Total audit</i>		30	2,175	<b>2,205</b>
<i>Other services</i>				
. attestation services	Deloitte & Touche S.p.A. Deloitte network		28 (a)	<b>28</b>
. other services	Deloitte & Touche S.p.A. Deloitte network		139 (b)	<b>139</b>
<i>Total other services</i>		0	167	<b>167</b>
<b>Total</b>		<b>30</b>	<b>2,342</b>	<b>2,372</b>

(a) Tests for issuing the comfort letter on the prospectus relating to the IFIL bond issue 2007/2017 and confirmation of the financial ratios.

(b) Agreed procedures carried out with reference to the completeness and the updating of the IFIL Group's IFRS reporting package.

In order to complete the disclosure, it should be noted that the fees paid for professional services to the audit firm of Deloitte & Touche and its network by the Fiat Group (accounted for by the equity method in the consolidated financial statements of the IFI Group) is € 22.2 million.

### 32. Net financial position

In accordance with the provisions of Consob Communication 6064293 dated July 28, 2006, the composition of the net financial position of IFI S.p.A. is provided below:

€ in thousands	12/31/2007	12/31/2006	Change
Cash and cash equivalents	166	59,681	(59,515)
Non-current financial receivables:			
- from third parties	228	361	(133)
Current financial receivables:			
- from Group companies	0	0	0
- from third parties	2,242	3,500	(1,258)
Non-current debt:			
- with Group companies	0	0	0
- with third parties	(100,000)	(125,000)	25,000
Current debt:			
- with Group companies	0	0	0
- with third parties	(295,359)	(36,153)	(259,206)
<b>Net financial position</b>	<b>(392,723)</b>	<b>(97,611)</b>	<b>(295,112)</b>
- with related parties	0	0	0
- with third parties	(392,723)	(97,611)	(295,112)

### 33. Approval of the separate financial statements and authorization for publication

The separate financial statements at December 31, 2007 were approved by the board of directors on March 28, 2007 which authorized their publication starting from March 29, 2008.

Turin, March 28, 2008

For the Board of Directors  
The Chairman  
John Elkann



***IFI***  
*Istituto Finanziario Industriale*

Annual Report 2007

Consolidated financial statements of the IFI Group  
at December 31, 2007

# IFI Group

## CONSOLIDATED INCOME STATEMENT

€ in millions	Note	2007	2006 (restated) (a)	Change
Revenues	11	2,657	1,489	1,168
Other revenues from current operations	12	36	67	(31)
Purchases of raw materials and changes in inventories		(874)	(979)	105
Personnel costs	13	(1,186)	(235)	(951)
Costs for external services		(393)	(247)	(146)
Taxes and duties		(10)	(6)	(4)
Depreciation and amortization		(92)	(54)	(38)
Accruals to provisions and other expenses from current operations		(72)	(63)	(9)
<b>Profit (loss) from current operations</b>		<b>66</b>	<b>(28)</b>	<b>94</b>
Other nonrecurring income (expenses)	14	(28)	4	(32)
<b>Operating profit (loss)</b>		<b>38</b>	<b>(24)</b>	<b>62</b>
Gains (losses) on sales of investments		9	21	(12)
Cost of net debt		(41)	(9)	(32)
Other financial income (expenses)		123	65	58
<b>Financial income (expenses)</b>	15	<b>91</b>	<b>77</b>	<b>14</b>
Income taxes	16	(43)	(10)	(33)
<b>Profit of companies consolidated line-by-line</b>		<b>86</b>	<b>43</b>	<b>43</b>
Share of the profit (loss) of companies accounted for by the equity method	17	587	289	298
<b>Profit from continuing operations</b>		<b>673</b>	<b>332</b>	<b>341</b>
Profit (loss) from discontinued operations or assets held for sale	18	(8)	68	(76)
<b>Profit</b>		<b>665</b>	<b>400</b>	<b>265</b>
<b>Profit attributable to the equity holders of the company</b>		<b>444</b>	<b>221</b>	<b>223</b>
<b>Profit attributable to the minority interest (A)</b>		<b>221</b>	<b>179</b>	<b>42</b>
<b>Net gain on the sale of the investment in SGS attributable to the minority interest (B)</b>		<b>0</b>	<b>396</b>	<b>(396)</b>
<b>Total profit attributable to the minority interest (A)+(B)</b>		<b>221</b>	<b>575</b>	<b>(354)</b>
<hr/>				
Basic earnings attributable to the equity holders of the company (€):	19			
- per ordinary share		2.79	1.38	1.41
- per preferred share		2.84	1.43	1.41
<hr/>				
Basic earnings from continuing operations (€):	19			
- per ordinary share		2.82	1.34	1.48
- per preferred share		2.87	1.39	1.48

(a) The consolidated financial statements at December 31, 2006 have been restated for comparison purposes by deconsolidating the Sequana Capital Group and presenting the IFIL Group's share of the result in "Discontinued operations or assets held for sale". For additional information, reference should be made to Note 9.

# IFI Group

## CONSOLIDATED BALANCE SHEET

€ in millions	Note	12/31/2007	12/31/2006	Change	
<b>Non-current assets</b>					
Goodwill	20	410	760	(350)	
Other intangible assets	21	456	188	268	
Property, plant and equipment	22	195	845	(650)	
Investments accounted for by the equity method	23	3,473	2,619	854	
Other financial assets	24	2,675	2,673	2	
Deferred tax assets	37	72	49	23	
Other non-current assets	26	82	55	27	
		<b>Total Non-current assets</b>	<b>7,363</b>	<b>7,189</b>	<b>174</b>
<b>Current assets</b>					
Inventories, net	25	3	540	(537)	
Trade receivables	26	434	938	(504)	
Other receivables	26	212	281	(69)	
Financial assets	24	160	1,109	(949)	
Cash and cash equivalents	27	919	362	557	
		<b>Total Current assets</b>	<b>1,728</b>	<b>3,230</b>	<b>(1,502)</b>
<b>Assets held for sale</b>	28	<b>3</b>	<b>128</b>	<b>(125)</b>	
		<b>Total Assets</b>	<b>9,094</b>	<b>10,547</b>	<b>(1,453)</b>
<b>Equity</b>					
Attributable to the equity holders of the company	29	4,161	3,800	361	
Attributable to the minority interest	31	2,241	2,900	(659)	
		<b>Total Equity</b>	<b>6,402</b>	<b>6,700</b>	<b>(298)</b>
<b>Non-current liabilities</b>					
Provisions for employee benefits	32	45	137	(92)	
Provisions for other liabilities and charges	33	101	250	(149)	
Bonds and other debt	36	1,158	777	381	
Deferred tax liabilities	37	128	102	26	
Other non-current liabilities	38	101	57	44	
		<b>Total Non-current liabilities</b>	<b>1,533</b>	<b>1,323</b>	<b>210</b>
<b>Current liabilities</b>					
Provisions for employee benefits	32	113	7	106	
Provisions for other liabilities and charges	33	14	283	(269)	
Bonds and other debt	36	399	747	(348)	
Trade payables	38	377	927	(550)	
Other current liabilities	38	256	528	(272)	
		<b>Total Current liabilities</b>	<b>1,159</b>	<b>2,492</b>	<b>(1,333)</b>
<b>Liabilities relating to assets held for sale</b>		<b>0</b>	<b>32</b>	<b>(32)</b>	
		<b>Total Equity and liabilities</b>	<b>9,094</b>	<b>10,547</b>	<b>(1,453)</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ in millions	Capital stock	Treasury stock	Capital reserves	Retained earnings and other reserves	Profit for the year	Equity attributable to equity holders of the company	Equity attributable to the minority interest	Total equity
<b>Equity at January 1, 2006</b>	<b>163</b>	<b>(70)</b>	<b>386</b>	<b>1,929</b>	<b>676</b>	<b>3,084</b>	<b>2,994</b>	<b>6,078</b>
Stock-based compensation				3		3	2	5
Capital stock transactions						0	(754)	(754)
Dividends paid out						0	(197)	(197)
Effect of fair value change to investments and securities				594		594	322	916
Deferred taxes on fair value change to investments and securities				(28)		(28)	(13)	(41)
Transfer of fair value to income statement				(2)		(2)	(1)	(3)
Fair value change to cash flow hedge derivatives				17		17	7	24
Actuarial gains (losses) recognized in equity				23		23	15	38
Translation differences				(86)		(86)	(58)	(144)
Change in scope of consolidation						0	19	19
Other changes				(26)		(26)	(10)	(36)
Profit for the year					221	221	574	795
Movements in equity accounts				676	(676)	0		0
<b>Total changes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,171</b>	<b>(455)</b>	<b>716</b>	<b>(94)</b>	<b>622</b>
<b>Equity at December 31, 2006</b>	<b>163</b>	<b>(70)</b>	<b>386</b>	<b>3,100</b>	<b>221</b>	<b>3,800</b>	<b>2,900</b>	<b>6,700</b>
Stock-based compensation				19		19	12	31
Capital stock transactions						0	41	41
Dividends paid out						0	(40)	(40)
Effect of fair value change to investments and securities				(74)		(74)	(41)	(115)
Deferred taxes on fair value change to investments and securities				25		25	12	37
Transfer of fair value to income statement				(25)		(25)	(12)	(37)
Fair value change to cash flow hedge derivatives				52		52	26	78
Transfer of fair value on cash flow hedge derivatives to income statement				(36)		(36)	(17)	(53)
Actuarial gains (losses) recognized in equity				79		79	42	121
Translation differences				(71)		(71)	(77)	(148)
Deferred taxes recognized in equity				(2)		(2)	(2)	(4)
Effect of the Cushman & Wakefield Group acquisition on equity attributable to the minority interest						0	155	155
Effect of the Sequana Capital Group deconsolidation on equity attributable to the minority interest						0	(672)	(672)
Effect of IFI's percentage ownership increase in IFIL				0		0	(281)	(281)
Change in scope of consolidation						0	1	1
Other changes				(50)		(50)	(27)	(77)
Profit for the year					444	444	221	665
Movements in equity accounts				221	(221)	0		0
<b>Total changes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>138</b>	<b>223</b>	<b>361</b>	<b>(659)</b>	<b>(298)</b>
<b>Equity at December 31, 2007</b>	<b>163</b>	<b>(70)</b>	<b>386</b>	<b>3,238</b>	<b>444</b>	<b>4,161</b>	<b>2,241</b>	<b>6,402</b>
<b>Note</b>	<b>29</b>	<b>29</b>		<b>29</b>			<b>31</b>	

## CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSE

€ in millions	2007	2006
Gains (losses) recognized directly in the cash flow hedge reserve	<b>78</b>	24
Transfer of fair value on cash flow hedge derivatives to the income statement	<b>(53)</b>	
Gains (losses) recognized directly in the reserve for fair value adjustments of available-for-sale financial assets	<b>(115)</b>	916
Deferred taxes recognized in equity	<b>33</b>	(41)
Transfer of fair value to income statement	<b>(37)</b>	(3)
Gains (losses) recognized directly in the reserve for translation differences	<b>(148)</b>	(144)
Actuarial gains (losses) recognized directly in equity	<b>121</b>	38
<b>Income (expense) recognized directly in equity</b>	<b>(121)</b>	790
Profit attributable to the equity holders of the company and the minority interest	<b>665</b>	795
<b>Total recognized income and expense</b>	<b>544</b>	1,585
- attributable to the equity holders of the company	<b>392</b>	739
- attributable to the minority interest	<b>152</b>	846

## CONSOLIDATED STATEMENT OF CASH FLOWS

€ in millions	2007	2006
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		
Profit attributable to the equity holders of the company and the minority interest	665	400
Elimination of income and expenses not affecting cash:		
Share of the profit (loss) of companies accounted for by the equity method	(587)	(352)
Depreciation, amortization, impairments and accruals	110	212
Gains (losses) on disposals	(20)	(53)
Other income (expenses)	36	(52)
Current and deferred income taxes	43	52
Dividends received from investments	126	93
Income taxes paid	(32)	(20)
Change in working capital	(5)	(126)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>336</b>	<b>154</b>
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment and intangible assets	(87)	(195)
Proceeds from disposal of property, plant and equipment and intangible assets	39	194
Acquisition of the Cushman & Wakefield Group, net of cash acquired	(418)	0
Other investments in non-current financial assets by IFI, IFIL and companies of the Holdings System	(562) (a)	(177)
Other investments in current financial assets made by companies consolidated line-by-line	(61)	0
Sales of non-current financial assets	27	463
Change in scope of consolidation	0	(17)
Sale of 22% stake in the Sequana Capital Group, net of cash deconsolidated	19 (b)	0
Other flows provided by divestiture activities	752 (c)	96
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>	<b>(291)</b>	<b>364</b>
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>		
Dividends paid by consolidated companies to the minority interest	(41)	(198)
Increase (decrease) in capital stock subscribed to by the minority interest	0	8
Capital increase from the exercise of stock options	0	13
New loans secured	1,233	236
Loans repaid	(322)	(731)
Net effect of securitization of the Alpitour Group trade receivables	9	9
Other flows provided by (used for) financing activities	(253)	(63)
<b>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</b>	<b>626</b>	<b>(726)</b>
<b>EFFECT OF CHANGE IN FOREIGN CURRENCIES</b>	<b>(7)</b>	<b>(9)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>664</b>	<b>(217)</b>
<b>CASH AND CASH EQUIVALENTS, AT START OF THE YEAR</b>	<b>255</b>	<b>472</b>
<b>CASH AND CASH EQUIVALENTS, AT END OF THE YEAR</b>	<b>919</b>	<b>255</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>664</b>	<b>(217)</b>

(a) Of which € 348 million refers to the purchase of IFIL ordinary shares, € 121 million to the purchase of SGS shares, € 35 million to the subscription of Gruppo Banca Leonardo capital stock increase, € 27 million to the subscription of DLMD bonds, € 19 million to Ancom USA purchases, € 11 million to the investment in NoCo B and € 1 million to other minor investments.

(b) For additional information, reference should be made to Note 18.

(c) These mainly refer to forms of investments of liquidity which at the end 2007 are classified in cash and cash equivalents (in 2006, the liquidity was invested in short-term financial assets).

The reconciliation between cash and cash equivalents in the statement of cash flows and the corresponding lines on the balance sheet is presented in Note 27.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. General information on the activities of the Group

IFI – Istituto Finanziario Industriale S.p.A. (abbreviated in IFI S.p.A.) is a corporation organized under the laws of the Republic of Italy.

The head office of the company is located in Turin, Italy, Corso Matteotti 26.

The ordinary capital stock of the company is held entirely by Giovanni Agnelli e C. S.a.p.az. IFI preferred stock is listed on the Electronic Share Market of the Italian stock exchange (Blue Chip segment).

The assets of the company are represented by its controlling investment in IFIL Investments S.p.A., for 69.99% of ordinary capital stock.

Additional information is presented in the section “IFI Group Profile” of the Directors’ Report on Operations.

### 2. Basis of presentation of the consolidated financial statements

The consolidated financial statements at December 31, 2007 of the IFI Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission. 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).

The consolidated financial statements have also been prepared in accordance with the provisions contained in Consob Resolutions 15519 and 15520 and in Communication 6064293 dated July 28, 2006, in accordance with art. 9, paragraph 3, of Legislative Decree 38 dated February 28, 2005.

The consolidated financial statements of the IFI Group are expressed in millions of Euro.

### 3. Format of the consolidated financial statements

The consolidated income statement is presented using a classification based on the nature of expenses as this is believed to provide information that is more relevant than one based on the function of expenses as presented by the operating companies consolidated line-by-line.

The consolidated balance sheet makes a distinction between current and non-current assets, in accordance with IAS 1.

The consolidated statement of changes in equity presents the total income and expense recognized directly as an increase and decrease of reserves in a specific section.

The consolidated statement of cash flows is presented using the indirect method. Income and expenses for the year are adjusted by the effects of non-monetary transactions, by past or future deferrals or accruals of operating collections or payments and by financial elements due to investment or financing activities.

The Euro is the functional currency and presentation currency of the Group.

#### **4. Unusual and/or atypical transactions and significant nonrecurring events and transactions and related party transactions**

In 2007, there are no significant unusual and/or atypical transactions, also on the basis of information received from the companies of the Group, that are required to be disclosed pursuant to and as defined by Consob Communication 6064293 dated July 28, 2006.

With regard to significant nonrecurring events and transactions, the following is noted:

##### ***Consob sanctionary measure***

On December 5, 2007, the Court of Appeals of Turin reduced the administrative sanction imposed on IFIL S.p.A. by Consob from € 4.5 million to € 1 million with regard to the contents of the press release issued on August 24, 2005.

The refund requested as a result of the reduction of the sanction is equal to € 3.5 million, including interest earned, and is recorded in nonrecurring income in 2007.

Additional information is disclosed in the Directors' Report on Operations.

##### ***Sale of a stake in the investment in Sequana Capital S.A.***

On July 6, 2007, the subsidiary Ifil Investissements S.A. reached an agreement for the sale of an approximate 22% stake in Sequana Capital S.A. to DLMD – a company controlled by Pascal Lebard, general manager of Sequana Capital S.A.

After having obtained approval from the competent authorities, on July 27, 2007, Ifil Investissements S.A. sold 10,806,343 Sequana Capital shares at € 21 per share for a total equivalent amount of € 227 million. On consolidation, the disposal generated a loss of € 55 million, including transaction costs, recognized in "Discontinued operations or assets held for sale" (Note 18).

Ifil Investissements S.A. partially financed the deal by subscribing S-Bonds issued by DLMD, maturing on July 27, 2010, for a total equivalent amount of € 27 million.

Note 14 discloses other minor nonrecurring transactions.

The balance sheet and income statement balances generated by transactions with related parties are summarized and commented in Note 41.

#### **5. Significant accounting policies**

##### **Consolidation**

The companies in which the IFI Group has the power to exercise control, directly or indirectly, by determining the financial and operating policies of an enterprise so as to gain benefits from its activities are consolidated line-by-line, attributing to the minority interest the share of equity and the net result.

The financial statements of subsidiaries as defined above are included in the consolidated financial statements from the date that control by the Group commences until the date that control ceases.

Pending an opinion by the IASB, which has also been requested by the European Commission by letter dated October 26, 2006, that will definitively clarify the criteria that will permit a verification of the presence of de facto control in accordance with IAS 27, the IFI Group has continued to exclude the Fiat Group, in which the subsidiary IFIL S.p.A. has a 30.45% holding of ordinary capital stock, from line-by-line consolidation consistently with the method followed for the first-time adoption of IFRS and the preparation of the consolidated financial statements at December 31, 2005 and December 31, 2006. However, in order to provide more meaningful disclosure, Note 44 presents the consolidated proforma data as if the Fiat Group had been consolidated line-by-line.

The investment in the Fiat Group, subsidiaries excluded from consolidation, joint ventures, associates and other investments accounted for by the equity method are stated according to the criteria indicated in "Investments in unconsolidated companies".

The results of discontinued operations or assets held for sale which meet the specific requirements of IFRS 5 are shown separately and correspond to the results achieved up to the time of disposal, after taxes and other direct attributable costs, as well as the gains (losses) on their sale.

The share of the equity and the results of operations attributable to the minority interest are disclosed separately. The minority interest in equity is determined on the basis of the fair value attributed to the assets and liabilities at the date of the acquisition of control, excluding any goodwill referring to them.

When losses in a consolidated subsidiary pertaining to the minority interest exceed the minority interest in the subsidiary's capital stock, the excess, or deficit, is charged to the Group, unless the minority interests are expressly committed to reimbursing the losses, in which case the excess is recorded as an asset in the consolidated financial statements. If no such commitment is in place, should profits be realized in the future, the minority interests' share of those profits will be attributed to the Group, up to the amount necessary to recover the losses previously absorbed by the Group.

The effects of subscribing to capital stock increases when there are different issue prices for the various classes of stock are recognized as changes in equity.

Date of reference. Investments are consolidated using the financial statements at December 31, the closing date of the parent, which covers a 12-month period, or accounting data prepared as of the same date (when the closing date differs from that of the parent), adjusted, where necessary, to conform with the accounting principles of the Group. The Alpitour Group, which fiscal year ends on October 31 of each year, is consolidated line-by-line on the basis of the consolidated financial statements ended on that date, since it is impossible to obtain the consolidated accounting data at December 31, on a timely basis without disproportionate expense. Between November 1 and December 31, 2006 and 2007, there were no significant transactions or events which would have required adjustments to the consolidated financial statements of the Alpitour Group. This treatment is allowed by IAS 27 – Consolidated and Separate Financial Statements.

Intragroup transactions. Intragroup balances and significant transactions and any unrealized gains and losses between companies consolidated line-by-line are eliminated. Unrealized gains and losses arising from transactions with companies accounted for by the equity method are eliminated to the extent of the Group's interest in those companies. Intragroup losses are not eliminated if they are considered representative of an effective lower value of the asset sold.

### **Business combinations**

Acquisitions of companies and business segments are recorded using the purchase method of accounting. The cost of an acquisition is measured as the sum of the fair value (at the acquisition date) of the assets given (consideration paid), liabilities incurred or assumed and any equity instruments issued by the Group in exchange for the acquisition of the control of the acquired company, plus each cost directly attributable to the acquisition. The identifiable assets, liabilities and contingent liabilities of the company acquired, which meet the conditions for recognition under IFRS 3, are recognized at their fair value at the acquisition date, except for non-current assets (or Groups of assets held for sale) which are classified as held for sale, in accordance with IFRS 5, and are recognized and measured at fair value net of selling costs.

Goodwill originating on acquisition is recognized in assets and recorded initially at cost, measured as the excess of the cost of acquisition over the Group's interest in the fair value of the recognized identifiable assets, liabilities and contingent liabilities. If this interest exceeds the cost of acquisition, the values are re-examined and if there is still an excess, it is recognized immediately in the income statement.

The share of the minority interest in the company acquired is recognized initially at the fair value of the assets, liabilities and contingent liabilities recognized.

#### **Investments in unconsolidated companies**

The investment in the Fiat Group and in associates (principally Sequana Capital) are accounted for by the equity method. Under this method, such investments are stated at cost, increased or decreased by the Group's share of the fair value of the post-acquisition movements in the net assets of the company and any impairment of the investment. When the Group's share of any losses in the unconsolidated companies exceeds its interest, the Group only recognizes the losses if it has assumed legal or constructive obligations or has made payments on behalf of these companies.

Any excess of the cost of acquisition over the Group's interest in the fair value of the assets, liabilities and contingent liabilities of the investees recorded at the date of acquisition is recognized as goodwill. Goodwill is included in the carrying amount of the investment and is tested for impairment in accordance with IAS 36.

#### **Intangible assets**

Goodwill. In the case of acquisitions of businesses, the acquired identifiable assets, liabilities and contingent liabilities are recorded at fair value at the date of acquisition.

The excess of the cost of acquisition over the Group's interest in the fair value of those assets and liabilities is classified in the assets in the balance sheet. Goodwill relating to the minority interest of subsidiaries acquired is eliminated. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the income statement at the date of acquisition.

Goodwill is not amortized, but is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, in accordance with IAS 36 – Impairment of Assets. Goodwill is allocated to cash-generating units or Groups of cash-generating units representing the operating level at which the Group controls the rate of return of the investments.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Impairment losses on goodwill are not reversed.

On disposal of a part or the whole of a business which was previously acquired and which gave rise to the recognition of goodwill, the residual amount of the related goodwill is included in the determination of the gain or loss on disposal.

In the context of IFRS First-time Adoption, the Group elected not to apply IFRS 3 – Business Combinations retrospectively to the acquisitions of businesses that occurred before January 1, 2004; as a consequence, goodwill arising on acquisitions before the date of transition to IFRS has been retained at the previous Italian GAAP amounts, subject to being tested for impairment at that date.

Other intangible assets: purchased or internally-generated are recognized as assets in accordance with IAS 38 – Intangible Assets when they are controlled by the enterprise, where it is probable that the use of the asset will generate future economic benefits and where the costs of the asset can be determined reliably.

Revaluations are not permitted even if allowed by specific laws.

Such assets are measured at purchase or manufacturing cost and amortized systematically on a straight-line basis over their estimated useful lives, if these assets have finite useful lives, taking into account estimated realizable value and writedowns for impairment losses. Intangible assets with indefinite useful lives and those not yet in production are not amortized, but tested for impairment annually and more frequently, whenever there is an indication that the asset may be impaired. When, subsequently, there is an indication that an impairment loss may no longer exist or may have decreased, the carrying amount of the asset is increased up to the new estimated recoverable amount which cannot exceed the amount which would have been determined had no impairment loss been recognized. The reversal of an impairment loss is recognized immediately in the income statement.

Intangible assets with a finite useful life are amortized from the time they are ready for use on a straight-line basis over the estimated useful life.

Other intangible assets recognized following the acquisition of an enterprise are capitalized separately from goodwill if they meet the definition of intangible asset and if their fair value can be measured reliably. The costs of such intangible assets are represented by their fair value at the date of acquisition.

Amortization plans and any realizable value are reviewed at least annually.

Players' registration rights: are recognized at the cost of acquisition, discounted to present value if there is an installment payment plan, including any additional costs. Such rights are recognized initially on the date affixed by the *Lega Nazionale Professionisti* giving execution to the contracts for national transfers and the transfer date indicated by the *Federazione Italiana Giuoco Calcio* for international transfers.

Players' registration rights also include sharing receivables and payables ex. art 102 bis of the N.O.I.F (Internal Organizational Rules issued by the Italian Soccer Federation – F.I.G.C.). Player sharing receivables represent the value of the simultaneous repurchase of 50% of the registration rights of the players sold. They are recorded at the adjusted cost and amortized net of any residual value estimated at the end of the useful life. If the residual value is equal to or higher than the historical cost of recognition, the amortization is zero. Adjusted cost is the lower of the cost incurred originally under the legal form of agreement between the parties and the actual repurchase value. Player sharing payables represent 50% of the value at which the player sharing rights were sold and are deducted from the registration rights of the players sold to show the actual portion disposed of. As a result, the amortization of players' registration rights (the residual portion of the sharing right that was sold) is calculated on that lower cost.

Players' registration rights are amortized on a straight-line basis over the term of the contract between the subsidiary, Juventus Football Club, and the individual professional players. The original amortization plan can be extended due to the early renewal of the contract, from the season in which the renewal takes place. For youth players registered as "*giovani di serie*", amortization is taken over five years on a straight-line basis.

When there is an indication that the players' registration rights might be impaired they are tested for impairment by considering the following factors:

- identification and direct analysis by management, which, at its discretion, may be assisted by an external expert, of objective parameters to be used in assessing the value of the players' registration rights (e.g. player's role and age, analysis of the values at which the players were transferred in the most recent transfer campaigns, call-up to the national teams, etc.);
- identification of the individual rights as cash-generating units, without the possibility of compensating this with the revaluation of other rights which could have emerged from the assessment in the previous point. An individual analysis is made since it is believed that the first impairment indicator can be identified for each single registration right;
- carrying out another possible test of the recoverability of the overall investment by analyzing other factors linked with the team as a whole; this is to consider whether there could be an impairment loss even when there are no impairment indicators (or impairment losses) at the level of the individual registration right.

#### **Property, plant and equipment**

Property, plant and equipment are stated at purchase or production cost less accumulated depreciation and impairment losses. Revaluations are not permitted, even if allowed by specific laws.

Purchase cost includes all directly attributable costs necessary to make the asset ready for use. When there are current obligations for decommissioning, the carrying amount includes the estimated costs (discounted to present value) to be incurred when the structure is decommissioned which is recognized with an offsetting entry to a specific provision account.

Any capital investment grants are recorded in the balance sheet in liabilities and subsequently allocated systematically to the income statement in relation to the relative depreciation of the assets.

Financial expenses associated with investments are generally charged on the accrual basis to the income statement.

Assets acquired under finance leases are recognized in property, plant and equipment with an offsetting entry to financial payables to lessors and depreciated on the basis indicated below. Whenever there is a reasonable certainty that the asset will not be purchased at the end of lease, depreciation is taken over the period of the lease, if shorter than the useful life of the asset.

If an asset has significant components with different useful lives, these components are recorded and depreciated separately.

Subsequent purchase costs are capitalized only if they increase the future economic benefits of the assets to which they refer. All other costs are recognized in the income statement when incurred.

Property, plant and equipment are depreciated systematically using the straight-line method, from the time they are ready for use, over their estimated useful lives and taking into account estimated realizable value. The carrying amounts are periodically tested for impairment. When, subsequently, there is an indication that an impairment loss may no longer exist or may have decreased, the carrying amount of the asset is increased up to the new estimated recoverable amount which cannot exceed the amount which would have been determined had no impairment loss been recognized. The reversal of an impairment loss is immediately recognized in the income statement.

The estimated useful lives for the main categories of property, plant and equipment are as follows:

Buildings	from 10 to 40 years
Plant and machinery	from 5 to 20 years
Industrial equipment	from 5 to 20 years
Other assets	from 3 to 25 years

The depreciation plan and the estimate of realizable value are reviewed annually.

The cost of land is recorded separately and is not depreciated since it has an indefinite life.

#### **Non-current other financial assets**

Financial investments are recognized and reversed on the trading date if the purchase or sale of an investment is made through a contract which terms require the delivery according to the terms established by the reference market and are initially measured at fair value, increased by transaction costs.

Such financial investments are classified in the following categories: available-for-sale investments and securities and other financial assets held to maturity.

Available-for-sale investments: are measured at fair value which coincides, for listed investments, with the market price on the last day of the reporting period translated, if necessary, at the year-end exchange rate. Unrealized gains and losses are recognized directly in equity, net of the relevant deferred tax effect. If there is objective evidence that the asset is impaired, the cumulative loss that was recognized directly in equity should be reversed and recognized in the income statement. The reversal of such impairment losses may not later be made through the income statement. Upon disposal of the asset, the accumulated gains or losses previously recognized in equity are transferred to the income statement.

Dividends on investments held for sale are recognized in the income statement when the Group has the right to receive them.

Available-for-sale securities: represented by debt securities, are initially recognized at cost and subsequently measured at fair value. The difference is recognized in equity. If there is objective evidence that the asset is impaired, the cumulative loss that was recognized directly in equity is reversed and recognized in the income statement. Such impairment losses, when the reasons which gave rise to them no longer exist, are reversed in the income statement but only up to the initial amount.

Securities, security deposits and other financial assets: held to maturity are recognized and measured at amortized cost.

The amortized cost of a financial asset is the amount at which the financial asset is recognized initially net of the repayment of principal, adjusted down on the basis of the total amortization of any difference between the initial amount and the maturity amount using the effective interest method, less any writedown (made directly or through the use of an accrual) for impairment or uncollectibility.

The effective interest rate is a method for calculating the amortized cost of a financial asset and allocating the interest over the period of reference. The effective interest rate is the rate that exactly discounts future cash flows for estimated collections (including transaction costs paid) over the expected life of the financial instrument or, if appropriate, over a shorter period.

**Current financial assets**

Current financial assets include equity shares, credit instruments and other forms of investment of liquidity, as well as derivative instruments for trading.

Financial assets purchased originally for resale in the short-term are measured at year end at fair value using, for listed securities, the market price translated, if necessary, at the year-end exchange rate. The fair value adjustment of current financial assets is recorded with an offsetting entry in the income statement.

**Cash and cash equivalents**

Cash and cash equivalents represent highly liquid short-term financial investments which can be readily converted into cash and are subject to an insignificant risk of a change in their value.

**Inventories**

Inventories are stated at the lower of purchase or production cost and estimated realizable value determined using the weighted average cost method or FIFO (First In, First Out).

Inventories of finished and semifinished goods included direct costs of materials and labor and indirect variable and fixed overheads, excluding general and administrative expenses. The market price takes into account writedowns for inventory obsolescence.

**Assets held for sale**

Assets, or a Group of assets and liabilities (that must not be offset), which are highly probable of being sold within the next year and are available for immediate sale in their current condition, are classified on specific lines on the balance sheet. If they represent significant sectors of activities, the relative results are shown separately in the income statement. In order to meet this condition, management must be committed to a plan to sell, which is highly probable of taking place within one year of classification in this category. The disclosure relating to the results of such assets, is shown separately also for the prior period.

Such assets are stated at the lower of the net carrying amount and fair value less costs to sell. Any impairment loss that arises should be recorded in the income statement. The impairment loss should eventually be reversed if the reasons for the impairment no longer apply, but only up to the initial amount. From the time the asset is recognized as an asset held for sale, amortization and depreciation cease. Financial expenses and expenses attributable to the liabilities of a disposal Group classified as held for sale should continue to be recognized.

When the conditions which led to the recognition of an asset as held for sale no longer apply, it should be reclassified to non-current assets and stated at the lower of the carrying amount before being designated as held for sale and its recoverable amount at the date of the subsequent decision not to sell the asset; the difference is recognized in the income statement.

**Receivables and payables**

Receivables are initially recognized at their nominal amount which substantially coincides with fair value.

If there is objective evidence of an impairment loss or a risk that the Group will not be able to collect the contractual amount (principal and interest) at the contractually agreed dates, a provision is set aside which corresponds to the difference between the asset's carrying amount and the present value of estimated recoverable future cash flows, discounted at the effective interest rate.

Payables are initially recognized at their nominal amount, reduced by expenses incurred to assume them and increased by interest expense due, if any. Payables are subsequently measured at amortized cost using the effective interest method.

Receivables sold with recourse remain in the balance sheet of the assignor which records a payable to the buyer against collection and the financial expense to be incurred. Receivables sold without recourse are only derecognized if it can be

demonstrated that the risks and rewards relating to the asset have been effectively transferred to the assignee.

Consequently, all receivables sold which do not meet IAS 39 derecognition requirements remain in the Group financial statements even though they have been legally sold. A corresponding financial liability is recorded in the consolidated balance sheet in debt. Gains and losses relating to the sale of such assets are not recognized until the assets are removed from the Group balance sheet.

### **Debt**

Interest-bearing debt is recognized at cost which corresponds to the fair value of the amount received net of directly attributable costs. Debt is subsequently measured at amortized cost. The difference between amortized cost and the amount to be repaid is recognized in the income statement on the basis of the effective interest rate over the period of the loan.

Debt is classified in current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

The amortized cost of a financial liability is the amount at which the financial liability was recognized initially net of principal repayments, increased or decreased by the total amortization on any difference between the initial amount and the maturity amount using the effective interest method.

The effective interest rate is a method for calculating the amortized cost of a financial liability and allocating the interest over the period of reference. The effective interest rate is the rate that exactly discounts future cash flows for estimated payments (including transaction costs paid) over the expected life of the financial instrument or, if appropriate, over a shorter period, at the net carrying amount of the financial liability.

### **Derivative financial instruments and hedging relationships**

Derivative financial instruments are recognized initially at fair value at the date the contracts are entered into and are subsequently measured at fair value at year-end. The resulting gains or losses are recognized in the income statement immediately, unless the derivative is designated and is effective as a hedging instrument, in which case the times for recognition in the income statement depend upon the nature of the hedging relationship. The Group designates certain derivatives as fair value hedges of certain assets or liabilities recognized in the financial statements or as cash flow hedges of certain highly probable forecast transactions.

A derivative is classified as a non-current asset or liability if the maturity date of the instrument is beyond 12 months and it is not expected to be realized or settled within 12 months. Other derivatives are classified as current assets or liabilities.

Financial instruments qualify for hedge accounting only when there is formal designation and documentation, including the company's risk management objective and strategy, and the hedge, verified periodically, is highly effective.

When financial instruments qualify for hedge accounting, the following accounting treatment applies:

- Fair value hedge: where a derivative financial instrument is designated as a hedge of the exposure to changes in fair value of a recognized asset or liability that is attributable to a particular risk and could affect the income statement, the gain or loss from re-measuring the hedging instrument at fair value is recognized in the income statement, together with the change in fair value of the hedged item. The gain or loss from the change in fair value of the hedging instrument is recognized on the same line of the income statement as the hedged item.

- **Cash flow hedge:** where a derivative financial instrument is designated as a hedge of the exposure to variability in cash flows of a recognized asset or liability or a highly probable forecast transaction and could affect profit and loss, the effective portion of any gain or loss of the derivative financial instrument is recognized directly in equity. The cumulative gain or loss is removed from equity and recognized in the income statement at the same time in which the hedged transaction affects the income statement. The gain or loss associated with a hedge or part of a hedge that has become ineffective is recognized in the income statement immediately. When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss realized to the point of termination remains in equity and is recognized in the income statement at the same time the related transaction occurs. If the hedged transaction is no longer probable, the cumulative unrealized gain or loss held in equity is recognized in the income statement immediately.

If the conditions of IAS 39 are not met, the transactions, even if they have been set up for the purpose of managing risk exposure, are classified and measured as trading transactions. In that case, the difference from fair value is recognized in the income statement.

#### **Employee benefits – Pension plans**

The companies of the Group offer their employees various forms of pension plans with specific characteristics that vary according to the law, the regulations and the practices in the countries in which they operate.

The pension plans are currently either defined contribution or defined benefit plans.

Under defined contribution plans, the Group pays contributions to outside, legally separate entities with administrative autonomy, which frees the employer from any subsequent obligation as the outside entity assumes the commitment to pay what is due to the employee.

Consequently, the Group companies record the contribution paid as an expense and no additional obligation is recognized.

Defined benefit plans include post-employment benefits, other than those under defined contribution plans. Under defined benefit plans, the Group companies have the obligation to set aside the costs relating to the benefits guaranteed to their employees in service and pay retired employees. The actuarial risk and the investment risk are thus substantially borne by the companies of the Group.

Defined benefit plans, which, for the Italian companies, include employee severance indemnities accrued to December 31, 2006, are measured by actuarial techniques using the Project Unit Credit Method.

As provided by the amendment to IAS 19 – Employee Benefits, issued by the IASB in December 2004, the Group elected to recognize actuarial gains and losses immediately in the period in which they arise, outside the income statement, in a statement of recognized income and expense.

All cumulative actuarial gains and losses that existed at January 1, 2004 have been recognized in equity.

For defined benefit plans without plan assets, the expenses relating to the increase in the present value of the obligation, due to the fact that the payment date of the benefits is nearing, are recognized in financial expenses.

Payments relative to defined contribution plans are recognized as an expense in the income statement as incurred.

The liability for defined benefit plans is calculated on an individual basis and takes into account life expectancy, personnel turnover, salary changes, revaluation of the yields, inflation and the present value of the amounts to be paid. The specific assumptions of each plan take into account the local economic conditions.

Defined benefit plans are in some cases covered by financial assets managed outside the Group companies. In those cases, the amount recognized in the financial statements for such liabilities corresponds to the difference between present value of future services (actuarial liability) and the market value of the assets invested that are intended to cover the liability, increased by losses or decreased by unrecognized (or not yet recorded) gains and, in any case, taking into account the surplus cap limit for assets established by paragraph 58 of IAS 19. When the result of this calculation shows a net obligation it is recognized in a provision under liabilities, in the reverse case, an asset is recognized.

Beginning January 1, 2007, the liability for employee severance indemnities only refers to the amount accrued up to December 31, 2006 which continues to be an obligation of the company. Following the coming into effect of the supplementary pension reform (Legislative Decree 252 dated December 5, 2005) resulting from Law 296 dated December 27, 2006 (Budget Law 2007), the liability, since it refers to a benefit that has been completely accrued, has been re-measured without the pro-rata application of the service rendered and without considering future salary increases in the actuarial calculations. The difference resulting from the new calculation compared to the amount recognized in the financial statements (curtailment) was recorded, in accordance with IAS 19, paragraph 109, in the income statement (€ 1.3 million) in "Employee severance indemnity expenses".

Starting January 1, 2007, the portion of employee severance indemnities accrued and paid to supplementary pension funds is considered a defined contribution fund since the company's obligation to its employees ceases upon payment of the portion accruing to the pension fund. Likewise, the payment of the portion of employee severance indemnities accruing to the INPS Treasury Fund is accounted for as a payment to a defined contribution fund in that the company is not required to make further payments, other than those provided in the Ministerial Decree of January 30, 2007, whenever the fund does not have sufficient assets to ensure payment of the benefit to the employee.

#### **Employee benefits – Stock option plans**

Stock-based payments to employees are measured at the fair value of the equity instruments at the grant date. In accordance with IFRS 2 – Share-based Payment, the full amount of the fair value of stock options at the grant date is recognized in the income statement in personnel costs on a straight-line basis over the period from the grant date to the vesting date with an offsetting entry directly in equity, based upon an estimate of the number of options that is expected to become exercisable. Changes in fair value after the grant date have no effect on the initial measurement.

The cost is recalculated each year based upon a revision of the above-indicated estimate.

In accordance with IFRS 2, the Group has applied this standard to stock options granted after November 7, 2002 and not yet vested at the effective date of IFRS 2 (January 1, 2005).

In the event the plans require a monetary payment equal to the increase in the value of the enterprise, the fair value of the liability of the plan is re-measured at each reporting date until its extinction and the cost is recognized in the income statement.

### **Provisions for other liabilities and charges**

Provisions for other liabilities and charges refer to costs and expenses of a determinate nature which are certain or likely to be incurred but, at the balance sheet date, are uncertain as to the amount or as to the date on which they will arise. Accruals are recorded when there is an obligation, legal or constructive, resulting from a past event, when it is probable that the use of resources will be required to satisfy the obligation and when a reliable estimate of the amount of the obligation can be made.

The amount recognized in the financial statements as the provision for other liabilities and charges expresses the best estimate of the monetary resources necessary to extinguish the current obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When the accrual is determined by using estimated cash flows to extinguish the obligation, the carrying amount is represented by the discounted present value of those cash flows.

Changes in estimates are recorded in the income statement in the period in which the change occurs.

The accruals mainly refer to environmental or legal risks and accruals for restructuring operations.

#### Accruals for environmental or legal risks

In general, environmental and legal risks are evaluated case by case. The accrual, if any, is booked on the basis of the best information available, on condition that this information makes it possible to determine a probable loss that is estimated in a sufficiently reliable manner.

#### Accruals for restructuring operations

An accrual for restructuring operations is booked on condition that a detailed and formal restructuring plan has been approved and that the restructuring has begun or the details of the restructuring plan have been made public and that valid expectations of it have been raised.

### **Treasury stock**

The cost of any IFI treasury stock purchased and/or held, also through subsidiaries, as a result of specific stockholder resolutions are recognized as a deduction of equity and, therefore, the reserve offsetting treasury stock in portfolio is not shown separately. The proceeds from any subsequent sale are recognized as movements in equity.

### **Income taxes**

Current income taxes are calculated according to the tax laws in force in the countries in which the companies of the Group operate on the basis of the taxable income for the year. Taxable income is different from the income expressed in the consolidated financial statements in that it excludes costs and revenues that become taxable or deductible in other years and also excludes items which are never taxable or deductible.

Temporary differences between the amounts of assets and liabilities in the financial statements and the corresponding amounts for tax purposes give rise to temporarily deferred tax liabilities on the taxable temporary differences that are recorded in a specific provision in liabilities. Deferred tax assets relating to the carryforward of unused tax losses, as well as those arising from temporary differences, are recognized to the extent that it is probable that future profits will be available against which they can be utilized.

Deferred tax assets and liabilities are measured at the tax rates expected to apply to taxable income in the periods in which temporary differences will reverse. Deferred income tax assets and liabilities are offset where there is a legally enforceable right of offset.

Deferred tax assets and liabilities are shown separately from other receivables and taxes payable in a specific caption under non-current assets or liabilities.

Current and deferred income taxes are recognized in the income statement except for those relating to items debited or credited directly in equity. With regard to business combinations, the tax effect is taken into consideration in determining the excess of the cost of acquisition over the fair value of the assets, liabilities and contingent liabilities, while no tax effect is attributed to the residual amount represented by goodwill.

#### **Transactions in foreign currency and consolidation of foreign entities**

The financial statements of each Group company are presented in the functional currency of the economic environment in which they operate. For purposes of the consolidated financial statements of the Group, the financial data of these companies is translated into Euro which is the currency of the parent and the presentation currency of the consolidated financial statements.

In the preparation of the financial statements of the individual companies of the Group, the transactions expressed in currencies other than the functional currency are recorded at the exchange rate in effect at the transaction date. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate prevailing at that date. Non-monetary items are measured at historical cost and are not translated. Exchange differences arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period or in previous financial statements are recognized in the income statement.

For purposes of the presentation of the consolidated financial statements, the assets and liabilities of foreign companies with functional currencies different from the Euro and which are included in the scope of consolidation are translated using the exchange rate in effect at the date of reference (current exchange method). Items in the income statement and cash flows in the statement of cash flows are translated at the average exchange rate for the year. The translation differences resulting from the application of this method are classified in equity until the sale of the investment.

Goodwill and fair value adjustments generated by the acquisition of a foreign entity are recognized in the respective currency and translated at the year-end exchange rates.

#### **Revenue recognition**

Revenues are formed mainly by sales of services produced within the major business segments of the Group and are stated net of any adjusting items.

Revenues from services are recognized by reference to the stage of completion of the transaction at the balance sheet date and measured on the basis of the services rendered.

In particular, revenues are recognized in the main business segments as follows:

#### Cushman & Wakefield Group

The Cushman & Wakefield Group's revenues are categorized into transaction services and non-transaction services. Non-transaction services include primarily capital market services and client solutions (financial advisory, asset management, valuation, corporate real estate services, and research). Fees related to transaction services are recognized as revenue at the time the related services are fully performed and the amount can be measured reliably, unless significant material future contingencies exist; in which case they are recognized when the contingency is resolved.

Asset management fees are recognized as revenue when earned, typically on a monthly basis as services are rendered.

Other revenues for fees related to non-transaction services are recognized when the assignment has been completed. Fees for ongoing professional services are recognized as revenue when earned, which is when services are rendered.

The Cushman & Wakefield Group recognizes certain reimbursements (primarily salaries and related charges) mainly related to the facilities and property management operations as revenue when the underlying reimbursable costs are incurred.

#### Alpitour Group

Sales of tourist packages, airplane transportation services and brokering revenues are recognized based on the departure date.

Revenues for hotel services and services rendered in connection with the incoming sector are recognized in the income statement at the service performance date.

Premiums connected with reinsurance activities are recognized in the income statement on the client's departure date since the insurance coverage is strictly related to the travel package.

#### Juventus Football Club

Revenues from games and from radio and television rights and media income are recognized at the actual moment of the event (when the game is played). Revenues from season tickets are recognized when the tickets are paid even if payment is received at the end of the season preceding the season to which the tickets refer and are deferred on the accrual basis using the same principle (when the game is played).

Revenues from the performance of services (including sponsorships) are recognized on the basis of the stage of completion of the service or upon completion of the service.

Revenues are recorded net of returns, discounts and allowances.

Gains and losses from the sale of players' registration rights are recognized according to the date affixed by the *Lega Nazionale Professionisti* giving execution to the contracts for national transfers and the transfer date indicated by the *Federazione Italiana Giuoco Calcio* for international transfers.

Gains from the sale of players' registration rights, in which 50% is simultaneously repurchased, are adjusted for 50% of their amount in order to recognize in the income statement the income accrued for the portion of the deferred rights actually transferred through the sale. The remaining amount of the gain, instead, will only be realized upon termination of the player-sharing agreement when the player leaves the company. If there is a loss on the sale of the players' right which precedes the signing of the player-sharing contract, this loss, on the contrary, is not adjusted for IFRS purposes. This is due to the fact that the loss is comparable to the effect of an impairment test of the deferred right, under the assumption that the moment in time in which right is disposed of represents the moment in which the loss arose.

#### IFI, IFIL and the IFIL Holdings System

Financial income is recognized according to the accrual principle on the basis of the effective rate of return.

Dividends from investments accounted for at cost are recognized in the income statement when they are approved and only from the earnings generated after the purchase of the investment holding. Instead, when the dividends are distributed from

reserves generated before acquisition, the dividends are recognized as a deduction from the cost of the investment holding.

Dividends from available-for-sale investments and investments held for trading are recognized in the income statement upon approval of the appropriation.

#### **Commission expenses**

Commissions payable to brokers are recorded at the time the Cushman & Wakefield Group recognizes its brokerage commission revenues and are generally not paid until after the collection of the related commissions receivable.

#### **Other nonrecurring income (expenses)**

Other nonrecurring income (expenses) include the gains and/or the losses on the disposal of non-current assets other than discontinued operations or assets held for sale (the results of the latter are included in "Profit (loss) from discontinued operations or assets held for sale"). They may also include impairment losses on assets, restructuring costs, accruals and utilizations of provisions for liabilities.

#### **Earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to the equity holders of the company by the weighted average number of shares outstanding during the year, excluding treasury stock. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. The profit attributable to the equity holders of the company is also adjusted to take into account the effects, net of taxes, of the conversion.

Basic and diluted earnings per share is calculated on the result from continuing operations and the result from discontinued operations or assets held for sale.

#### **Segment information**

Given the characteristics of the investments held through the subsidiary IFIL S.p.A., the segment information coincides with the consolidated data of each subsidiary and associate operating holding company, each of which represents an investment in a primary reporting segment.

### **6. Use of estimates**

The preparation of financial statements and related disclosures that conforms to IFRS requires estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. The estimates and assumptions are based on experience and other factors that are considered to be relevant. Actual results could differ from those estimates. Estimates and assumptions are reviewed periodically and the effects of any changes are reflected immediately in the income statement in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments and the key assumptions concerning the future made in the process of applying the accounting policies and that may have the most significant effect on the amounts recognized in the consolidated financial statements or that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### **Recoverable amount of non-current assets**

Non-current assets include property, plant and equipment, intangible assets (including goodwill), investments and other financial assets and deferred tax assets. Each consolidated company periodically reviews the carrying amount of non-current assets held and used and assets that must be disposed of when events and circumstances warrant such a review. This review is performed using estimates of future cash flows from the use or disposal of the asset, as established in company plans, and suitable discount rates in order to calculate present value. If the carrying amount of a non-current asset is considered impaired, the companies of the Group record an impairment loss for the amount by which the carrying amount of the asset exceeds its estimated recoverable amount from use or disposal determined by reference to the Group companies' most recent plans.

### **Pension plans and other post-employment benefits**

Group companies sponsor pension plans and other health care plans in various countries. Management uses several statistical and judgmental factors that attempt to anticipate future events in calculating the expense, the liability and the assets related to these plans. These factors include assumptions about the discount rate, expected return on plan assets, rate of future compensation increases and health care cost trend rates. In addition, the Group companies' actuarial consultants also use subjective factors such as resignations and mortality rates in making relevant estimates.

### **Contingent liabilities**

The cases and claims against the companies of the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties and complexities, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. The companies of the Group accrue a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed in the notes.

## **7. Adoption of new accounting standards, amendments and interpretations issued by the IASB**

### Accounting standards, amendments and interpretations adopted by the Group in 2007

In August 2005, the IASB issued IFRS 7 – Financial Instruments: Disclosures and a complementary amendment to IAS 1 – Presentation of Financial Statements: Capital Disclosures. The European Commission endorsed IFRS 7 and the complementary amendment to IAS 1 with EC Regulation 108/2006 dated January 11, 2006.

IFRS 7 requires disclosures about the significance of financial instruments for an entity's financial position and performance. These disclosures incorporate many of the requirements previously in IAS 32 – Financial Instruments: Disclosure and Presentation. IFRS 7 also requires information about the extent to which the entity is exposed to risks arising from financial instruments, and a description of management's objectives, policies and processes for managing those risks.

The amendment to IAS 1 introduces requirements for disclosures about an entity's capital and has no effect on the valuation or classification of those items.

On March 3, 2006, IFRIC issued the interpretation IFRIC 9 – Reassessment of Embedded Derivatives. The European Commission endorsed IFRIC 9 with EC Regulation 1329/2006 dated September 8, 2006.

IFRIC 9 requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the original cash flows which would otherwise be called for by the contract.

On July 20, 2006, IFRIC issued the interpretation IFRIC 10 – Interim Financial Reporting and Impairment. The European Commission endorsed IFRIC 10 with EC Regulation 610/2007 dated June 1, 2007.

IFRIC 10 states that where an entity has recognized an impairment loss in an interim period on goodwill or on some financial assets, that impairment cannot be reversed in subsequent interim financial statements nor in the annual financial statements.

Accounting standards, amendments and interpretations not yet in effect and not early adopted by the Group

On November 30, 2006, the IASB issued the standard IFRS 8 – Operating Segments that will come into effect beginning January 1, 2009 and supersedes IAS 14 – Segment Reporting. The European Commission endorsed IFRS 8 with EC Regulation 1358/2007 on November 21, 2007. The new standard requires the information provided in segment reporting to be based upon the components of the entity that management uses to make decisions about operational matters. The standard requires these operating segments to be identified on the basis of internal reports that are regularly reviewed by management in order to allocate resources to the segment and assess its performance. The adoption of this standard will have no effect on the measurement of items in the financial statements.

On November 2, 2006, IFRIC issued the interpretation IFRIC 11 - IFRS 2 – Group and Treasury Share Transactions, applicable for annual periods beginning on or after March 1, 2007. The European Commission endorsed IFRIC 11 with EC Regulation 611/2007 on June 1, 2007.

IFRIC 11 establishes how to apply IFRS 2 – Share-based Payment to share-based payment arrangements with an entity's own equity instruments or equity instruments of another entity of the same Group.

On March 29, 2007, the IASB issued a revised version of IAS 23 – Borrowing costs. The standard is in effect from January 1, 2009. The new version removes the option of immediately recognizing as an expense borrowing costs that relate to assets that take a substantial period of time to get ready for use or sale. The standard will be applicable prospectively to borrowing costs relating to qualifying assets capitalized starting from January 1, 2009. At the date of this report, this standard has not yet been endorsed by the European Union.

On July 5, 2007 IFRIC issued the interpretation IFRIC 14 – IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. The interpretation is in effect from January 1, 2008. The interpretation provides general guidance on how to assess the limit in IAS 19 - Employee Benefits on the amount of the surplus that can be recognized as an asset. It also explains how the defined benefit asset or liability may be affected when there is a statutory or contractual minimum funding requirement. At the balance sheet date, this interpretation had not yet been endorsed by the European Union.

On September 6, 2007 the IASB issued a revised version of IAS 1 - Presentation of Financial Statements that is in effect from January 1, 2009. The revised standard requires an entity to present changes in its equity resulting from transactions with owners in a statement of changes in equity. All non-owner changes (meaning changes in comprehensive income) are required to be presented either in a single statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Transactions with non-owners may not be presented in the statement of changes in equity. This standard had not yet been endorsed by the European Union at the balance sheet.

Interpretations in effect but relating to matters not applicable to the Group:

- IFRIC 7 – Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies (in effect from January 1, 2007);
- IFRIC 8 – Scope of IFRS 2 (in effect from January 1, 2007);
- IFRIC 12 – Service Concession Arrangements (in effect from January 1, 2008);
- IFRIC 13 – Customer Loyalty Programmes (in effect from January 1, 2009).

## 8. Risk management

IFI S.p.A. is not subject to either direct credit risks or currency risks.

Financing needs and cash flows are managed with the aim of optimizing financial resources. Outgoing cash flows from current operations are basically financed by dividends collected. Liquidity risk could thus arise only for investment decisions in excess of cash availability or the revocation of existing credit lines. In this sense, IFI S.p.A. operates so that it has available and partly irrevocable credit lines with expiration dates and amounts consistent with its needs.

IFI S.p.A. assesses and manages its exposure to interest rate risk consistently with its financial management policies and uses derivative financial instruments to fix some of the financing obtained with a pre-set interest rate. There were no derivative financial instruments put into place for speculative purposes. In particular, in 2007, the only derivative financial instruments used to manage fluctuations in interest rate risks were interest rate swaps on some of the existing loans.

### ***IFIL S.p.A. and the companies of the Holdings System***

IFIL S.p.A. and the companies which form the Holdings System are not subject to particular credit risks. However, significant investments denominated in currencies other than the Euro, U.S. dollars in particular, are subject to currency risk. In view of the permanent characteristics of such investments, transactions to hedge the risk of exchange rate fluctuations on those currencies were not put into place.

With regard to liquidity risk, financing needs and cash flows are managed with the aim of optimizing financial resources. In particular, outgoing cash flows from current operations are basically financed by incoming cash flows from ordinary activities.

Liquidity risk could thus arise only for investment decisions in excess of cash availability that are not preceded by sufficient liquidation of assets or raising of sufficient funds that can be readily used. In this sense, IFIL S.p.A. operates so that it has financial resources obtained from the issue of bonds and irrevocable credit lines with expiration dates and amounts consistent with its investment plans.

IFIL S.p.A. assesses and manages its exposure to interest rate risk consistently with its management policies and uses derivative financial instruments to fix some of the financing obtained with a pre-set interest rate. There were no derivative financial instruments put into place for speculative purposes during the year; the only derivative financial instruments used to manage fluctuations in interest rate risks were interest rate swaps on one of the bonds issued.

### **Alpitour Group**

The Alpitour Group regularly assesses its exposure to various types of risks and manages these risks using traditional and derivative instruments in accordance with its management and control policy. This policy does not allow the use of derivatives for speculative purposes but they are used for the management of fluctuations in exchange rates, interest rates and fuel prices for hedging purposes.

The Alpitour Group, and particularly the aviation division, is subject to the risk of fluctuations in fuel prices largely in connection with international political stability and other exogenous factors. Since fuel is a primary factor in air transport, price fluctuations could have a significant impact on the Group's margin and, consequently, the fuel price risk exposure is hedged by commodity swaps and zero cost collars.

The exposure to exchange rate risks on commercial transactions in foreign currencies is mainly hedged by forward and zero cost collar contracts.

The exposure to interest rate risks on medium-term loans is mainly hedged by interest rate swaps and zero cost collars.

### **Cushman & Wakefield Group**

Credit risk exposure of the Cushman & Wakefield Group is mainly influenced by the characteristics of each individual client. Other risk factors, including the default risk of the industry and country in which customers operate has less of an influence on credit risk. That depends on the type of services rendered and knowledge of the quality of the clients.

The Cushman & Wakefield Group is exposed to performance risks resulting from errors and omissions where assignments can not be completed or where assignments are completed in a negligent manner leading to punitive damage claims from customers in accordance with the terms of the service agreement.

The Cushman & Wakefield Group is insured against such errors and omissions claims under a domestic program and an international program. Under the domestic program, a primary insurance layer of \$2 million is provided by the C&W Group's 100%-owned captive insurance subsidiary, Nottingham Indemnity, Inc., and an excess layer provided through third party insurance carriers. Under the International program, a primary insurance layer of £10 million and an excess layer are provided through third party insurance carriers.

### **Juventus Football Club**

Juventus Football Club S.p.A. does not have significant concentrations of credit risk and has appropriate procedures in place to minimize such risk exposure. Receivables from Italian soccer companies are guaranteed by the compensation mechanism of the *Lega Nazionale Professionisti* while receivables from foreign soccer companies are largely guaranteed by sureties or other guarantees.

A large part of Juventus Football Club S.p.A.'s sales and purchases transactions are in Euro; thus the company is not subject to fluctuations in exchange rates to any relevant degree.

The company manages liquidity risk by keeping the bank loans secured from leading credit institutions at levels that avert financial pressure situations and are sufficient to meet operating and investment needs.

## 9. Change in the scope of consolidation

The following changes in the scope of consolidation during 2007 are at the level of the IFIL Group and therefore before attributing the equity and profit to the minority interest.

### ***Deconsolidation of the Sequana Capital Group***

On July 6, 2007, Ifil Investissements S.A. reached an agreement for the sale of an approximate 22% stake in Sequana Capital S.A. to DLMD – a company controlled by Pascal Lebard, general manager of Sequana Capital S.A.

After having obtained approval from the competent authorities, on July 27, 2007, Ifil Investissements S.A. sold 10,806,343 Sequana Capital shares at € 21 per share for a total equivalent net amount of € 226 million.

Ifil Investissements S.A. and DLMD signed a three-year stockholders' agreement aimed at keeping the stockholder base of Sequana Capital S.A. stable.

After this deal, Ifil Investissements S.A. holds 13,203,139 Sequana Capital S.A. shares, equal to 26.65% of the capital stock of this company at March 20, 2008. Starting from the date of July 1, 2007, this investment has been accounted for by the equity method.

In the financial statements at December 31, 2007, IFIL's share of the profit of Sequana Capital Group (48.805%) for the period January 1 – June 30, 2007 (€ 47 million), is shown in a specific line on the income statement "Discontinued operations or assets held for sale", net of the loss recognized on June 30, 2007 (approximately € 55 million, including transaction costs) on the sale of an approximate 22% stake in the capital stock. IFIL's residual percentage holding in the profit of Sequana Capital Group (26.711%) for the period July 1 – December 31, 2007 is shown in the income statement in "Share of the profit (loss) of companies accounted for by the equity method".

Furthermore, the published consolidated income statement for the year ended December 31, 2006 of the IFI Group has been restated for comparative purposes by reclassifying the net balance of the income statement items of the Sequana Capital Group to the specific line "Discontinued operations or assets held for sale" which, therefore, shows IFIL's share of the profit of the Sequana Capital Group for the period January 1 – December 31, 2006.

This restatement is detailed in the following table.

€ in millions	2006 (published)	Deconsolidation Sequana Capital Group	2006 (restated)
Revenues	5,534	(4,045)	<b>1,489</b>
Other revenues from current operations	111	(44)	<b>67</b>
Purchases of raw materials and changes in inventories	(3,632)	2,653	<b>(979)</b>
Personnel costs	(925)	690	<b>(235)</b>
Costs for external services	(748)	501	<b>(247)</b>
Taxes and duties	(43)	37	<b>(6)</b>
Depreciation and amortization	(157)	103	<b>(54)</b>
Accruals to provisions and other expenses from current operations	(72)	9	<b>(63)</b>
<b>Profit (loss) from current operations</b>	<b>68</b>	<b>(96)</b>	<b>(28)</b>
Other nonrecurring income (expenses)	(62)	66	<b>4</b>
<b>Operating profit (loss)</b>	<b>6</b>	<b>(30)</b>	<b>(24)</b>
Gains (losses) on sales of investments	58	(37)	<b>21</b>
Cost of net debt	(36)	27	<b>(9)</b>
Other financial income (expenses)	72	(7)	<b>65</b>
<b>Financial income (expenses)</b>	<b>94</b>	<b>(17)</b>	<b>77</b>
Income taxes	(52)	42	<b>(10)</b>
<b>Profit of companies consolidated line-by-line</b>	<b>48</b>	<b>(5)</b>	<b>43</b>
Share of profit of companies accounted for by the equity method	352	(63)	<b>289</b>
<b>Profit from continuing operations</b>	<b>400</b>	<b>(68)</b>	<b>332</b>
Profit from discontinued operations or assets held for sale	0	68	<b>68</b>
<b>Profit</b>	<b>400</b>	<b>0</b>	<b>400</b>
<b>Profit attributable to the equity holders of the company</b>	<b>221</b>		<b>221</b>
<b>Profit attributable to the minority interest (A)</b>	<b>179</b>	<b>0</b>	<b>179</b>
<b>Net gain on the sale of the investment in SGS attributable to the minority interest (B)</b>	<b>396</b>	<b>0</b>	<b>396</b>
<b>Total profit attributable to the minority interest (A)+(B)</b>	<b>575</b>	<b>0</b>	<b>575</b>

### **Acquisition of control and consolidation of the Cushman & Wakefield Group**

On March 30, 2007, Ifil Investissements S.A. purchased a 71.52% stake in the capital stock of C&W Group, Inc., a company which controls 100% of the capital stock of the Cushman & Wakefield Group. The remaining 28.48% stake in C&W Group Inc. is held by C&W Group management and employees.

This acquisition was made by Ifil Investissements S.A. which provided C&W Group, Inc. with the financing necessary to purchase the 71.52% stake of the Cushman & Wakefield Group from Rockefeller Group International Inc. for a total of \$625 million equal to € 474 million). The remaining 28.48% stake of the Cushman & Wakefield Group was conferred to C&W Group, Inc. by Group management and employees for \$249 million.

The total cost for the acquisition of 100% of the capital stock of the Cushman & Wakefield Group is therefore equal to \$874 million (€ 663 million).

The fair value of the net assets acquired, determined by an independent valuation, amounts to \$306 million (€ 233 million) while the goodwill is equal to \$568 million (€ 430 million).

In addition to the acquisition cost, transaction costs incurred by Ifil Investissements total € 10 million which bring the total cost of the investment to € 673 million and goodwill to € 440 million, of which € 318 million is attributable to the IFIL Group and € 122 million to the minority interest.

The consolidated financial statements of the Cushman & Wakefield Group, prepared in accordance with IFRS, for the period April 1 – December 31, 2007, were consolidated by IFI through the consolidation of the IFIL Group at December 31, 2007.

With regard to the full-year 2007, revenues amount to more than \$2.1 billion (+19% compared to 2006).

The following table gives additional details on the acquisition.

	Carrying amount of assets acquired	Fair value adjustment	Fair value of assets acquired (a)	Fair value of assets acquired (€ in millions converted at the €//\$ 1.3177 purchase rate)
	\$ in millions	\$ in millions	\$ in millions	€ in millions
<b>Net assets acquired</b>				
Property, plant and equipment	57	5	62	47
Intangible assets	21	461	482	366
Deferred tax assets	62		62	47
Investments accounted for by the equity method	7	3	10	7
Trade receivables and other receivables	305		305	231
Cash and cash equivalents	87		87	66
Other financial assets	48		48	36
Other current assets	27		27	21
Other non-current assets	24		24	19
Other receivables	84		84	64
<b>Total assets</b>	<b>722</b>	<b>469</b>	<b>1,191</b>	<b>904</b>
Provisions for employee benefits	(84)		(84)	(64)
Provisions for other liabilities and charges	(10)		(10)	(8)
Bonds and other debt	(150)		(150)	(114)
Trade payables	(299)		(299)	(227)
Other current liabilities	(19)		(19)	(14)
Provisions for employee benefits – non-current	(42)		(42)	(32)
Provisions for other liabilities and charges – non-current	(3)		(3)	(2)
Bonds and other debt – non-current	(61)		(61)	(46)
Deferred tax liabilities	(14)	(164)	(178)	(135)
Other non-current liabilities	(36)		(36)	(27)
Equity attributable to the minority interest	(3)		(3)	(2)
<b>Total equity and liabilities</b>	<b>(721)</b>	<b>(164)</b>	<b>(885)</b>	<b>(671)</b>
<b>Total net assets acquired</b>	<b>1</b>	<b>305</b>	<b>306</b>	<b>233</b>
<b>Value of acquisition</b>			<b>874</b>	<b>663</b>
<b>Transaction costs incurred by Ifil Investissements</b>				<b>10</b>
<b>Total value of acquisition</b>			<b>874</b>	<b>673</b>
<b>Goodwill recognized</b>			<b>568</b>	<b>440</b>
<b>Of which, Goodwill - the Group's share</b>			<b>406</b>	<b>318</b>
<b>Goodwill – the minority interest's share</b>			<b>162</b>	<b>122</b>
<b>Nature of payment:</b>				
Consideration paid in cash		71.5%	625	474
Transaction costs incurred by Ifil Investissements				10
Consideration paid in C&W stock		28.5%	249	189
			<b>874</b>	<b>673</b>
<b>Net cash flows of the investment</b>				
Cash			625	474
Cash acquired			87	66
Transaction costs incurred by Ifil Investissements				10
<b>Net cash flows of the investment</b>			<b>538</b>	<b>398</b>

(a) Fair value determined definitively at the time of preparing the consolidated financial statements at December 31, 2007.

***Change in the scope of consolidation of the Cushman & Wakefield Group***

During the period April 1 – December 31, 2007, certain acquisitions were made by the Cushman & Wakefield Group for a total investment of \$71 million (€ 48 million).

The total net fair value of property, plant and equipment and intangible assets amounts to \$25.4 million (€ 17 million) while the goodwill recognized totals \$45.6 million (€ 31 million).

***Change in the scope of consolidation of the Alpitour Group***

During the year, the Alpitour Group sold the investment in the Tunisian company “Kelibia Beach S.A.” in which a 99% stake was held by Horizon Holidays for an equivalent amount of € 18 million, realizing a net gain of € 6 million.

***Other changes in the scope of consolidation of the Holdings System***

During the last quarter of 2007, the following companies were consolidated: IFIL France S.A. (set up on July 27, 2007 and not yet operational) and ANCOM USA Inc. (an American company which holds 1.96% of NoCo A LP, under which all the activities of the Perella Weinberg Group are conducted).

Both companies were acquired through the direct subsidiary Ifil Investissements S.A.

**COMMENTS ON THE PRINCIPAL ITEMS IN THE CONSOLIDATED INCOME STATEMENT**

**10. Segment information**

Information by business segment and by geographical area, presented as set forth in IAS 14 – Segment Reporting, is prepared according to the same accounting policies adopted in the preparation and presentation of the consolidated financial statements of the Group.

The primary reporting format consists of the business segments whereas the geographical areas make up the secondary reporting format. This distinction is based upon the nature of the risks and rewards inherent in the Group's activities and reflects the organizational structure.

The segment information presented by the IFI Group agrees with the consolidated data of each subsidiary and associate holding company, every one of which represents an investment in a major business segment: Cushman & Wakefield Group, Alpitour Group, Juventus Football Club, Fiat Group, Sequana Capital Group, IFI and the IFIL Holdings System.

The segment information relating to continuing operations is presented in the following tables; the segment information relating to discontinued operations or assets held for sale is presented in Notes 18 and 28.

The analysis of the income statement by business segment is as follows:

€ in millions	Cushman & Wakefield Group	Alpitour Group	Juventus	Fiat Group	Sequana Capital Group	IFI and IFIL Holdings System	Total
<b>2007</b>							
Revenues	1,255	1,236	165			1	<b>2,657</b>
Operating profit (loss)	74	21	(7)			(50)	<b>38</b>
Financial income (expenses)							<b>91</b>
Income taxes							<b>(43)</b>
Profit of companies consolidated line-by-line							<b>86</b>
Share of the profit of companies accounted for by the equity method				566	21		<b>587</b>
Loss from discontinued operations or assets held for sale					(8)		<b>(8)</b>
<b>Profit</b>							<b>665</b>
<b>Profit attributable to the equity holders of the company</b>							<b>444</b>
<b>Profit attributable to the minority interest</b>							<b>221</b>

€ in millions	Alpitour Group	Juventus	Fiat Group	Sequana Capital Group	IFI and IFIL Holdings System	Total
<b>2006</b>						
Revenues	1,332	156			1	<b>1,489</b>
Operating profit (loss)	12	(12)			(24)	<b>(24)</b>
Financial income (expenses)						<b>77</b>
Income taxes						<b>(10)</b>
Profit of companies consolidated line-by-line						<b>43</b>
Share of the profit of companies accounted for by the equity method			289			<b>289</b>
Profit from discontinued operations or assets held for sale				68		<b>68</b>
<b>Profit</b>						<b>400</b>
<b>Profit attributable to the equity holders of the company</b>						<b>221</b>
<b>Profit attributable to the minority interest</b>						<b>179</b>
<b>Net gain on the sale of SGS attributable to the minority interest</b>				396		

The data for the Cushman & Wakefield Group refers to the period April 1 - December 31, 2007, after acquisition.

Segment assets are as follows:

€ in millions	Cushman & Wakefield Group	Alpitour Group	Juventus	Fiat Group	Sequana Capital Group	IFI and IFIL Holdings System	Total
<b>2007</b>							
<b>Assets</b>							
Segment assets	1,079	315	244			62	1,700
Investments accounted for by the equity method	6	1		3,125	341		3,473
Other assets							3,918
Assets held for sale							3
<b>Total assets</b>							<b>9,094</b>
<b>Liabilities</b>							
Segment liabilities	411	265	136			29	841
Other liabilities							8,253
<b>Total liabilities</b>							<b>9,094</b>
Investments in property, plant and equipment and intangible assets	(27)	(16)	(61)			(1)	(105)
Depreciation and amortization	(48)	(17)	(27)				(92)
Impairment losses on assets		(6)	(1)				(7)
Other (accruals) releases of provisions	2	(3)					(1)
Other non-monetary costs			(15)				(15)
<b>Cash flows</b>							
Cash flows from operating activities	154	47	(16)			151	336
Cash flows from investing activities	(12)	4	(2)			(281)	(291)
Cash flows from financing activities	(60)	(17)	99			604	626

€ in millions	Sequana Capital Group	Alpitour Group	Juventus	Fiat Group	IFI and IFIL Holdings System	Total
<b>2006</b>						
<b>Assets</b>						
Segment assets		3,011	325	210		16
Investments accounted for by the equity method		3	1		2,611	4
Other assets						
Assets held for sale		109		19		
<b>Total assets</b>						<b>10,547</b>
<b>Liabilities</b>						
Segment liabilities		1,071	243	131		30
Other liabilities						
Liabilities relating to assets held for sale		32				
<b>Total liabilities</b>						<b>10,547</b>
Investments in property, plant and equipment and intangible assets		(132)	(16)	(47)		
Amortization and depreciation		(103)	(16)	(38)		
Impairment losses of assets		(62)				
Reversals of impairment losses of assets		(10)				
Other (accruals) releases of provisions		(2)				
Other non-monetary costs		(938)				
<b>Cash flows</b>						
Cash flows from operating activities		134	30	(74)		64
Cash flows from investing activities		334	22	38		(30)
Cash flows from financing activities		(694)	(103)	4		67

The following table presents an analysis of the revenues of the Group in the various geographical markets, regardless of the origin of the goods and services, and an analysis of the carrying amount of the segment assets and investments in property, plant and equipment and intangible assets on the basis of the geographical location of the assets.

€ in millions	Revenues	Segment assets	Investments in property, plant and equipment and intangible assets
<b>2007</b>			
Italy	1,223	515	76
Europe excluding Italy	458	155	12
United States	783	885	12
Rest of the world	193	145	5
<b>Total at December 31, 2007</b>	<b>2,657</b>	<b>1,700</b>	<b>105</b>

€ in millions	Revenues	Segment assets	Investments in property, plant and equipment and intangible assets
<b>2006</b>			
Italy	1,339	591	66
Europe excluding Italy	128	2,292	87
United States	0	264	6
Rest of the world	22	415	36
<b>Total at December 31, 2006</b>	<b>1,489</b>	<b>3,562</b>	<b>195</b>

## 11. Revenues

Details of revenues are as follows:

€ in millions	2007	2006	Change
Revenues from rendering tourist services	1,236	1,334	(98)
Real estate brokerage commissions	969	0	969
Revenues from property management activities (a)	145	0	145
Radio and television rights and media revenues	115	100	15
Revenues from financial consulting and property management services	65	0	65
Corporate real estate business consulting services and research	60	0	60
Revenues from sponsorships and advertising	39	42	(3)
Revenues from rendering services and consulting	19	1	18
Revenues from season tickets and ticket office sales	9	12	(3)
<b>Total revenues</b>	<b>2,657</b>	<b>1,489</b>	<b>1,168</b>

(a) These are reimbursements for property management activities rendered by the Cushman & Wakefield Group and received from the owners of the properties.

## 12. Other revenues from current operations

Details of other revenues from current operations are as follows:

€ in millions	2007	2006	Change
Gains on the sale of players' registration rights	19	36	(17)
Other income	14	31	(17)
Operating grants	3	0	3
<b>Total other revenues from current operations</b>	<b>36</b>	<b>67</b>	<b>(31)</b>

### 13. Personnel costs

Details of the composition of personnel costs are as follows:

€ in millions	2007	2006	Change
Salaries and wages	(898)	(200)	(698)
Employee costs relating to the property management activities of the Cushman & Wakefield Group (a)	(145)	0	(145)
Share of results paid to partners of the EMEA division of the Cushman & Wakefield Group	(48)	0	(48)
Employee stock options	(12)	0	(12)
Social security contributions	(41)	(25)	(16)
Health insurance	(21)	0	(21)
Other employee costs	(11)	(4)	(7)
Temp work costs	(5)	(1)	(4)
Employee severance indemnities expense	(5)	(5)	0
<b>Total personnel costs</b>	<b>(1,186)</b>	<b>(235)</b>	<b>(951)</b>

(a) The corresponding reimbursement by the owners of the properties is recorded in Revenues.

### 14. Other nonrecurring income (expenses)

Details are as follows:

€ in millions	2007	2006	Change
Impairment losses on assets	(9)	0	(9)
Net other income (expenses)	(19)	4	(23)
<b>Total other nonrecurring income (expenses)</b>	<b>(28)</b>	<b>4</b>	<b>(32)</b>

In 2007, impairment losses include the following:

- the impairment loss of € 7 million, relating to the Juventus Football Club video archives, carried out on the basis of the commercial exploitation plan and the estimated cash and economic flows acquired and expected;
- the impairment loss of € 2 million, regarding the design costs of the new Stadio delle Alpi that were capitalized in the past and are no longer recoverable in view of recent developments on the project.

In 2007, net other income (expenses) include:

- transaction costs and expenses incurred to close the dispute over the sale of La Rinascente for € 8 million;
- accrual for the current-year cost of € 13 million for the stock option plan approved for the management of the subsidiary Alpitour;
- income of € 3 million from the reduction ruled by the Court of Appeals of Turin on the pecuniary administrative sanction imposed on IFIL S.p.A. by Consob;
- net loss from the sale of the investment in Campi di Vinovo, a company previously controlled by Juventus Football Club, and the “Mondo Juve” business segment for € 1 million.

Particularly with regard to the transaction for the sale of Campi di Vinovo, on October 2, 2007, Juventus Football Club sold the residual investment (equal to 69.8% of capital stock) to Costruzioni Generali Gilardi S.p.A. and, at the same time, collected the first installment of € 1.1 million. Furthermore, Juventus Football Club sold the business segment that included the contracts and the activities relating to construction of the Mondo Juve commercial park to Campi di Vinovo for € 25 million and agreed to cover a part of the urbanization costs up to a maximum amount of € 19.2 million.

Juventus Football Club still has the obligation to conclude all the administrative procedures, which are in the process of being finalized, including the project variances.

The overall economic effects of this transaction are summarized below:

€ in millions	
Sales value of the business segment (including the commercial permits)	25
Urbanization expenses accrued	(19)
Registration tax and notary fees relating to the sale of the business segment	(1)
Loss on the sale of the investment in Campi di Vinovo S.p.A.	(4)
<b>Final estimated profit on the transaction</b>	<b>1</b>
Receivables from Campi di Vinovo S.p.A. discounted to present value	(5)
Receivables from Costruzioni Generali Gilardi S.p.A. discounted to present value	(1)
Urbanization expenses discounted to present value	4
<b>Discounted cash flow effect</b>	<b>(2)</b>
<b>Economic effect</b>	<b>(1)</b>

In 2006, net other income (expenses) included the accrual for the administrative sanction of € 5 million levied on IFIL S.p.A. by Consob in reference to the content of the press release dated August 24, 2005, the excess, equal to € 5 million, of the increment in IFI's share of the consolidated equity of the IFIL Group compared to the cost of the IFIL shares purchased during the year, the current-year cost for that year of € 3 million relating to the stock option plan approved for the management of the subsidiary Alpitour, as well as the release of the provision set aside in prior years for the Alpitour stock option plan 2000 which was not exercised by the expiration date of August 31, 2006 (+€ 8 million) and other sundry expenses of € 1 million.

## 15. Financial income (expenses)

Details of the composition of financial income (expenses) are as follows:

€ in millions	2007	2006	Change
<b>Gains (losses) on sales of investments:</b>			
Kelibia Beach S.A.	6	0	6
Turismo&Immobiliare	1	0	1
Blumarine Hotel S.A. De C.V.	0	15	(15)
Exor Group S.A.	0	7	(7)
Other minor investments	0	(1)	1
	7	21	(14)
<b>Gain on the conferral of the Florio Management business segment to AW Events S.r.l.</b>	<b>2</b>	<b>0</b>	<b>2</b>
<b>Net gains</b>	<b>9</b>	<b>21</b>	<b>(12)</b>
<b>Cost of net debt</b>			
Income on current securities, cash and cash equivalents	33	23	10
Net income on exchange rate and interest rate hedging transactions	3	1	2
Exchange differences	(1)	(1)	0
Interest expenses on loan transactions	(73)	(28)	(45)
Commissions for unused credit lines	(3)	(4)	1
<b>Total cost of net debt</b>	<b>(41)</b>	<b>(9)</b>	<b>(32)</b>
<b>Other financial income (expenses)</b>			
Dividends collected	112 <sup>(a)</sup>	53	59
Interest income on other financial assets	12	2	10
Changes in the fair value of financial assets and liabilities	(1)	10	(11)
<b>Total other financial income (expenses)</b>	<b>123</b>	<b>65</b>	<b>58</b>
<b>Financial income (expenses)</b>	<b>91</b>	<b>77</b>	<b>14</b>

(a) Collected from Intesa Sanpaolo for € 110 million (€ 53 million in 2006) and Gruppo Banca Leonardo for € 2 million.

## 16. Income taxes

Details of income taxes recorded in the income statement are as follows:

€ in millions	2007	2006	Change
Current income taxes	(37)	(13)	(24)
Deferred income taxes	(6)	3	(9)
<b>Total income taxes</b>	<b>(43)</b>	<b>(10)</b>	<b>(33)</b>

National income taxes are calculated at 33%, in 2007 and in 2006, on the estimated taxable income for the year. The income taxes for other jurisdictions are calculated at the enacted tax rates in the various countries.

Deferred income taxes recorded in 2007 include the positive effect of the recalculation of deferred income taxes for € 2.3 million as a result of the application of Law 244 (Budget Law 2008) dated November 24, 2007 which reduced the IRES tax rate for Italian companies from 33% to 27.5% starting in 2008.

In addition to the taxes recorded in the income statement, deferred tax liabilities were recognized directly in equity for € 33 million (€ 55 million in 2006). At December 31, 2007, no deferred tax assets were recognized in equity (€ 4 million in 2006).

The reconciliation between the tax charge recorded in the consolidated financial statements and the theoretical tax charge, calculated on the basis of the tax rate in effect in Italy, is the following:

€ in millions	2007	2006
Operating profit (loss)	38	(24)
Financial income (expenses)	91	77
Pre-tax profit	129	53
Current tax rate in Italy	33%	33%
Theoretical income taxes	(42)	(17)
Effective income taxes	(43)	(10)
<b>Difference</b>	<b>1</b>	<b>(7)</b>
<b>The difference can be analyzed as follows:</b>		
Tax effect of difference between foreign tax rates and the theoretical Italian tax rate	2	2
Effect of tax rate reduction on deferred income taxes	2	0
Tax effect of other permanent differences	27	73
Deferred tax benefits not recognized	(25)	(57)
Use of excess deferred income taxes	0	3
Other differences	(7)	(14)
<b>Difference</b>	<b>(1)</b>	<b>7</b>

Theoretical income taxes are calculated using the IRES tax rate on pre-tax profit.

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

Details are as follows:

€ in millions	2007	2006	Change
Fiat Group	566 (a)	289 (a)	277
Sequana Capital Group (remaining interest)	20 (b)	0	20
Sundry Cushman & Wakefield Group companies	1	0	1
<b>Total</b>	<b>587</b>	<b>289</b>	<b>298</b>

(a) Includes net negative consolidation adjustments for € 1 million (-€ 15 million in 2006) mainly for the assignment of preferred dividends to the minority interest.

(b) Includes a positive consolidation adjustment for € 8 million for the writedown of goodwill on the AWA Group since it was partially amortized by IFIL in prior years.

For additional information on the companies accounted for by the equity method, reference should be made to Note 23.

## 18. Profit (loss) from discontinued operations or assets held for sale

The loss from discontinued operations or assets held for sale is € 8 million and includes the share of the result of Sequana Capital for the first half of 2007 (48.805% of capital stock) and the loss on the sale of the 22% stake in the same company.

Details are as follows:

€ in millions	2007 (a)	2006
<b>Sequana Capital Group</b>		
Revenues	2,075	4,089
Operating expenses	(2,024)	(3,993)
Other nonrecurring income (expenses)	57	(66)
Financial income (expenses)	9	17
Profit before taxes	117	47
Income taxes	(21)	(42)
Share of the profit of companies accounted for by the equity method	0	63
<b>Profit of the Sequana Capital Group</b>	<b>96</b>	<b>68</b>
Share attributable to the minority interest (51.195%)	(49)	
<b>Share attributable to the IFIL Group (48.805%)</b>	<b>47</b>	
Net loss realized on the sale of the 22% interest in the Sequana Capital Group	(55)	0
<b>Profit (loss) from discontinued operations or assets held for sale</b>	<b>(8)</b>	<b>68</b>

(a) Data refers to the first half of 2007 since the remaining stake in Sequana Capital has been accounted for by the equity method starting from July 1, 2007.

€ in millions	2007
<b>Net cash flows from the sale of the 22% stake in the Sequana Capital Group</b>	
Net proceeds from the sale	226
Cash of the Sequana Capital Group deconsolidated from January 1, 2007	(207)
<b>Net cash flows</b>	<b>19</b>

## 19. Earnings per share

		2007	2006
Average number of ordinary shares issued (a)	number	<b>86,450,000</b>	86,450,000
Average number of preferred shares outstanding, net of treasury stock	number	<b>71,441,160</b>	71,441,160
Net earnings attributable to the equity holders of the company	€ in ml	<b>444</b>	221
Earnings attributable to ordinary shares	€ in ml	<b>241</b>	119
<i>per ordinary share</i>	€	<b>2.790</b>	1.379
Earnings attributable to preferred shares	€ in ml	<b>203</b>	102
<i>per preferred share</i>	€	<b>2.842</b>	1.431
Earnings from continuing operations	€ in ml	<b>449</b>	215
Earnings from continuing operations attributable to ordinary shares	€ in ml	<b>244</b>	116
<i>per ordinary share</i>	€	<b>2.823</b>	1.338
Earnings from continuing operations attributable to preferred shares	€ in ml	<b>205</b>	99
<i>per preferred share</i>	€	<b>2.875</b>	1.390
Earnings from discontinued operations	€ in ml	<b>(5)</b>	7
Earnings from discontinued operations attributable to ordinary shares	€ in ml	<b>(5)</b>	2
<i>per ordinary share</i>	€	<b>(0.056)</b>	0.018
Earnings from discontinued operations attributable to preferred shares	€ in ml		5
<i>per preferred share</i>	€		0.069

(a) IFI S.p.A. does not hold ordinary treasury stock.

## COMMENTS ON THE PRINCIPAL ITEMS IN THE CONSOLIDATED BALANCE SHEET

### 20. Goodwill

The composition of goodwill by business segment is as follows:

€ in millions	12/31/2007	12/31/2006	Change
Goodwill on 48,750,000 IFIL ordinary shares purchased in 2007	68	0	68
<b>IFIL Group</b>	<b>68</b>	<b>0</b>	<b>68</b>
Goodwill on the acquisition of the Cushman & Wakefield Group (IFIL Group's share)	284	0	284
Goodwill on other Cushman & Wakefield Group companies	31	0	31
<b>C&amp;W Group Inc</b>	<b>315</b>	<b>0</b>	<b>315</b>
Jumboturismo S.A.	11	11	0
Altamarea V&H Compagnia Alberghiera S.p.A.	8	8	0
Viaggidea S.p.A.	6	6	0
AW Events S.r.l.	2	0	2
<b>Alpitour Group</b>	<b>27</b>	<b>25</b>	<b>2</b>
<b>Sequana Capital Group (a)</b>	<b>0</b>	<b>735</b>	<b>(735)</b>
<b>Net goodwill</b>	<b>410</b>	<b>760</b>	<b>(350)</b>

(a) Change as a result of the deconsolidation of Sequana Capital Group.

The analysis of the changes in goodwill is as follows:

€ in millions	12/31/2007	12/31/2006
<b>GROSS AMOUNT</b>		
<b>Opening balance</b>	<b>964</b>	<b>1,009</b>
<b>Changes</b>		
Increases through business combinations:		
- Cushman & Wakefield Group (IFIL Group's share)	318	
- Other	50	11
Goodwill on purchase of IFIL ordinary shares	68	
Increase in the initial goodwill of the Cushman & Wakefield Group as a result of the change in percentage of consolidation	3	0
Reclassification to "Assets held for sale"		(30)
Deconsolidation of the Sequana Capital Group	(935)	
Exchange differences	(35) (a)	(6)
Other changes	(19)	(20)
<b>Total changes</b>	<b>(550)</b>	<b>(45)</b>
<b>Closing balance</b>	<b>414</b>	<b>964</b>
<b>ACCUMULATED IMPAIRMENT LOSSES</b>		
<b>Opening balance</b>	<b>(204)</b>	<b>(195)</b>
<b>Changes</b>		
Exchange differences	0	1
Impairment losses recognized in the income statement	(1)	(28)
Deconsolidation of the Sequana Capital Group	200	0
Other changes	1	18
<b>Total changes</b>	<b>200</b>	<b>(9)</b>
<b>Closing balance</b>	<b>(4)</b>	<b>(204)</b>
<b>NET AMOUNT</b>	<b>410</b>	<b>760</b>

(a) Of which € 32 million is due to the goodwill from the acquisition of the Cushman & Wakefield Group.

Goodwill recognized on the acquisition of the Cushman & Wakefield Group is deemed representative of the aggregate of the future economic benefits from the investment and cannot be identified separately.

For additional information of the acquisition of the control of the Cushman & Wakefield Group and on the recognition of goodwill, reference should be made to Note 9.

In 2007, IFI S.p.A. purchased 48,750,000 IFIL ordinary shares for an investment of € 350 million, booking in "Goodwill" the excess (€ 68 million) over the share of the consolidated equity of the IFIL Group (equal to € 282 million).

#### **Impairment test on the goodwill and trademarks of the Cushman & Wakefield Group**

The main assumptions used in the calculation of the impairment test are presented below.

For the purpose of impairment testing, the Cushman & Wakefield Group allocates the goodwill and trademarks to the cash-generating units (CGU) which represent the lowest level within Cushman & Wakefield Group at which these assets are monitored.

The carrying amount of goodwill and trademarks are allocated as follows:

€ in millions	Goodwill	Trademarks	Total
United States	200	88	288
Canada	13	16	29
Latin America	10	7	17
EMEA	81	53	134
Asia	11	9	20
	315	173	488

The recoverable amount of a cash-generating unit (CGU) to which goodwill and trademarks are allocated is the greater of its value in use and its fair value less costs to sell. The impairment testing for all CGUs was based on the value in use.

The value in use was determined using the fair market value method of the Group as determined by an independent appraisal and assigned to each CGU.

The fair value method consists of applying multiples to the net operating revenues in the budget, to the net operating revenues of the 12 previous months, as well as the average of the last three years.

The multiples have also been applied to the EBITDA for the same periods. The multiples are based on the multiples of comparable listed companies operating in the same industry and adjusted to take into account specific factors of the Cushman & Wakefield Group such as risk, growth and margins.

Such multiples have then be adapted in relation to the industry's cyclical phases and periods so as to better reflect the current and future value.

The average value of capital has been determined on the basis of such factors in order to reach an estimate of the fair value of each CGU. The market value of each unit has then been compared to the net value of the assets in order to highlight any impairment indicators.

The market capitalization for each CGU exceeded the carrying value of the CGU including allocated goodwill and trademarks.

Management of the Cushman & Wakefield Group believes that the recoverable amount of the CGU would still exceed the units' carrying amount even if key assumptions would unfavorably change as much as 10%.

## 21. Other intangible assets

The changes in other intangible assets are as follows:

€ in millions	Concessions, licenses and trademarks	Players' registration rights	Other intangible assets	Intangible assets in progress and advances	Total
<b>GROSS AMOUNT – Opening balance at December 31, 2005</b>	<b>191</b>	<b>386</b>	<b>46</b>	<b>11</b>	<b>634</b>
<b>Changes</b>					
Increases	23	12	4	40	79
Increases through business combinations	1				1
Decreases	(23)	(170)	(1)		(194)
Exchange differences	(1)				(1)
Reclassification to “Assets held for sale”			(1)		(1)
Other changes and reclassifications	10		(1)	(7)	2
<b>Total changes</b>	<b>10</b>	<b>(158)</b>	<b>1</b>	<b>33</b>	<b>(114)</b>
<b>Closing balance at December 31, 2006</b>	<b>201</b>	<b>228</b>	<b>47</b>	<b>44</b>	<b>520</b>
<b>Changes</b>					
Increases	1	61	1	7	70
Increases through business combinations					
- Cushman & Wakefield Group	194		172		366
- Other	4		17		21
Decreases		(36)	(2)		(38)
Exchange differences	(22)		(19)		(41)
Reclassification to “Assets held for sale”	(7)		(3)		(10)
Deconsolidation of the Sequana Capital Group	(147)		(12)	(13)	(172)
Other changes and reclassifications	31	(20)	9	(38)	(18)
<b>Total changes</b>	<b>54</b>	<b>5</b>	<b>163</b>	<b>(44)</b>	<b>178</b>
<b>Closing balance at December 31, 2007</b>	<b>255</b>	<b>233</b>	<b>210</b>	<b>0</b>	<b>698</b>
<b>ACCUMULATED AMORTIZATION AND IMPAIRMENTS</b>					
<b>Opening balance at December 31, 2005</b>	<b>(119)</b>	<b>(240)</b>	<b>(32)</b>	<b>0</b>	<b>(391)</b>
<b>Changes</b>					
Uses	14	109			123
Impairments	(8)				(8)
Amortization	(17)	(38)	(3)		(58)
Exchange differences					0
Other changes and reclassifications	(2)		4		2
<b>Total changes</b>	<b>(13)</b>	<b>71</b>	<b>1</b>	<b>0</b>	<b>59</b>
<b>Closing balance at December 31, 2006</b>	<b>(132)</b>	<b>(169)</b>	<b>(31)</b>	<b>0</b>	<b>(332)</b>
<b>Changes</b>					
Increases through business combinations:					
- Other	(2)				(2)
Uses		26	1		27
Impairments	(7)				(7)
Amortization	(8)	(26)	(36)		(70)
Reclassification to “Assets held for sale”	7		3		10
Deconsolidation of the Sequana Capital Group	103		9		112
Exchange differences	1		1		2
Other changes and reclassifications		20	(1)		19
<b>Total changes</b>	<b>94</b>	<b>20</b>	<b>(24)</b>	<b>0</b>	<b>90</b>
<b>Closing balance at December 31, 2007</b>	<b>(38)</b>	<b>(149)</b>	<b>(55)</b>	<b>0</b>	<b>(242)</b>
<b>NET AMOUNT</b>					
At December 31, 2006	69	59	16	44	188
<b>At December 31, 2007</b>	<b>217</b>	<b>84</b>	<b>155</b>	<b>0</b>	<b>456</b>

The “increases” from the business combination of the Cushman & Wakefield Group mainly relate to the fair value estimation of the trademarks and customer relationships at the time of acquisition.

The trademark of Cushman & Wakefield Group, which is the largest international real estate services operator, is a very recognizable name on the market which the Cushman & Wakefield Group aims to develop and build upon continuously. The trademark is classified as an “intangible asset with an indefinite life” since it will generate future cash flows indefinitely and, as a result, is not amortized, but is tested annually for impairment (Note 20).

At December 31, 2007, there are no commitments for the purchase of intangible assets. At December 31, 2006, commitments amounted to € 1 million and referred to the Sequana Capital Group.

In 2007, there are no research and development expenditures charged to the income statement. In 2006, expenditures amounted to € 17 million and referred entirely to the Sequana Capital Group.

Intangible assets completely amortized but still in use total € 21 million and refer to the concessions, licenses and trademarks of the Alpitour Group for € 16 million and other intangible assets for € 5 million.

In 2007, the increases in assets generated internally amount to € 8 million and refer entirely to the Cushman & Wakefield Group. In 2006 these amounted to € 6 million.

The amortization policy for the main intangible assets is as follows:

- the Cushman & Wakefield Group amortizes customer relationships over 16 years and non-competing agreements over 4 years;
- Juventus Football Club amortizes the players' registration rights on a straight-line basis over the term of the contracts; items and articles of the Juventus Football Club library are assets with an indefinite life and as such are subject to an impairment test;
- the Alpitour Group amortizes the government concession rights over the original periods of the concessions.

## 22. Property, plant and equipment

The changes in property, plant and equipment are as follows:

€ in millions	Land	Buildings	Plant and machinery	Industrial equipment	Other assets	Construction in progress	Advances	Total
<b>GROSS AMOUNT</b>								
<b>Opening balance at December 31, 2005</b>	<b>55</b>	<b>539</b>	<b>21</b>	<b>1,960</b>	<b>209</b>	<b>48</b>	<b>1</b>	<b>2,833</b>
<b>Changes</b>								
Increases	4	10	1	27	25	54	2	123
Decreases	(22)	(80)		(93)	(10)			(205)
Reclassification to "Assets held for sale"				(10)	(3)		(2)	(15)
Increases through business combinations	2	2		1	3			8
Exchange differences	(1)	(10)	(1)	(47)	(5)	(1)		(65)
Other changes and reclassifications	19	(1)	1	26	(3)	(44)	(1)	(3)
<b>Total changes</b>	<b>2</b>	<b>(79)</b>	<b>1</b>	<b>(96)</b>	<b>7</b>	<b>9</b>	<b>(1)</b>	<b>(157)</b>
<b>Closing balance at December 31, 2006</b>	<b>57</b>	<b>460</b>	<b>22</b>	<b>1,864</b>	<b>216</b>	<b>57</b>	<b>0</b>	<b>2,676</b>
<b>Changes</b>								
Increases		2	2	12	33	20		69
Decreases		(6)		(7)	(28)			(41)
Reclassification to "Assets held for sale"	(1)	(18)	(1)	(8)	(9)	(1)		(38)
Deconsolidation of the Sequana Capital Group	(35)	(348)		(1,844)	(161)	(63)		(2,451)
Increases through business combinations:								
- Cushman & Wakefield Group					45	2	1	48
- Other		4			6			10
Exchange differences		(2)		(9)	(5)	(1)		(17)
Other changes and reclassifications	(1)	(7)	(3)	2	18	(1)	(1)	7
<b>Total changes</b>	<b>(37)</b>	<b>(375)</b>	<b>(2)</b>	<b>(1,854)</b>	<b>(101)</b>	<b>(44)</b>	<b>0</b>	<b>(2,413)</b>
<b>Closing balance at December 31, 2007</b>	<b>20</b>	<b>85</b>	<b>20</b>	<b>10</b>	<b>115</b>	<b>13</b>	<b>0</b>	<b>263</b>
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENTS</b>								
<b>Opening balance at December 31, 2005</b>	<b>(3)</b>	<b>(241)</b>	<b>(8)</b>	<b>(1,506)</b>	<b>(136)</b>	<b>0</b>	<b>0</b>	<b>(1,894)</b>
<b>Changes</b>								
Decreases	11	30		78	8			127
Reclassification to "Assets held for sale"					(2)			(2)
Increases through business combinations					(1)			(1)
Impairments		(1)		(25)				(26)
Impairment reversals				9	1			10
Depreciation		(18)	(2)	(61)	(17)			(98)
Exchange differences		4		41	3			48
Other changes and reclassifications	(9)	13	1	(3)	3			5
<b>Total changes</b>	<b>2</b>	<b>28</b>	<b>(1)</b>	<b>39</b>	<b>(5)</b>	<b>0</b>	<b>0</b>	<b>63</b>
<b>Closing balance at December 31, 2006</b>	<b>(1)</b>	<b>(213)</b>	<b>(9)</b>	<b>(1,467)</b>	<b>(141)</b>	<b>0</b>	<b>0</b>	<b>(1,831)</b>
<b>Changes</b>								
Decreases					7			7
Reclassification to "Assets held for sale"		9	1	13	7			30
Deconsolidation of the Sequana Capital Group	1	194		1,464	110	1		1,770
Increases through business combinations		(1)		1	(5)			(5)
Impairments						(2)		(2)
Impairment reversals		4		12	13			29
Depreciation		(9)	(3)	(36)	(26)			(74)
Exchange differences		1		8	1			10
Other changes and reclassifications		2	2		(5)	(1)		(2)
<b>Total changes</b>	<b>1</b>	<b>200</b>	<b>0</b>	<b>1,462</b>	<b>102</b>	<b>(2)</b>	<b>0</b>	<b>1,763</b>
<b>Closing balance at December 31, 2007</b>	<b>0</b>	<b>(13)</b>	<b>(9)</b>	<b>(5)</b>	<b>(39)</b>	<b>(2)</b>	<b>0</b>	<b>(68)</b>
<b>NET AMOUNT</b>								
At December 31, 2006	56	247	13	397	75	57	0	845
At December 31, 2007	20	72	11	5	76	11	0	195

In 2007 and 2006, the Alpitour Group has capitalized borrowing costs for € 1 million.

Commitments for the acquisition of property, plant and equipment amount to € 3 million at December 31, 2007 and relate to the Cushman & Wakefield Group. At December 31, 2006, they amounted to 5 million and referred entirely to the Sequana Capital Group.

At December 31, 2007, the gross carrying amount of property, plant and equipment completely depreciated but still in use amounts to € 19 million (€ 7 million at December 31, 2006).

#### Finance lease contracts on property, plant and equipment

The carrying amount of property, plant and equipment includes € 22 million of assets leased under finance contracts at December 31, 2007 by Juventus Football Club for the Vinovo training center.

At December 31, 2006, the balance of € 41 million included the assets leased under finance contracts by the Sequana Capital Group, Juventus Football Club S.p.A. and the Alpitour Group.

Leasing information is as follows:

€ in millions	Land and Buildings
Nominal amount at lease inception	22
Residual floating-rate debt, discounted to present value, at the balance sheet date	18
Residual lease debt due at the reporting date	
To 1 year	2
2 to 5 years	6
After 5 years	10
	18

### 23. Investments accounted for by the equity method

Details are as follows:

€ in millions	12/31/2007		12/31/2006		Change
	% of investment	Carrying amount	% of investment	Carrying amount	
FIAT Group	29.01	3,125	28.60	2,611	514
Sequana Capital Group	26.71	341	-	-	341
Turismo&Immobiliare	-	0	25.00	4	(4)
Sundry Sequana Capital Group associates	-	0	-	3	(3)
Sundry Cushman & Wakefield Group associates	-	6	-	-	6
Sundry Alpitour Group associates	-	1	-	1	0
		3,473		2,619	854

The analysis of the changes during the year is as follows:

€ in millions	12/31/2007	12/31/2006	Change
<b>Opening balance</b>	<b>2,619</b>	3,165	(546)
Increases through business combinations of the Cushman & Wakefield Group	6	0	6
Decreases	(5)	0	(5)
Reclassification of the remaining interest in the Sequana Capital Group	301	0	301
Share of the profit (loss) of companies accounted for by the equity method (Note 17)	587	352	235
Translation differences	(42)	(152)	110
Dividends distributed	(80)	(37)	(43)
Fair value, cash flow hedges, actuarial gains (losses) recognized directly in equity	77	8	69
Other movements	10	68	(58)
Investments in Fiat stock	-	63	(63)
Sale of the stake of the investment in SGS to third parties	-	(276)	276
Sale of the investment in Exor Group	-	(199)	199
Reclassification of the investment in SGS to "Other financial assets"	-	(350)	350
Reimbursements of capital received from SGS	-	(23)	23
<b>Total changes</b>	<b>854</b>	(546)	1,400
<b>Closing balance</b>	<b>3,473</b>	2,619	854

For additional information on the deconsolidation of the Sequana Capital Group, reference should be made to Note 9 "Change in the scope of consolidation".

Highlights of the Fiat Group are presented below (see also Note 44).

€ in millions	Fiat Group	
	2007	2006
Currency	Euro	Euro
Closing date	12/31/2007	12/31/2006
Total assets	60,136	58,404
Current and non-current liabilities	48,857	48,368
Revenues	58,529	51,832
Profit attributable to the equity holders of the company and the minority interest	2,054	1,151
Of which, the IFIL Group's share	566	289
Net financial position	1,764	(231)
Fair value of interest held by the Group (based on stock market prices at the end of December)	6,269	5,172

Highlights of the Sequana Capital Group are presented below:

€ in millions	Sequana Capital Group	
	2007	2006
Currency	<b>Euro</b>	Euro
Closing date	<b>12/31/2007</b>	12/31/2006
Total assets	<b>3,862</b>	3,706
Current and non-current liabilities	<b>2,575</b>	2,462
Revenues	<b>4,290</b>	3,979
Profit attributable to the equity holders of the company and the minority interest		464 (a)
- first half 2007	<b>95</b>	
- second half 2007	<b>46</b>	
Of which, the IFIL Group's share		10
- first half 2007	<b>(8)</b>	
- second half 2007	<b>20</b>	
Net financial position	<b>771</b>	376
Fair value of interest held by the Group (based on stock market prices at the end of December)	<b>290</b>	560

(a) Profit adjusted for the elimination of the gain net of taxes on the Sequana Capital/SGS Public Exchange and Purchase Offer and for the diluting effect of the reduction in the stake held.

#### 24. Financial assets

The composition of financial assets is as follows:

€ in millions	12/31/2007	12/31/2006	Change
Non-current financial assets	<b>2,675</b>	2,673	2
Current financial assets	<b>160</b>	1,109	(949)
<b>Total financial assets</b>	<b>2,835</b>	3,782	(947)

Details are as follows:

€ in millions	Non-current financial assets				Current financial assets	
	12/31/2007	% held	12/31/2006	% held	12/31/2007	12/31/2006
<b>Investments</b>						
Intesa Sanpaolo S.p.A. (a)	1,565	2.45%	1,640	4.96% (c)	0	0
SGS S.A. (a)	957	15.00%	870	13.16%	0	3
Gruppo Banca Leonardo S.p.A. (b)	82	9.82%	47	9.43%	0	0
Other investments at fair value	0		12		0	0
NoCo ALP	19 (d)		0		0	0
<b>Total investments</b>	<b>2,623</b>		<b>2,569</b>		<b>0</b>	<b>3</b>
<b>Other financial investments</b>						
Deposits and security deposits	5		11		0	2
NoCo B LP Fund	12		0		0	0
Ocean Club Méditerranée bonds	5		5		0	0
DLMD S Bonds	28		0		0	0
Fox River deposits	0		79		0	6
DG IV deposit	0		0		0	92
	<b>50</b>		<b>95</b>		<b>0</b>	<b>100</b>
<b>Other financial investments at fair value</b>						
Receivable from Legg Mason	0		7		0	39
Credit instruments	0		0		104	954
Equity shares	0		0		48	0
	<b>0</b>		<b>7</b>		<b>152</b>	<b>993</b>
<b>Other financial assets and financial receivables</b>						
Derivative financial instruments	0		0		6	5
Receivables and other financial assets	2		2		2	8
	<b>2</b>		<b>2</b>		<b>8</b>	<b>13</b>
<b>Total other financial assets</b>	<b>52</b>		<b>104</b>		<b>160</b>	<b>1,106</b>
<b>Total</b>	<b>2,675</b>		<b>2,673</b>		<b>160</b>	<b>1,109</b>

(a) Available-for-sale investments.

(b) Investments measured using the cost method.

(c) Percentage refers to the investment in Sanpaolo IMI, merged in Banca Intesa with effect on January 1, 2007.

(d) Includes goodwill of € 5 million originating from the acquisition of 100% of the capital stock of Ancom USA Inc made by the subsidiary Ifil Investissements on September 30, 2007.

The investment in Intesa Sanpaolo is measured at fair value on the basis of the market price at December 28, 2007, equal to € 5.4 per share (€ 17.62 per share, referring to Sanpaolo IMI pre-merger 2006) with the unrealized gain of € 681 million recognized in equity. The original acquisition cost of the investment is € 884 million.

The investment in SGS is measured at fair value on the basis of the market price at December 28, 2007, equal to CHF 1.349 per share, (at the CHF/Euro exchange rate of 1.6547), with the unrealized gain of € 487 million recognized in equity. The original carrying amount of the investment in SGS is € 470 million.

Non-current financial assets include S-Bonds issued by DLMD maturing on July 27, 2010, subscribed to by the subsidiary Ifil Investissements as part of the transaction for the sale of the 22% stake in Sequana Capital to DLMD.

Current financial assets include:

- bonds, and other short-term financial instruments held by the foreign subsidiaries of the IFIL Holdings System, which do not meet the conditions for classification as “Cash and cash equivalents”;
- equity shares held for trading by the subsidiary, IFIL. These are listed on the major European and United States markets and are measured at fair value based on market prices converted, where necessary, to year-end exchange rates, with recognition of the change in fair value in the income statement;
- securities subscribed to by Alpitour (residual amount of € 40 million) as part of the securitization of trade receivables (for additional information, reference should be made to Note 40).

The analysis of changes during 2007 is as follows:

€ in millions	Non-current financial assets		Current financial assets	
	12/31/2007	12/31/2006	12/31/2007	12/31/2006
<b>Opening balance</b>	<b>2,673</b>	1,524	<b>1,109</b>	1,173
Increases	<b>201</b>	64	<b>125</b>	100
Decreases	<b>(12)</b>	(32)	<b>(909)</b>	(285)
Increases through business combinations of the Cushman & Wakefield Group	<b>2</b>			
Fair value recognized in equity	<b>(97)</b>	920		(20)
Fair value recognized through the income statement		(1)		10
Impairment reversals (losses)	<b>1</b>	1		
Reclassification of the SGS investment from “Investments accounted for by the equity method”		350		
Reclassification to “Assets held for sale”		(19)		
Deconsolidation of the Sequana Capital Group	<b>(105)</b>		<b>(172)</b>	
Exchange differences	<b>(1)</b>	(8)	<b>(1)</b>	
Change in the scope of consolidation	<b>29</b>	(3)	<b>2</b>	
Other changes and reclassifications	<b>(16)</b>	(123)	<b>6</b>	131
Total changes	<b>2</b>	1,149	<b>(949)</b>	(64)
<b>Closing balance</b>	<b>2,675</b>	2,673	<b>160</b>	1,109

Increases in non-current financial assets (€ 201 million) comprise:

- the purchase on the market of 143,944 SGS shares, equal to 1.84% of capital stock for € 121 million;
- the subscription of 11,055,537 Gruppo Banca Leonardo shares issued as part of a capital stock increase for € 36 million;
- the subscription of 2,723 DLMD S-Bonds for € 27 million;
- the investment in the limited partnership NoCo B LP for € 12 million;
- the increase in other financial assets for € 5 million.

At December 31, 2007, the “fair value recognized in equity” includes the change in fair value of the investments in Intesa Sanpaolo (-€ 76 million) and SGS S.A. (-€ 21 million) recorded in non-current financial assets.

“Decreases” in current financial assets are attributable to the realization of investments in which a part of the liquidity was temporarily invested. The remaining balance of liquidity is included in “Cash and cash equivalents”.

The fair value of current securities is calculated using the market price at the balance sheet date, where available, or discounting future cash flows.

Non-current other financial assets, excluding investments, by maturity, are as follows:

€ in millions	12/31/2007	12/31/2006
To 1 year	5	0
1 to 3 years	32	6
3 to 5 years	2	3
After 5 years	13	2
Nominal value of the non-current financial assets of the Sequana Capital Group	-	93
<b>Non-current other financial assets, excluding investments</b>	<b>52</b>	<b>104</b>

## 25. Inventories, net

Details are as follows:

€ in millions	12/31/2007	12/31/2006	Change
Raw materials and other supplies	3	111	(108)
Work in progress	0	45	(45)
Semifinished and finished goods	0	122	(122)
Merchandise	0	262	(262)
<b>Total inventories, net</b>	<b>3</b>	<b>540</b>	<b>(537)</b>

The reduction in inventories is mainly due to the deconsolidation of the Sequana Capital Group.

## 26. Other assets

Details are as follows:

€ in millions	12/31/2007	12/31/2006	Change
<b>Other non-current assets</b>			
Receivables for direct taxes	0	1	(1)
Receivables for disposals of property, plant and equipment and intangible assets	9	24	(15)
Other assets	73	30	43
<b>Total other non-current assets</b>	<b>82</b>	<b>55</b>	<b>27</b>
<b>Other current assets</b>			
<b>Trade receivables</b>			
Gross amount of trade receivables	461	1,004	(543)
Provision for impairment	(29)	(68)	39
Trade receivables from related parties	2	2	0
<b>Trade receivables</b>	<b>434</b>	<b>938</b>	<b>(504)</b>
<b>Other receivables</b>			
Receivables for direct taxes	79	75	4
Receivables for indirect taxes	5	45	(40)
Receivables for disposals of property, plant and equipment and intangible assets	43	47	(4)
Other receivables	83	113	(30)
Other receivables from related parties	2	1	1
<b>Total other receivables</b>	<b>212</b>	<b>281</b>	<b>(69)</b>
<b>Total other current assets</b>	<b>646</b>	<b>1,219</b>	<b>(573)</b>
<b>Total other non-current and current assets</b>	<b>728</b>	<b>1,274</b>	<b>(546)</b>

The breakdown of other assets by maturity is as follows:

€ in millions	To1 year	2 to 5 years	After 5 years	Total
Other non-current assets		75	7	<b>82</b>
Trade receivables	434			<b>434</b>
Other receivables	193		19	<b>212</b>
<b>Balances at December 31, 2007</b>	<b>627</b>	<b>75</b>	<b>26</b>	<b>728</b>
Other non-current assets		32	23	<b>55</b>
Trade receivables	938			<b>938</b>
Other receivables	218		63	<b>281</b>
<b>Balances at December 31, 2006</b>	<b>1,156</b>	<b>32</b>	<b>86</b>	<b>1,274</b>

Other assets include receivables from the sale of the remaining investment in Campi di Vinovo S.p.A. and the "Mondo Juve" business segment for € 37 million (€ 26 million presented in non-current assets and € 11 million in current receivables) by the subsidiary Juventus Football Club. These receivables were discounted to present value based on an estimate of collections times (various installments from 2008 to 2013) and are guaranteed.

## 27. Cash and cash equivalents

The reconciliation of cash and cash equivalents in the statement of cash flows and the the corresponding lines on the balance sheet is as follows:

€ in millions	12/31/2007	12/31/2006	Change
Cash and cash equivalents	<b>919</b>	362	557
Bank overdrafts and bank borrowings	<b>0</b>	(107)	107
<b>Cash and cash equivalents</b>	<b>919</b>	255	664

Cash and cash equivalents include short-term financial investments and highly liquid assets readily convertible to cash such as time deposits, commercial paper and current securities. Cash and cash equivalents are subject to an insignificant risk of a change in value.

The carrying amount of cash and cash equivalents approximates their fair value at the balance sheet date.

The related credit risk can be considered limited in that the counterparts are represented by leading banking institutions.

## 28. Assets held for sale

Assets held for sale amounting to € 3 million include property, plant and equipment of the companies Kiwengwa Ltd (€ 1 million) and Mediterranea Tourist S.A. (€ 2 million) held by the Alpitour Group which will be sold in April 2008 for a total equivalent amount of € 7 million on the basis of a preliminary agreement signed in December. In addition, the investment in Semana S.r.l., held by Juventus Football Club (€ 30 thousand), was sold on March 4, 2008 to ESE S.p.A., a stockholder of the company.

At December 31, 2006, assets held for sale totaling € 128 million included Groups of assets relating to the investment in Canson Grand Public held by Arjowiggins (€ 99 million), land and buildings by the Antalis Group (€ 10 million), classified in assets held for sale under the disposal program for real estate assets concentrated in France, Spain, Italy, Germany, Switzerland and Finland, in addition to the investment in Campi di Vinovo held by Juventus Football Club (€ 19 million).

## 29. Equity

### **Equity attributable to the equity holders of the company - Capital stock**

At December 31, 2007, IFI S.p.A.'s capital stock, fully subscribed to and paid-in, amounts to € 163,251,460 and consists of 86,450,000 ordinary shares (52.96% of capital stock) and 76,801,460 preferred shares (47.04% of capital stock), all with a par value of € 1 each. The ordinary capital stock of the company is entirely held by Giovanni Agnelli e C. S.a.p.az. IFI preferred shares are listed on the Electronic Share Market of the Italian stock exchange (Blue Chip segment).

Pursuant to art. 6 of the bylaws, ordinary shares may not be disposed of, with effect towards the company, to parties other than the consanguine descendants of their holder and other holders of ordinary shares, unless the shares have been offered beforehand in option to the latter mentioned, with the right of accretion among them.

Pursuant to art. 10 of the bylaws, preferred shares have voting rights only for the resolutions set forth in art. 2365 of the Italian Civil Code and the second paragraph of art. 13 of the bylaws.

Pursuant to art. 27 of the bylaws, the profit of each year is appropriated as follows:

- 10% to the legal reserve until it reaches one-fifth of capital stock;
- of the remaining amount, 1% is at the board of directors' disposition for distribution among its members;
- the remaining profit is appropriated as follows:
  - to preferred shares, a preference dividend of 5.17% of their par value, which is not cumulative from one year to the next;
  - after any appropriations to reserves, the residual amount is attributed equally to the ordinary and preferred shares.

Capital stock may be increased for a period of five years, at one or more times, also in divisible form, up to a maximum of € 561,750,000, by the authority delegated, pursuant to art. 2443 of the Italian Civil Code, to the board of directors by the special stockholders' meeting held April 22, 2003.

The board of directors will put forward a motion to the ordinary stockholders' meeting to renew this resolution.

The objectives identified by IFI S.p.A. are the creation of value for all the stockholders, safeguarding the continuity of the company and support for the development of the subsidiary IFIL S.p.A.

IFI S.p.A. thus aims to keep an adequate level of capitalization and guarantee economic accessibility to external sources of financing.

IFI constantly monitors changes in the consolidated debt level based upon the current asset value of its investments and expected dividend flows.

A very prudent approach is nevertheless taken to the use of debt. At December 31, 2007, IFI S.p.A.'s negative net financial position (equal to € 392.7 million) represents approximately 8.5% of the asset value (equal to the market value the investment held in IFIL, € 4,638.2 million).

## Equity attributable to the equity holders of the company - Retained earnings and other reserves

The composition and changes in “Retained earnings and other reserves” is as follows:

€ in millions	Reserve for Legal reserve	Reserve for translation differences	Reserve for stock-based compensation	Fair value reserve	Cash flow hedge reserve	Reserve for actuarial gains (losses)	Other reserves and retained earnings	Retained earnings and other reserves
<b>Equity at January 1, 2006</b>	<b>33</b>	<b>149</b>	<b>4</b>	<b>262</b>	<b>(1)</b>	<b>(86)</b>	<b>1,568</b>	<b>1,929</b>
Stock-based compensation			3					3
Effect of fair value change to investments and securities				594				594
Deferred taxes on fair value of investments and securities				(28)				(28)
Transfer of fair value to income statement				(2)				(2)
Fair value change to cash flow hedge derivatives					17			17
Actuarial gains (losses) recognized in equity						23		23
Translation differences		(86)						(86)
Other changes							(26)	(26)
Movements in equity accounts							676	676
Total changes	0	(86)	3	564	17	23	650	1,171
<b>Equity at December 31, 2006</b>	<b>33</b>	<b>63</b>	<b>7</b>	<b>826</b>	<b>16</b>	<b>(63)</b>	<b>2,218</b>	<b>3,100</b>
Stock-based compensation			19					19
Effect of fair value change to investments and securities				(74)				(74)
Deferred taxes on fair value of investments and securities				25				25
Transfer of fair value to income statement				(25)				(25)
Fair value change to cash flow hedge derivatives					52			52
Transfer of fair value on cash flow hedges to income statement					(36)			(36)
Actuarial gains (losses) recognized in equity						79		79
Translation differences		(71)						(71)
Deferred taxes recognized in equity		(1)				(1)		(2)
Effect of IFIs percentage ownership increase in IFIL		5		59	1	(4)	(61)	0
Other changes		(2)		(2)		1	(47)	(50)
Movements in equity accounts							221	221
Total changes	0	(69)	19	(17)	17	75	113	138
<b>Equity at December 31, 2007</b>	<b>33</b>	<b>(6)</b>	<b>26</b>	<b>809</b>	<b>33</b>	<b>12</b>	<b>2,331</b>	<b>3,238</b>

## Equity attributable to the equity holders of the company - Treasury stock

At December 31, 2007, IFI holds, directly and indirectly, the following preferred shares of treasury stock:

	Number of shares	Carrying amount Per share (€)	Total (€ in ml)	% of class
<b>IFI – preferred shares</b>	<b>5,360,300</b>	<b>13.15</b>	<b>70.5</b>	<b>6.98</b>

During the year, there were no transactions involving preferred shares of treasury stock.

The ordinary stockholders' meeting held on May 15, 2007 authorized the purchase of treasury stock for 18 months, pursuant to art. 2357 of the Italian Civil Code and art. 132 of Legislative Decree 58 dated February 24, 1998, for a maximum of 16 million shares, for a total maximum amount of € 200 million.

The board of directors will put forward a motion to the ordinary stockholders' meeting to renew this resolution.

### 30. Stock option plans

#### Stock option plans with underlying IFI and IFIL stock

At December 31, 2007, there are no stock option plans with underlying IFI S.p.A. and IFIL S.p.A. stock. With regard to IFIL S.p.A., all the plans approved in prior years by the IFIL S.p.A. board of directors (IFIL 2000 plan and the IFIL 2003 plan) expired during 2006 and no new plans were introduced in 2007.

#### Stock option plan with underlying Alpitour stock

On December 15, 2005, in execution of the resolution passed by the board of directors' meeting held on November 11, 2005, the Executive Committee of IFIL S.p.A. approved a stock option plan for two managers of the Alpitour Group designed to promote their loyalty to the IFIL Group and provide an incentive to develop and appreciate the investments of the IFIL Group in the tourism sector.

The plan calls for purchase options on Alpitour shares to be granted to the chairman and chief executive officer, D.J. Winteler, and the general manager, F. Prete, respectively, equal to 6% (2,127,000 shares) and 5% (1,772,500 shares) of Alpitour's capital stock. After approval on the part of IFIL S.p.A., the Alpitour S.p.A. board of directors may in the future grant purchase options on Alpitour shares to other managers who hold important operating positions equal to 4% of Alpitour's capital (now 1,418,000 shares).

The purchase options may be exercised, at one or more times, during the period between the dates of the approval of the 2006/2007 and 2008/2009 Alpitour financial statements at the price of € 2.24 per share, corresponding to the valuation of the Alpitour Group, equal to € 79.4 million, performed in December 2005 by a specially appointed expert.

IFI S.p.A. and the managers of Alpitour S.p.A., finally, exchanged reciprocal purchase and sale options, exercisable during the same above period, on Alpitour shares that will have been purchased by the same managers; the exercise price will be established on the basis of the appraisal which will be performed using the same valuation principles applied in the December 2005 valuation.

From an accounting standpoint, the plan is a cash-settled stock-based payment transaction subject to paragraph 30 and subsequent paragraphs of IFRS 2, which requires the liability of the plan to be measured at fair value and, therefore, the options of the plan, at every closing date until expiration.

At December 31, 2007, the fair value of each option right of the plan was estimated at € 4.07 for a total of € 16 million, of which the current cost of € 13 million was recorded in 2007 (€ 3 million recorded in 2006) in the income statement in "Other nonrecurring expenses from related parties". The relative total liability of € 16 million is recognized in "Other current liabilities to related parties" (Note 41).

The estimate was performed by an independent expert who applied a binomial model of valuation to the options based on the following parameters:

Stock price at grant date (€)	(a)	2.24
Exercise price (€)	(a)	2.24
Underlying stock price at 12/31/2007 (€)	(b)	6.10
Estimated volatility (%)	(c)	32.5720%
Remaining option life (months)	(d)	25
Estimated dividends (%)	(e)	0.00
Risk-free interest rate (%)	(f)	4.5324%

- (a) The exercise price of the options was assumed to be equal to the par value of one ordinary Alpitour S.p.A. share at the grant date, quantified on the basis of an estimate performed by an independent expert.
- (b) The fair value of the underlying share (Alpitour S.p.A. ordinary share) at the date of reference of December 31, 2007, was quantified on the basis of an internal estimate prepared by applying valuation principles consistent with those used in December 2005 by the independent expert.
- (c) The expected volatility has also been determined by referring to the historical volatility, measured over a period consistent with the remaining life of the shares in the plan, of a sample of listed companies operating in the same sector as Alpitour S.p.A..
- (d) The expiration date of the options was established as the date of the approval of the Alpitour S.p.A. financial statements for the year 2008/2009, fixed, conventionally, as January 31, 2010. At the date of reference of December 31, 2007, the options thus have a remaining life of 25 months (2 years and 1 month). The options will vest at the end of the vesting period (January 31, 2008) and can be exercised from that date until the expiration date (January 31, 2010).
- (e) The absence of the payment of dividends is assumed for the application of the valuation model.
- (f) The risk-free interest rate is assumed to be equal to the return on government securities having a residual life consistent with the expiration of the options in the plan.
- An assumption was also included in the "binomial" model for the early exercise of the option rights during the period between the end of the vesting period and contractual expiration date of the options.

#### Cushman & Wakefield Group stock option plans

There are two separate stock option plans which are summarized in the following table: Employee Stock Purchase Plan Options and Management Options:

	Employee Stock Purchase Plan			Management Options		
	Tranche 1	Tranche 2	Total	EBITDA	EBITDA Margin	Total
Date of board of directors' meeting	12/19/2005	12/19/2005		3/30/2007	3/30/2007	
Number of options granted	11,166	7,385	18,551	8,070	5,380	13,450
Grant date	12/14/2005	6/29/2006		4/1/2007	4/1/2007	
Vesting date	1/1/2008	1/1/2009		2008/2012	2008/2012	
Exercise price at grant date	\$548	\$782		\$1,259	\$1,259	
Term of options post-vesting	10 years	10 years		10 years	10 years	
Forfeitures prior to April 1, 2007	(938)		(938)			
Options assumed by C&W Group at April 1, 2007	10,228	7,385	17,613	8,070	5,380	13,450
Options forfeited and canceled during the period	(5,266)	(293)	(5,559)	-	-	-
Options outstanding at December 31, 2007	4,962	7,092	12,054	8,070	5,380	13,450

The Employee Plan options outstanding at December 31, 2007 have an exercise price in the range of \$548 and \$782 and an average remaining contractual life of approximately 7 years.

The Management Options outstanding at December 31, 2007 have an exercise price of \$1,259 and an average remaining contractual life of approximately 9 years.

According to the provisions of IFRS 2, the appraisal was based on the Black-Scholes pricing model using the following assumptions:

	Employee Plan		Management Options
	Tranche 1	Tranche 2	
Stock price at grant date (\$)	578.68	906.73	1,298.87
Exercise price at grant date (\$)	548.02	782.39	1,258.68
Estimated volatility (%)	35%	35%	35%
Remaining option life (years)	6.5	6.5	10.0
Estimated dividends (%)	1.20	1.22	n.a.
Risk-free interest rate (%)	4.22%	5.12%	4.74%

Volatility is based on the historical volatility of comparable public companies. Because the Cushman & Wakefield Group does not have historical exercise data, it used the midpoint between the vesting date and the contractual term to determine the expected term of the stock options.

During 2007, costs of € 12 million were capitalized for both stock option plans.

### 31. Equity attributable to the minority interest

€ in millions	12/31/2007				12/31/2006		
	%	Capital and reserves	Profit (loss)	Total	Capital and reserves	Profit (loss)	Total
<b>IFIL Group</b>	31.7	<b>2,020</b>	<b>221</b>	<b>2,241</b>	2,325	575 (a)	2,900

(a) The minority interest's share of the gain on the SGS sale.

### 32. Provisions for employee benefits

The companies of the Group provide post-employment benefits for their active employees and retirees, either directly or by contributing to independently administered funds. The way these benefits are provided varies according to the legal, fiscal and economic conditions of each country in which the Group operates, the benefits generally being based on the employees' remuneration and years of service. Post-employment benefits are provided under defined contribution and/or defined benefit plans.

In the case of defined contribution plans, the companies of the Group pay contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligations. The contribution cost is recognized when the employee has rendered his/her service and this cost is recorded in the income statement in "Personnel costs".

Defined benefit plans may be unfunded, or they may be wholly or partly funded by contributions by a company, and sometimes by its employees, into a company, or fund, that is legally separate from the employer and from which the employee benefits are paid. Finally, the companies of the Group grant certain other long-term benefits to its employees; these benefits include those generally paid when an employee attains a certain level of seniority or when a specified event occurs. In this case the measurement of the obligation reflects the probability that payment will be required and the length of time for which payment is expected to be made.

Details of provisions for employee benefits recognized in the financial statements at December 31, 2007 and 2006 are the following:

€ in millions	Non-current part		Current part	
	12/31/2007	12/31/2006	12/31/2007	12/31/2006
Employee severance indemnity	24	27	4	0
Pension plans	10	0	0	0
<i>Total post-employment benefits</i>	<b>34</b>	27	<b>4</b>	0
Other employee benefits	11	110	109	7
<b>Total provisions for employee benefits</b>	<b>45</b>	137	<b>113</b>	7

### **Post-employment benefits**

#### Employee severance indemnities

Employee severance indemnities relating to the companies of the Group operating in Italy represent the obligation due to employees by law (recently amended by Law 296/06) that has accrued and which will be paid upon termination of employment. In certain circumstances, a portion of the indemnity may be paid as an advance during the employee's service life. This is an unfunded defined benefit plan, considering the benefits almost entirely accrued, with the sole exception of the revaluation.

After the change made to the regulations for employee severance indemnities by Law 296 dated December 27, 2006 (Budget Law 2007), and subsequent decrees and regulations, the portion of employee severance indemnities accruing from January 1, 2007, for employees who have asked, have been transferred to a complementary pension plan chosen by the employees and these therefore fall under defined contribution plans.

For those employees who did not elect the transfer of the accrued portion of employee severance indemnities, beginning January 1, 2007, the calculation of employee severance indemnities, including the portion accruing, will be made according to the usual actuarial method.

In accordance with IAS 19 – Employee Benefits, the Italian companies of the Group have included employee severance indemnities in defined benefit plans and measure them with actuarial techniques using the Project Unit Credit Method.

Besides employee severance indemnities, established by art. 2120 of the Italian Civil Code, the parent, IFI S.p.A., guarantees other forms of benefits (termination benefits, loyalty bonuses, health care plans, defined benefit and defined contribution pension plans) under company or individual supplementary agreements. These are described in Note 27 of the separate financial statements.

#### Pension plans

The Cushman & Wakefield Group funds a certain number of defined contribution plans set up pursuant to the laws in force in the countries in which it operates .

The relative cost incurred for such plans for the period April – December 2007 amounts to \$1.5 million (€ 1.1 million).

The European partnership (C&W UK) also provides a form of hybrid pension plan (UK Plan) which has features of both defined contribution and defined benefit plans.

Each year, the participants of the UK Plan have the possibility of purchasing “units of benefits” by making regular contributions based on age; until March 31, 2002, the company made contributions equivalent to twice the member rate.

The contributions are invested to provide benefits that become payable to members upon retirement or similar events.

Prior to retirement, the UK Plan guarantees only a part of the benefit.

Cushman & Wakefield UK ceased its contributions to the plan effective March 31, 2002 and, subject to certain transitional agreements, introduced a defined contribution plan for employees starting from that date.

Changes in the present value of post-employment benefit obligations and the fair value of plan assets servicing the plans during the course of the last two years are as follows:

€ in millions	Balance at 12/31/2006 (a)	Current service cost	Financial expenses	Actuarial gains (losses)	Benefits paid	Cushman & Wakefield Group acquisition	Losses (gains) on reductions and/or Exchange differences	Change in scope of consolidation and other changes	Balance at 12/31/2007	
<b>Present value of obligation:</b>										
Employee severance indemnities	27	6		1	(7)	3	(1)	1	(2)	28
Pension plans	0		3	(6)	(1)	65		(6)		55
<i>Total post-employment benefits</i>	27	6	3	(5)	(8)	68	(1)	(5)	(2)	83
Other long-term benefits	0	(2)				14		(1)		11
Other short-term benefits	0	95			(41)	61		(5)	(1)	109
<b>Balances - Sequana Capital Group</b>	117									
<b>Balances in published financial statements</b>	144									
Of which:										
Funded plans (totally or partially)										55
Unfunded plans	27									148

€ in millions	Balance at 12/31/2006 (a)	Expected return on assets	Contributions paid by company	Actuarial gains (losses)	Benefits paid	Cushman & Wakefield Group acquisition	Losses (gains) on reductions and/or Exchange differences	Change in scope of consolidation and other changes	Balance at 12/31/2007
<b>Fair value of the plan assets:</b>									
Pension plans		3			(1)	47		(4)	45
<i>Total post-employment benefit plans</i>	-	3	-	-	(1)	47	-	(4)	45
<b>Total net liabilities at December 31, 2007</b>	27	96	3	(5)	(48)	96	(1)	(7)	158

€ in millions	Balance at 12/31/2005 (a)	Current service cost	Financial expenses	Actuarial gains (losses)	Benefits paid	Cushman & Wakefield Group acquisition	Losses (gains) on reductions and/or Exchange differences	Change in scope of consolidation and other changes	Balance at 12/31/2006 (a)
<b>Present value of obligation</b>									
Employee severance indemnities	26	5		(3)	(2)				27
<i>Total post-employment benefits</i>	26	5	-	(3)	(2)		-	-	27
<b>Balances at December 31</b>	26	5	-	(3)	(2)		-	-	27
<b>Balances - Sequana Capital Group</b>	158								117
<b>Balances in published financial statements</b>	184								144
Of which:									
Funded plans (totally or partially)									
Unfunded plans	26								27

(a) The balances at December 31, 2006 and 2005 are net of the amounts relating to the Sequana Capital Group which was deconsolidated in 2007.

Post-employment benefits are calculated on the basis of the following actuarial assumptions:

	<b>December 31, 2007</b>	December 31, 2006
	<b>Employee severance indemnities</b>	<b>Pension plans</b>
		Employee severance indemnities
Discount rate	<b>4.6-4.7%</b>	<b>5.82%</b>
Future salary increase (inflation included)	<b>2-3.5%</b>	4.25%
Inflation rate	<b>2.00%</b>	2-3.5%
Expected return on plan assets		2.00%
		<b>7.13%</b>

The assumptions used for the calculation of pension funds are as follows:

- the discount rate is the rate of return at the balance sheet date of a credit instrument (AA rating) with maturity approximating the maturities of the Cushman & Wakefield Group bonds and denominated in the same currency in which the benefits will be paid;
- the mortality rate is based on statistical tables;
- the expected return on plan assets servicing the plan is based on the total return of the portfolio and not the sum of the expected returns of the individual assets. This rate approximates the historical annual rate of the plan assets.

The "UK Plan" assets include marketable equity securities in both United Kingdom and the United States companies and fixed-rate debt securities.

The investment policies and strategies for the plan assets are established to achieve a reasonable balance between risk, likely return and administration expense, as well as to maintain funds at a level to meet minimum funding requirements. In order to ensure that an appropriate investment strategy is in place, an analysis of the plan's assets and liabilities is completed periodically.

The estimated expense of defined plan benefits for the year 2008 is £ 1.5 million (€ 2 million).

	Fair value of the assets		Expected return
	<b>December 31, 2007</b>		<b>2007</b>
	Objective in %	€ in millions	in %
Equity instruments	87.2%	38	7.13%
Debt instruments	7.5%	5	7.13%
Cash	5.3%	2	7.13%

The total amounts recognized in the income statement for post-employment benefits refer to:

€ in millions	<b>2007</b>	2006
Current service cost	<b>6</b>	5
Financial expenses	<b>3</b>	0
Expected return on plan assets	<b>(3)</b>	0
Losses (gains) on reductions and/or curtailments	<b>(1)</b>	0
<b>Total (income) expenses for post-employment benefits</b>	<b>5</b>	5

#### **Other employee benefits**

Other employee benefits, of which € 11 million is current and € 109 million is non-current, mainly include the liabilities of the Cushman & Wakefield Group.

### 33. Provisions for other liabilities and charges

The composition of the provisions is as follows:

€ in millions	Current portion		Non-current portion	
	12/31/2007	12/31/2006	12/31/007	12/31/2006
Restructuring provisions	0	54	0	12
Fox River disputes provisions	0	6	0	115
DG IV disputes provisions	0	184	0	0
Ecological risks provisions	0	7	0	27
Other risks provisions	14	32	100	96
Tax provision	0	0	1	0
<b>Total</b>	<b>14</b>	<b>283</b>	<b>101</b>	<b>250</b>

The breakdown of non-current provisions by expected use is as follows:

€ in millions	December 31, 2007			December 31, 2006		
	2 to 5 years	After 5 years	Total	2 to 5 years	After 5 years	Total
Restructuring provisions	0	0	0	12	0	12
Fox River and DG IV disputes provisions	0	0	0	60	55	115
Ecological risks provisions	0	0	0	26	1	27
Other risks provisions	19	81	100	8	88	96
Tax provision	1	0	1	0	0	0
<b>Total</b>	<b>20</b>	<b>81</b>	<b>101</b>	<b>106</b>	<b>144</b>	<b>250</b>

Changes in the current and non-current provisions in 2007 and 2006 are as follows:

€ in millions	Balance at 12/31/2006	Release of provisions		Deconsolidation of the Sequana Capital Group	Cushman & Wakefield Group acquisition	Other changes	Balance at 12/31/2007
		Accruals	used				
Restructuring provisions	66	7	(14)	(76)		17	0
Fox River and DG IV disputes provisions	305	2	(6)	(42)	(256)	(3)	0
Ecological risks provisions	34	3	(2)	(1)	(34)		0
Other risks provisions	128	30	(9)	(11)	(30)	8	114
Tax provision	0			(1)		2	1
	533	42	(31)	(55)	(396)	10	115
<b>Effect on the income statement:</b>							
Operating profit (loss) from current operations		16	(13)	(2)			
Other nonrecurring income (expenses)		21	(18)	(43)			
Other financial income (expenses)		5		(10)			

€ in millions	Balance at 12/31/2005	Release of provisions		Other changes	Balance at 12/31/2006
		Accruals	used		
Restructuring provisions	15	59	(6)	(1)	66
Fox River and DG IV disputes provisions	324	3	(7)	(4)	305
Ecological risks provisions	46	6	(6)	(12)	34
Other risks provisions	142	17	(14)	(19)	128
	527	85	(33)	(36)	533
<b>Effect on the income statement:</b>					
Operating profit (loss) from current operations		11	(7)		
Other nonrecurring income (expenses)		66	(26)	(30)	
Other financial income (expenses)		8		(6)	

### 34. Pending litigation

#### ***IFIL S.p.A. and subsidiaries in the "Holdings System"***

Proceedings regarding the IFIL S.p.A. and Giovanni Agnelli e C. S.a.p.az. press releases dated August 24, 2005

In the opposing judgment against the administrative sanctions imposed by Consob under Resolution 15760 notified on February 13, 2007, the Court of Appeals of Turin, in its decision of December 5, 2007, reduced the total administrative sanctions from € 16 million to € 6.3 million. The reduction for IFIL was from € 4.5 million to € 1 million and for Mr Gabetti from € 5 million to € 1.2 million. Furthermore, the additional administrative sanction levied against Mr Gabetti was reduced by two months, from six to four months, the period of which is now over, as are the periods for the administrative sanctions against Mr Grande Stevens, as the legal advisor, and Mr Marrone.

As for the penal proceedings communicated to these individuals, the judge in the preliminary investigations of December 4, 2007 declared the notification pursuant to ex art. 415 bis of the Italian Penal Code null and void and sent the case to the public prosecutor's office. The proceedings are therefore again in the preliminary stages.

#### Closing of the dispute regarding the sale of La Rinascente

On February 14, 2006 and September 5, 2006, the buyer of the investment in La Rinascente filed two separate arbitration proceedings against Ifil Investissements S.A. seeking compensation for an amount of approximately € 52 million for extraordinary expenses relating to certain points of sale in addition to legal questions in connection principally with the accounting treatments used in the financial statements of La Rinascente.

On June 27, 2007, Ifil Investissements S.A. signed a settlement agreement in which the buyer of the investment in La Rinascente renounced all claims filed in the above arbitration proceedings against Ifil Investissements S.A. and any other claim and/or demand, also in the future, relating to the sale of the investment in La Rinascente. The settlement involved a total payment of € 8 million (of which € 6 million is to be borne by Ifil Investissements S.A. and € 2 million by the Auchan Group). These expenses are included in "nonrecurring income (expenses)" (Note 14).

#### ***Alpitour Group***

In reference to the damages to the "Bravo Club" resort in Zanzibar caused by the fire in January 2001, a case is pending before the competent authorities in Tanzania to establish the compensation for damages due from Royal Insurance. During 2005, Royal Insurance was sentenced, in the judgment of first instance, to pay the damages requested in addition to interest and legal fees. The insurance company appealed this decision and the case is now being judged in the second instance. Based on available information, it is believed that there is reasonable certainty that the judgment of the first instance will be upheld.

The Alpitour Group also filed two suits against INPS regarding social security in which judgments of the second instance have already been handed down. Considering that one of the judgments is in favor of the company and the other against, it is believed that the Group will have to pay a total of approximately € 800 thousand which has already been provided for in the financial statements.

#### ***Cushman & Wakefield Group***

The Cushman & Wakefield Group is a party to various matters in litigation. These matters generally relate to disputes and claims involving commission agreements, employment agreements, and other contractual matters.

The Group believes that while some of these matters may be ultimately resolved against it, such claims will not have a material effect on the financial position and results of operations of the C&W Group.

### ***Juventus Football Club***

#### Proceedings regarding the tragedy at the Vinovo Training Center

On January 28, 2008 and March 11, 2008, the preliminary hearings took place during the course of which the four defendants petitioned to request sentencing under ex art. 444 and following articles of the Penal Code after the plaintiffs had stated, before the judge, that they had been fully compensated.

Therefore, the four defendants were sentenced to one year and two months of imprisonment and granted the benefit of the conditional suspension of the sentence. Finally, on March 12, 2008, the judge also issued a decree to close the case against the chief executive officer Jean-Claude Blanc. The matter can thus be considered definitely concluded.

#### Investigations against former directors

On May 11, 2006, District Attorney's Office of Naples notified the former chief executive officer Antonio Giraudo and the former director and general manager Luciano Moggi of an "invitation to appear" concerning various illegal acts, including association to commit sports fraud. On June 10, 2006, they were notified of the conclusion of the preliminary investigations. The documents from the criminal proceedings became part of the investigation by sports' justice bodies which led to sports proceedings against the company in summer 2006. The judicial authorities then continued their investigations also as a result of the documents transmitted on an investigation into the same matter at one time filed by the District Attorney's Office of Turin. On April 12, 2007, the District Attorney's Office of Naples issued a new notification of the conclusion of the preliminary investigations. The preliminary hearing began on December 15, 2007 and is still underway.

Criminal proceedings are also underway before the District Attorney's Office of Turin regarding the financial statements and communications by the company from June 30, 2001 to June 30, 2006. The suit filed against some former directors, also regards the company pursuant to articles 5, 13 and 25 of Legislative Decree 231/2001, as the legal entity responsible. If the former directors are considered responsible, the dispute against the company could lead to a pecuniary administrative sanction in the range of € 103 thousand to € 1,239 thousand.

#### Como Calcio bankruptcy

The bankruptcy of Como Calcio, in June 2006, led to action being brought against Juventus Football Club for the payment of the sum of € 1,580,000 allegedly still due to Como Calcio for the definitive sale of the registration rights of the players Piccolo and Pederzoli.

Juventus Football Club appeared before the courts and asked for the rejection of the bankruptcy filing since the sum had already been paid and also for Mr Preziosi to appear in court so that Juventus would be relieved of responsibility and not be held accountable for damage compensation in the event of a judgment against Juventus. The case was adjourned to the first hearing set for March 12, 2008 in order to call Mr Preziosi before the court. Mr Preziosi appeared and asked for the rejection of the claims against him.

### 35. Consolidated net financial position

The composition of the gross and net financial position of the consolidated companies is as follows:

€ in millions	Gross borrowings position	Financial assets	Net financial position (borrowings)/cash
IFI S.p.A.	(396)	3	(393)
IFIL S.p.A. and the "Holdings System"	(967)	863	(104)
Cushman & Wakefield Group	(73)	76	3
Alpitour Group	(103)	120	17
Juventus Football Club S.p.A.	(18)	25	7
<b>Total</b>	<b>(1,557)</b>	<b>1,087</b>	<b>(470)</b>

In accordance with the provisions of Consob Communication 6064293 dated July 28, 2006, the composition of the net financial position of the IFI Group is provided below:

€ in millions	12/31/2007	12/31/2006	Change
<b>Non-current financial liabilities</b>			
IFIL 2007/2017 bonds	(744)		(744)
IFIL 2006/2011 bonds	(200)	(199)	(1)
Debt	(214)	(578)	364
<b>Total non-current financial liabilities</b>	<b>(1,158)</b>	<b>(777)</b>	<b>(381)</b>
<b>Non-current other financial assets</b>	<b>8</b>	<b>4</b>	<b>4</b>
<b>Non-current net financial position (A)</b>	<b>(1,150)</b>	<b>(773)</b>	<b>(377)</b>
<b>Current financial liabilities</b>			
Debt	(347)	(723)	376
Current portion of medium/long-term debt	(52)	(24)	(28)
<b>Total current financial liabilities</b>	<b>(399)</b>	<b>(747)</b>	<b>348</b>
<b>Current financial assets</b>			
Credit instruments and equity shares held for trading	152	954	(802)
Derivative financial instruments	6	2	4
Receivables and other financial assets	2	6	(4)
<b>Total current financial assets</b>	<b>160</b>	<b>962</b>	<b>(802)</b>
<b>Cash and cash equivalents</b>	<b>919</b>	<b>362</b>	<b>557</b>
<b>Current net financial position (B)</b>	<b>680</b>	<b>577</b>	<b>103</b>
<b>Consolidated net financial position (A+B)</b>	<b>(470)</b>	<b>(196)</b>	<b>(274)</b>

There are no financial receivables or payables balances with related parties.

### 36. Bonds and other debt

The composition is as follows:

€ in millions	Non-current portion		Current portion	
	12/31/2007	12/31/2006	12/31/2007	12/31/2006
IFIL bonds 2007/2017	(744)		(22)	
IFIL bonds 2006/2011	(200)	(199)	(1)	
Debt	(214)	(578)	(376)	(747)
<b>Total bonds and other debt</b>	<b>(1,158)</b>	<b>(777)</b>	<b>(399)</b>	<b>(747)</b>

With regard to IFI S.p.A., non-current bank debt amounts to € 100 million (€ 125 million at December 31, 2006).

Interest rate swaps are in place to guarantee fixed interest rates on the entire amount; at December 31, 2007, the fair value on these contracts is positive for € 254 thousand.

Bank debt is classified in non-current liabilities in relation to the residual period of the credit line granted and the duration of the relative hedging contracts.

The current portion of bank debt amounts to € 294 million (€ 35 million at December 31, 2006) and includes loans for € 150 million due by the end June 2008, use of short-term funds for € 144 million and bank overdrafts for the remaining amount (€ 223 thousand).

Interest rate swaps are also in place on the current portion of loans secured in prior years. At December 31, 2007, the fair value on these contracts is positive for € 1,522 thousand.

The loan contracts relating to irrevocable lines of credit of IFI S.p.A. provide for commitments which are common practice in the sector for this type of debt. In particular, some of the main commitments included in certain contracts refer to the obligation of periodic disclosure, not setting up new real guarantees on the assets of the company without the prior consent of the creditors, the non-subordination of the loan, as well as, in some cases, compliance with financial ratios. Finally, there are clauses that could change the duration in the case of serious non-fulfillment such as, for example, failure to pay interest or when extremely serious events arise such as a request to place the company under administration.

The bonds issued by IFIL S.p.A. were admitted for trading on the Luxembourg stock exchange.

The bonds contain covenants that are common in international practice for bond issues of this type. In particular they contain negative pledge clauses (the obligation to extend any real present or future guarantees given as collateral on the assets of the issuer on other bonds and other credit instruments to these bonds to the same degree), disallowing a change of control and providing for periodic disclosure. The 2006/2011 bonds also establish other commitments such as respecting a maximum debt limit in relation to the amount of the portfolio and maintaining a rating by one of the major agencies. Non-compliance with these covenants allows the bondholders to ask for the immediate redemption of the bonds. Finally, standard events of default are envisaged in the case of serious non-fulfillment such as, for example, failure to pay interest. These covenants were complied with at December 31, 2007.

The IFIL 2007/2017 bonds were issued at a price equal to 99.554% of their face value with a 5.375% annual coupon which guarantees a return equal to the 10-year swap rate plus a spread of 80 basis points, at the time of issue.

The IFIL 2006/2011 bonds, issued on June 9, 2006 for a nominal amount of € 200 million, maturing June 9, 2011, pay interest at the 3-month Euribor rate plus a spread of 68 basis points.

The Cushman & Wakefield Group principally has the following categories of debt:

- Senior Revolving Credit Facility secured on May 29, 2007 for \$350 million. At December 31, 2007, the outstanding balance is \$97.2 million (€ 66 million), of which \$82 million (€ 56 million) is at an average rate of 6.31%, \$7.8 million (€ 5 million) at an average rate of 5.58% and \$7.4 million (€ 5 million) at an average rate of 5.13% with the maximum balance during the nine months of the year 2007 of \$202.8 million (€ 138 million) in August 2008.

- Seller Note – Le Page for \$6.8 million (€ 5 million) at a rate of 7%;
- Seller Note – The Apartment Group for \$2.9 million (€ 2 million) at a rate of 6%;
- Seller Note – San Diego for \$0.5 million (€ 0.3 million).

The Senior Credit Facility calls for four covenants to be maintained for the entire term of the credit facility including leverage ratios as defined in the contract.

The financial covenants have been complied with from the time the credit facility was secured until December 31, 2007.

They also include:

- debt of the Alpitour Group for € 103 million relating principally to the securitization of trade receivables (€ 48 million) and the residual loan secured originally from Banca Sanpaolo IMI and Banca Intesa using EIB funds (€ 17 million);
- debt of Juventus Football Club for € 18 million.

The medium and long-term loan contracts state that the Alpitour Group must comply with the covenants calculated on consolidated equity, economic and financial data (mainly net debt/equity and Ebitda/net debt). In view of the seasonal nature of the business, these ratios, as established by the relevant contracts, are calculated on an annual basis at the year-end closing date.

At October 31, 2007, these ratios were fully within the limits established by the covenants.

### 37. Deferred income taxes

The composition and change in deferred tax assets is as follows:

€ in millions	Deferred				Total
	Employee benefits	Tax losses	compensation plans	Other	
<b>Balance at December 31, 2006</b>	28	51	0	(30)	<b>49</b>
Deconsolidation of the Sequana Capital Group	(27)	(33)		40	<b>(20)</b>
Acquisition of the Cushman & Wakefield Group		2	25	20	<b>47</b>
Income taxes charged (reversed) to the income statement		(9)	(2)	(1)	<b>(12)</b>
Exchange differences		(1)	(2)	(2)	<b>(5)</b>
Net other movements		(4)		17	<b>13</b>
<b>Balance at December 31, 2007</b>	<b>1</b>	<b>6</b>	<b>21</b>	<b>44</b>	<b>72</b>

The composition and the change in deferred tax liabilities is as follows:

€ in millions	Property, plant and equipment	Intangible assets	Depreciation and tax accruals	Deferred		Total
				Fair value	Other	
<b>Balance at December 31, 2006</b>	(81)		(30)	(49)	58	<b>(102)</b>
Deconsolidation of the Sequana Capital Group	76		32	1	(48)	<b>61</b>
Acquisition of the Cushman & Wakefield Group		(128)			(7)	<b>(135)</b>
Income taxes (charged) reversed to the income statement	4	10	(2)		1	<b>13</b>
Income taxes relating to items directly debited to equity				37 <sup>(a)</sup>	(3)	<b>34</b>
Exchange differences	1	13				<b>14</b>
Net other movements	(2)	(2)			(9)	<b>(13)</b>
<b>Balance at December 31, 2007</b>	<b>(2)</b>	<b>(107)</b>	<b>0</b>	<b>(11)</b>	<b>(8)</b>	<b>(128)</b>

(a) Relating to taxes on the fair value of the investment in Intesa Sanpaolo S.p.A.

The analysis of unused tax loss carryforwards on which deferred tax assets have not been calculated is as follows:

€ in millions	Taxable base			Total	Estimated tax benefit
	To 1 year	2 to 4 years	After 4 years		
<b>At December 31, 2007</b>					
Current tax losses	204	463	633	1,300	347
<b>At December 31, 2006</b>					
Current tax losses	114	579	773	1,466	470

Deferred tax assets on tax losses are recognized to the extent that their recoverability is highly probable in the following year or in the medium term, taking into account the taxable income forecast in medium-term operating plans.

### 38. Other liabilities

Details of other liabilities are as follows:

€ in millions	12/31/2007	12/31/2006	Change
<b>Other non-current liabilities</b>			
Other non-current liabilities and other payables	100	54	46
Other non-current payables to related parties	1	3	(2)
<b>Total other non-current liabilities</b>	<b>101</b>	<b>57</b>	<b>44</b>
<b>Other current liabilities</b>			
<b>Trade payables</b>			
Trade payables	367	912	(545)
Trade payables to related parties	10	15	(5)
<b>Total trade payables</b>	<b>377</b>	<b>927</b>	<b>(550)</b>
<b>Other current liabilities</b>			
Payables for direct taxes	17	67	(50)
Payables for indirect taxes	22	70	(48)
Payables to employees and similar	33	142	(109)
Payables on purchases of property, plant and equipment	29	47	(18)
Other payables	137	202	(65)
Other payables to related parties	18	0	18
<b>Other current liabilities</b>	<b>256</b>	<b>528</b>	<b>(272)</b>
<b>Total trade payables and other current liabilities</b>	<b>633</b>	<b>1,455</b>	<b>(822)</b>
<b>Total trade payables and other non-current and current liabilities</b>	<b>734</b>	<b>1,512</b>	<b>(778)</b>

For additional information on payables to related parties, reference should be made to Note 41.

Other non-current and current liabilities by maturity are as follows:

€ in millions	To 1 year	2 to 5 years	After 5 years	Total
Other non-current liabilities		91	10	101
Trade payables	377			377
Other payables	256			256
<b>Balances at December 31, 2007</b>	<b>633</b>	<b>91</b>	<b>10</b>	<b>734</b>
Other non-current liabilities		45	12	57
Trade payables	927			927
Other payables	528			528
<b>Balances at December 31, 2006</b>	<b>1,455</b>	<b>45</b>	<b>12</b>	<b>1,512</b>

### 39. Commitments

Details are as follows:

€ in millions	12/31/2007	12/31/2006 (a)
<b>Commitments undertaken</b>		
Bills discounted and not yet due	0	1
Guarantees	0	572
Sureties, guarantees of notes and other guarantees	137	78
Commitments for the purchase of intangible assets	0	1
Commitments for the purchase of property, plant and equipment	3	5
Commitments for the purchase of investments and other financial assets	71	585 (b)
Options for the purchase of players' rights	0	13
Goods on deposit with third parties	1	2
Forward purchase of goods and raw materials	0	173
Other commitments	0	58
<b>Total commitments undertaken</b>	<b>212</b>	<b>1,488</b>
<b>Commitments received</b>		
Sureties, guarantees, guarantees of notes and other guarantees	187	170
Options on soccer players	0	23
Commitments for the sale of property, plant and equipment	0	5
Forward sales of goods and raw materials	0	156
Other commitments	63	57
<b>Total commitments received</b>	<b>250</b>	<b>411</b>

(a) The balances included the commitments of the Sequana Capital Group.

(b) The amounts included the commitment for the purchase of the controlling stake in Cushman & Wakefield.

Commitments by due date are as follows:

€ in millions	Until canceled	To 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	After 5 years	Sequana Capital Group	Total
<b>At December 31, 2007</b>								
Commitments undertaken	81	60	29	37	5	0	0	212
Commitments received	0	177	41	4	28	0	0	250
<b>At December 31, 2006</b>								
Commitments undertaken	6	580	50	13	14	2	823	1,488
Commitments received	0	0	88	0	155	0	168	411

The amount of future minimum lease payments relating to operating leases is as follows:

€ in millions	0 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	After 5 years	Sequana Capital Group	Total
<b>At December 31, 2007</b>	<b>28</b>	<b>28</b>	<b>81</b>	<b>51</b>	<b>58</b>		<b>246</b>
At December 31, 2006		18		24		262	304

In 2007, floating-rate lease contracts total € 18 million (€ 95 million in 2006). In 2006, fixed-rate lease contracts amounted to € 209 million and referred entirely to the Sequana Capital Group.

Lease expenses recognized in the 2007 income statement amount to € 45 million and refer entirely to simple lease contracts. Lease expenses recognized in the 2006 income statement amounted to € 97 million (of which € 31 million for irrevocable leases, € 45 million for other operating leases and € 21 million for simple lease contracts).

Commitments undertaken at December 31, 2007 amount to € 212 million and mainly refer to sureties, guarantees of notes and other guarantees for € 137 million, as well as commitments for the purchase of investments and financial assets for € 71 million.

Surities, guarantees of notes and other guarantees (€ 137 million) mainly include sureties on behalf of suppliers of tourist services, financial offices and public entities provided by the Alpitour Group and other guarantees of the Alpitour Group for € 65 million, in addition to sureties of Juventus Football Club for € 29 million provided by leading credit institutions.

Commitments for the purchase of investments and other financial assets (€ 71 million) refer to commitments undertaken by the subsidiary Ifil Investissements, as follows:

- commitment for a maximum investment of \$80 million (€ 56 million) in the limited partnership NoCo B LP which Groups a series of funds managed by Perella Weinberg Partners L.P., undertaken by the subsidiary Ifil Investissements S.A. which, on May 2, 2007, succeeded Exor Group S.A., a company controlled by Giovanni Agnelli e C. S.a.p.az. As a result of this commitment, on December 31, 2007, Ifil Investissements invested \$17 million (€ 12 million). The remaining commitment at December 31, 2007 is \$67 million (equal to € 46 million);
- commitment to invest € 25 million in a real estate fund managed by Perella Weinberg Partners L.P.

Commitments received amount to € 250 million and refer to sureties, guarantees, guarantees of notes and other guarantees for € 187 million (of which € 141 million is for sureties provided by third parties to Juventus Football Club) and sales commitments of the Alpitour Group for € 63 million for travel bookings.

The main sureties relating to Juventus Football Club are as follows:

- surety of € 78 million provided by leading credit institutions on behalf of Sky Italia S.r.l. to guarantee the contract for the sale of television broadcasting rights to the championship home games for the 2007/2008 season;
- surety of € 52 million issued by leading credit institutions in favor of Reti Televisive Italiane S.p.A. to guarantee the contract for the sale of the television broadcasting rights to the championship home games for the 2007/2008 season;
- other sureties for € 11 million.

Other guarantees received by Juventus Football Club for € 43 million refer to guarantees for the receivable from Campi di Vinovo S.p.A. and notes. For additional information, reference should be made to Note 26.

#### **Procedures for the identification and control of commitments**

The information regarding commitments, in addition to all other data and information used for consolidation purposes, is transmitted to IFI S.p.A. through the consolidation process under the responsibility of the legal representatives of the individual companies and the holding companies consolidated by IFIL S.p.A. which sign a representation letter addressed to the parent.

On the basis of information known to IFI S.p.A., no significant commitments have been omitted by the companies of the Group.

#### 40. Additional information on financial instruments and financial risk management policies

The carrying amounts and the relative income (expenses) originating from each category of asset and liability classified in accordance with IAS 39 are presented as follows:

€ in thousands	December 31, 2007		
	Carrying amount	Income	Expenses
<b>Financial assets</b>			
At fair value through the income statement			
- held for trading	154	4	
- designated initially	0		
Derivative instruments designated as hedging derivatives	6		
Investments held to maturity	12	0	
Loans and receivables <sup>(a)</sup>	1,382	33	0
Available-for-sale assets	2,635	112	
<b>Total</b>	<b>4,189</b>	<b>149</b>	<b>0</b>
<b>Financial liabilities</b>			
At fair value through the income statement			
- held for trading	0		
- designated initially	0		
Derivative instruments designated as hedging derivatives	0		
Debt at amortized cost	970		(32)
Debt at cost	963		(38)
Financial guarantees	0		
<b>Total</b>	<b>1,933</b>	<b>0</b>	<b>(70)</b>

(a) Includes cash and cash equivalents for € 919 million.

€ in thousands	December 31, 2006		
	Carrying amount	Income	Expenses
<b>Financial assets</b>			
At fair value through the income statement			
- held for trading <sup>(a)</sup>	963	19	
- designated initially	0		
Derivative instruments designated as hedging derivatives	5		
Investments held to maturity	102		
Loans and receivables <sup>(a)</sup>	1,442	2	
Available-for-sale assets	2,569	53	
<b>Total</b>	<b>5,081</b>	<b>74</b>	<b>0</b>
<b>Financial liabilities</b>			
At fair value through the income statement			
- held for trading	0		
- designated initially	0		
Derivative instruments designated as hedging derivatives	0		
Debt at amortized cost	199		(9)
Debt at cost	2,244		(21)
Financial guarantees	0		
<b>Total</b>	<b>2,443</b>	<b>0</b>	<b>(30)</b>

(a) Includes cash and cash equivalents for € 362 million.

Financial assets and liabilities for which the fair value can not be objectively determined and which are recognized at cost have not been included in the asset and liability categories indicated in IAS 39.

Income and expenses relating to the year 2006 do not include the income statement data of the Sequana Capital Group since the Group was deconsolidated and the data restated to show the IFI Group's share of the result in "Discontinued assets or assets held for sale". For additional information, reference should be made to "Change in the scope of consolidation" in Note 9.

#### **Fair value of financial assets and liabilities and the criteria for the determination of fair value**

Financial assets held for trading represented by listed securities are measured using the listed market price at year-end and the change in fair value is recognized in the income statement in financial income (expenses).

Available-for-sale assets represented by listed securities are measured at fair value using the listed market price at year-end and the unrealized gains or losses are recognized in equity. For additional information on the measurement of available-for-sale financial assets, reference should be made to Note 24.

For trade receivables and payables, referring to those due all within one year, the fair value is not significant in that their carrying amount approximates fair value.

Derivative financial instruments are measured at fair value using the discounted cash flow method.

#### **Credit risk**

Credit risk exposure is principally represented by trade receivables and the concentration of credit risk, however, is mitigated by a large number of counterparts.

Trade receivables are expressed in the financial statements net of the provision for impairment for the risk that counterparts will be unable to fulfill their contractual obligations, the creditworthiness of the customer and historical data.

Credit risk regarding the other financial assets of the Group, which include cash and cash equivalents, available-for-sale assets, receivables and some derivatives, have a maximum risk equal to the carrying amount of the assets in the case of the insolvency of the counterpart.

The amount of financial assets overdue but not impaired, represented by trade receivables in the category "loans and receivables", is detailed as follows:

€ in millions	Overdue but not impaired						Total
	30 days	30 to 60 days	60 to 90 days	90 to 180 days	180 to 360 days	more than 360 days	
<b>2007</b>							
<b>Trade receivables</b>	<b>136</b>	<b>20</b>	<b>21</b>	<b>11</b>	<b>3</b>	<b>3</b>	<b>194</b>

€ in millions	Overdue but not impaired (a)						Total
	30 days	30 to 60 days	60 to 90 days	90 to 180 days	180 to 360 days	more than 360 days	
<b>2006</b>							
Trade receivables	21	13	9	9	5	7	64

(a) The data of the Sequana Capital Group is not included.

Movements in the provision for the impairment of receivables and other financial assets for the years 2007 and 2006 are as follows:

€ in millions	12/31/2007	12/31/2006
<b>Beginning balance</b>	<b>23</b>	89
Balance of the Sequana Capital Group		(63)
Accruals	8	6
Uses	(6)	(9)
Acquisition of the Cushman & Wakefield Group	7	0
Exchange differences	1	0
Other changes	(3)	0
<b>Ending balance</b>	<b>30</b>	23

Information on the credit risk of the IFI Group is presented below.

#### ***IFI, IFIL and IFIL Holdings System***

IFI S.p.A., IFIL S.p.A. and the companies in the IFIL Holdings System effectively are not subject to credit risk since the counterparts are mainly represented by high-credit-quality leading banking institutions.

IFI, IFIL and the IFIL Holdings System, at either December 31, 2007 or December 31, 2006, do not have financial assets overdue and impaired and provisions for the impairment of receivables.

#### ***Alpitour Group***

##### Transactions for the sale of receivables

At October 31, 2007, the balance relating to the monthly securitization program of trade receivables begun by the Alpitour Group in 2006 amounts to € 49 million. The securitization operation formalized by Alpitour S.p.A. with Banca Calyon in Milan provides for a revolving credit line which can be used on a monthly basis up to a net maximum amount of € 55 million against the sale of the trade receivables. Furthermore, in accordance with the contract terms, in exchange for the monthly sale of receivables and the amount of utilization requested (monthly program), Alpitour is obliged to subscribe to short-term securities (30-day maturities) issued by a French-registered associate of the Calyon Group, the amount of which is determined on the basis of the quality of the receivables sold and the relative degree of concentration. At October 31, 2007, short-term securities were subscribed to for an amount of € 40 million against a monthly program of € 49 million; the net use of the securitization line at the year-end closing date is therefore equal to € 9 million against a credit line made available by Calyon for € 55 million.

The Alpitour Group does not have any particular concentrations of credit risk since its credit exposure is distributed over a large number of counterparts and customers.

Trade receivables are expressed net of the provision for receivables impairment which amounts to € 22 million at December 31, 2007.

#### ***Cushman & Wakefield Group***

The credit risk of the Cushman & Wakefield Group is represented by the carrying amount of financial assets recorded in cash and cash equivalents for \$110.2 million (€ 75 million) and the carrying amount of trade receivables for \$444 million (€ 302 million).

Trade receivables are expressed net of the provision for receivables impairment which amounts to \$8.2 million (€ 6 million) at December 31, 2007.

### **Juventus Football Club**

Juventus Football Club does not have any significant concentrations of credit risk. Trade receivables are expressed net of the provision for receivables impairment which amounts to € 1 million at December 31, 2007.

### **Liquidity risk**

The companies of the Group control the liquidity risk by planning investments of liquidity, monitoring the maturities of financial investments and financial assets and the expected cash flows from operations.

The residual contract maturities for all the financial liabilities which fall under the application of IAS 39 are indicated below.

The table has been prepared by allocating the remaining cash flows from existing contracts, including principal and interest; with regard to floating-rate loans, the most recent coupon rate with the bank counterpart was used for the projection of future maturities.

€ in millions	December 31, 2007					Total
	Nominal amount					
	6 months to 1 year		1 to 3 years	3 to 5 years	After 5 years	
To 6 months						
<b>Bonds and non-current debt</b>						
IFIL bonds 2007/2017	(40)		(81)	(81)	(951)	(1,153)
IFIL bonds 2006/2011	(4)	(4)	(18)	(205)		(231)
Debt	(2)	(2)	(118)	(95)	(11)	(228)
<b>Bonds and current debt</b>						
Current debt	(347)	(2)				(349)
Current portion of bonds	(46)	(5)				(51)
Payables to suppliers	(377)					(377)
<b>Total</b>	<b>(816)</b>	<b>(13)</b>	<b>(217)</b>	<b>(381)</b>	<b>(962)</b>	<b>(2,389)</b>

€ in millions	December 31, 2006					Sequana Capital Group	Total
	Nominal amount						
	To 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	After 5 years		
<b>Bonds and non-current debt</b>							
IFIL bonds 2006/2011	(4)	(4)	(18)	(214)		(240)	
Debt	(2)	(2)	(164)	(14)	(15)	(412)	(609)
<b>Bonds and current debt</b>							
Current debt	(411)	(14)				(274)	(699)
Current portion of bonds	(12)	(10)					(22)
Payables to suppliers	(202)					(717)	(919)
<b>Total</b>	<b>(631)</b>	<b>(30)</b>	<b>(182)</b>	<b>(228)</b>	<b>(15)</b>	<b>(1,403)</b>	<b>(2,489)</b>

Comments in respect of IFI S.p.A., IFIL S.p.A. and the companies of the Holdings System are presented below.

Outgoing flows from current operations are substantially financed by incoming flows from ordinary business and cash availability.

Liquidity risk could therefore arise only in the event of investment decisions in excess of cash availability that are not preceded by sufficient liquidation of assets or difficulties in raising sufficient funds that can be readily used to support operating and investment activities. In this sense, the IFI Group operates so as to have irrevocable credit lines available with expiration dates and amounts consistent with its investment plans.

At December 31, 2007, the IFI Group has unused credit lines for € 2,680 million (€ 3,188 million at December 31, 2006).

Overall credit lines of the Alpitour Group total € 358 million, of which € 74 million is used for short-term financing and € 27 million for medium-term financing.

As for the liquidity risk of the Cushman & Wakefield Group, its cash position and future outlook are reviewed on a weekly basis. The C&W Group's seasonal cash flow demands peak in the early second quarter. To supplement its internally generated cash flows, the Cushman & Wakefield Group secured a \$350 million Senior Credit Facility on May 29, 2007. This facility will be used to support acquisition opportunities and fund seasonal cash flow requirements during the year.

The breakdown of maturities by credit line is as follows:

<b>December 31, 2007</b>							
Nominal amount							
€ in millions	Until canceled	To 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	After 5 years	<b>Total</b>
Portion of credit lines utilized	175	221	3	0	193	0	<b>592</b>
Portion of credit lines not utilized	1,309	174	100	375	722	0	<b>2,680</b>
<b>Total credit lines</b>	<b>1,484</b>	<b>395</b>	<b>103</b>	<b>375</b>	<b>915</b>	<b>0</b>	<b>3,272</b>

<b>December 31, 2006</b>								
Nominal amount								
€ in millions	Until canceled	To 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	After 5 years	Sequana Capital Group	<b>Total</b>
Portion of credit lines utilized		73	381	9	167	5	586	<b>1,221</b>
Portion of credit lines not utilized	199		1,507	15	755		712	<b>3,188</b>
<b>Total credit lines</b>	<b>199</b>	<b>73</b>	<b>1,888</b>	<b>24</b>	<b>922</b>	<b>5</b>	<b>1,298</b>	<b>4,409</b>

### Market risk

The IFI Group is principally exposed to exchange rate and interest rate risks, since the Group operates internationally in different currency areas and uses financial instruments which generate interest, in addition to the price risk on equity shares and other listed financial assets.

Financial risks are managed by each subgroup in which the Group's activities are divided. The financial risk management of the subsidiary IFIL S.p.A. and the companies in the IFIL Holdings System refer to the parent, IFI.

### Exchange rate risk

An analysis of debt by currency is as follows:

€ in millions	EUR	GBP	USD	Other	<b>Total</b>
<b>At December 31, 2007</b>					
IFIL bonds 2007-2017	(744)				<b>(744)</b>
IFIL bonds 2006-2011	(200)				<b>(200)</b>
Debt	(544)		(58)	(10)	<b>(612)</b>
<b>Total debt</b>	<b>(1,488)</b>	<b>0</b>	<b>(58)</b>	<b>(10)</b>	<b>(1,556)</b>
<b>At December 31, 2006</b>					
IFIL bonds 2006-2011	(199)				<b>(199)</b>
Debt	(1,186)	(68)	(51)	(20)	<b>(1,325)</b>
<b>Total debt</b>	<b>(1,385)</b>	<b>(68)</b>	<b>(51)</b>	<b>(20)</b>	<b>(1,524)</b>

The Group is exposed to risks from fluctuations in exchange rates which can affect the results of operations and equity.

The transactions put into place by the companies of the Group to hedge the above currency positions are described below.

IFIL S.p.A. does not have financial liabilities denominated in currencies other than the Euro. Some of the assets held for trading and cash and cash equivalents at December 31, 2007 (respectively, € 19 million and € 3 million) are denominated in currencies other than the Euro. These are securities held for trading and cash and cash equivalents which have both been adjusted to the year-end exchange rate.

The Alpitour Group, since it operates internationally, is subject to market risk from the fluctuations in exchange rates.

Alpitour S.p.A. has put into place forward contracts and zero cost collars for a total nominal amount of € 27 million to manage the risk of fluctuations in currency rates hedging the exposure in foreign currencies for the next year. The fair value of IRS at October 31, 2007 is estimated at a negative € 1,099 thousand.

Exchange rate risk relating to the operations of the Cushman & Wakefield Group is limited since the companies of the C&W Group conduct their operations in their functional currency.

Exposure to currency risk is only from intercompany commercial transactions. The C&W Group mitigated this risk in 2007 by using some foreign exchange forward contracts for the three main currencies in which it operates: the British pound, the Canadian dollar and the Brazilian real. The fair value of these financial instruments at December 31, 2007 amounts to \$14,000 thousand (€ 9,510 thousand).

The exchange risk relating to financial liabilities is limited to the foreign currency debt referring to the portion of the Senior Revolving Credit Facility for \$14.3 million (€ 5 million).

The C&W Group believes that the companies exposed to this risk will generate sufficient cash flows in the future to repay their debt, therefore, no hedging instruments have been put into place.

At December 31, 2006, the Sequana Capital Group had some foreign currency hedging contracts; the change in fair value of these contracts was recorded in the income statement for a negative amount of € 33 thousand.

#### **Sensitivity analysis for exchange rate risk**

A sensitivity analysis at the balance sheet date has been prepared in respect of the financial instruments exposed to the exchange rate risk of the Eur/USD, Eur/GBP and risks referring to other currencies represented principally by trade receivables and payables, financial assets and derivative financial instruments of the Alpitour Group and the Cushman & Wakefield Group.

#### Alpitour Group

The sensitivity analysis for the exchange risk of the Alpitour Group used the data of the financial statements at October 31, 2007 and is based on the following assumptions:

- the amount shown in the financial statements for financial assets and liabilities has been adjusted by applying a symmetrical percentage change of 10% to the year-end exchange rate;
- for derivative financial instruments, the effects have been calculated assuming that the volatility of the markets is unchanged at year-end.

The Alpitour Group is exposed to exchange rate risk on financial assets for € 6 million and on financial liabilities for € 51 million.

A 10% increase or decrease in the exchange rates of the major foreign currencies against the Euro would have an effect on the result for € 1.2 million and a positive effect on equity for € 1.9 million and a negative effect for € 2.5 million.

### Cushman & Wakefield Group

The Cushman & Wakefield Group is exposed to exchange rate risk on financial assets for € 231 million and on financial liabilities for € 106 million.

A 10% increase or decrease in the exchange rates of the major foreign currencies against the Euro would affect equity by € 11 million.

### **Interest rate risk**

The companies of the Group use external financial resources obtained in the form of financing and invest available liquidity in monetary and financial market instruments. Changes in market interest rates can affect the cost and yield of the various forms of financing, causing an impact on the level of the Group's financial expenses.

The interest rate risk is managed by the individual consolidated Groups which establish the appropriate mix between fixed-rate and floating-rate financing using interest rate swaps and zero cost collars.

The fair value effect of the interest rate risk hedging transactions put into place by the consolidated companies is as follows:

€ in thousands	12/31/2007	12/31/2006	Change
IFIL S.p.A. and "Holdings System"	<b>3,938</b>	1,864	2,074
IFI S.p.A.	<b>1,776</b>	3,091	(1,315)
Alpitour Group	<b>168</b>	(341)	509
Sequana Capital Group	-	3,824	(3,824)
<b>Total</b>	<b>5,882</b>	8,438	(2,556)

IFI S.p.A. has some interest rate swap contracts in place at December 31, 2007, for a notional amount of a total of € 250 million, to hedge the risk of fluctuations in interest rates on bank debt with a positive fair value equal to € 1,776 thousand.

IFIL Investments S.p.A. has some interest rate swap contracts in place at December 31, 2007, for a notional amount of a total of € 200 million, to hedge the risk of fluctuations in interest rates on the IFIL bonds 2006-2011 with a positive fair value equal to € 3,938 thousand (€1,864 thousand in 2006).

Alpitour S.p.A. has interest rate swap contracts and zero cost collars, for a notional amount of a total of € 20 million, to hedge the risk of fluctuations in interest rates on the syndicated loan secured on November 30, 2006. The fair value of these contracts at October 31, 2007 is estimated at a positive amount of € 168 thousand (a negative amount of € 341 thousand at October 31, 2006).

Juventus Football Club's debt mainly bears interest at floating rates. The company, however, does not believe it necessary to initiate procedures to limit the risks connected with the volatility of interest rates since any impact related thereto is considered insignificant.

The Cushman & Wakefield Group is exposed to interest rate risks associated with the Revolving Credit Facility of \$350 million. At this time, management has not put into place any form of hedging.

At December 31, 2006, the Sequana Capital Group had some interest rate swap contracts for a total notional amount of € 325 million and cap and floor collars for a total notional amount of € 70 million; the positive fair value recorded in the income statement and equity amounted, respectively, to € 2,287 thousand and € 1,537 thousand.

The fair value recorded in the cash flow hedge reserve refers to the hedge of cash flows relating to interest expenses on loans which will arise in the years 2008 to 2011 (approximately € 15 million for the years between 2008 and 2009, € 9 million for the year 2010 and € 5 million for the year 2011).

#### Analysis of debt by interest rate

The analysis of debt by interest rate at December 31, 2007 shows that the rates are mainly between 4% and 5% for € 595 million and between 5% and 7.5% for € 958 million. The analysis of debt by interest rate at December 31, 2006 showed that the rates were mainly between 3% and 4% for € 576 million, between 4% and 5% for € 801 million and between 5% and 7.5% for € 135 million.

#### **Sensitivity analysis for interest rate risk**

A sensitivity analysis at the balance sheet date has been prepared in respect of financial instruments exposed to interest rate risk. In the case of floating-rate liabilities, the analysis was prepared assuming that the exposure at the end of the year remained constant for the entire year. The assumptions used for the model are as follows:

- to debt: a symmetrical change of 50 basis points is applied;
- for interest rate swaps: the change in fair value is recalculated applying a parallel and symmetrical shift of 50 basis points to the current interest rate curve at the balance sheet date. In determining the above effect, account is taken of the consequent impact on the reversal of the cash flow hedge reserve to the income statement.

If there is an increase or decrease in the interest rates of 50 basis points, all other variables remaining constant, the pre-tax result of the Group for the year 2007 would be higher or lower by € 3.1 million; the cash flow hedge reserve would be higher or lower by € 0.8 million.

#### **Price risk**

IFI and the IFIL Holdings System are exposed to price risk originating from investments in the capital stock of other companies held for trading or for strategic purposes, classified in the categories of available-for-sale and assets held for trading and current securities.

The Alpitour Group, particularly the aviation division, is subject to the risk of fluctuations in fuel prices that are largely associated with international political equilibrium and other exogenous factors. Since fuel is a primary factor in air transport, price fluctuations could have a significant impact on the Alpitour Group's margin. The risk exposure is hedged by commodity swaps and zero cost collars with high standing Italian and international financial institutions. At October 31, 2007, there were no contracts outstanding since they were closed during the year.

At October 31, 2006, the Alpitour Group had transactions outstanding for the purchase of 36,000 tons of fuel for a notional amount of € 15,461 thousand to hedge the risk of fuel price fluctuations.

At October 31, 2006, the fair value of these transactions qualified for hedge accounting and had a negative value of € 631 thousand recognized in an equity reserve.

The Cushman & Wakefield Group is exposed to equity price risk arising from available-for-sale equity securities held for the European (EMEA) pension plans. The investment decisions for this plan are made by the Trustees of the plan, based on consultation with the investment and actuarial advisors of the Trustees.

#### Sensitivity analysis for price risk

Considering price risk exposure at the balance sheet date, if the prices of securities are 5% higher or lower, the fair value reserve on available-for-sale assets recorded in equity would be € 126 million higher or lower and the amount of fair value recognized in the income statement on the securities and investments included in the category of assets held for trading and cash and cash equivalents would be € 8 million higher or lower. Details are as follows:

Type of asset	+5% change in price		-5% change in price	
	Effect on result	Effect on equity	Effect on result	Effect on equity
Intesa Sanpaolo		78		(78)
SGS		48		(48)
Credit instruments and investment funds – non-current	1		(1)	
Credit instruments – current	3		(3)	
Equity shares – current	3		(3)	
Cash and cash equivalents	1		(1)	
	<b>8</b>	<b>126</b>	<b>(8)</b>	<b>(126)</b>

#### 41. Intragroup and related party transactions

The IFI Group is directly controlled by Giovanni Agnelli e C. S.p.a.z., a company registered in Italy which holds the entire ordinary capital stock of IFI S.p.A.

The transactions between the company and its consolidated subsidiaries, which are related parties of the same company, are eliminated in the consolidated financial statements of the IFI Group and are therefore not presented in this note.

Related party transactions are carried out in accordance with existing laws on the basis of reciprocal economic gain.

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 balance sheet and income statement balances generated by transactions with related parties carried out during 2007, identified in accordance with IAS 24 and communicated by the companies of the Group, are summarized in the following tables. Transactions are indicated only if close to € 1 million, which is the unit of measure for the presentation of the consolidated figures of the IFI Group.

€ in millions	Trade receivables	Trade payables	Other assets	Financial assets	Other liabilities	Costs	Revenues
Sale of the 22% stake in the Sequana Capital Group to DLMD						(55) (a)	
Subscription to DLMD S-Bonds				28 (a)			
Investment in NoCo B				12 (b)			
Acquisition of NoCo A LP, from Exor Group, through the purchase of 100% of Ancom USA Inc. capital stock				19 (c)			
Directors for compensation and consulting					(3) (d)	(7)	
Participants of Alpitour stock option plans 2005					(16)	(13)	
Loans to key personnel of the Cushman & Wakefield Group			1				
Alpitour Group Egypt for Tourism S.A.E.		(8)	1			(30)	
Viajes Medymar S.L.	1						
Semana S.r.l.		(1)				(5)	
Campi di Vinovo S.p.A.							20 (e)
Fiat Group	1	(1)				(1)	8 (f)
<b>Total IFI Group</b>	<b>2</b>	<b>(10)</b>	<b>2</b>	<b>59</b>	<b>(19)</b>	<b>(111)</b>	<b>28</b>

- a) For additional information, reference should be made to Note 9.
- b) On May 2, 2007, Ifil Investissements S.A. succeeded Exor Group S.A., a company controlled by Giovanni Agnelli e C. S.a.p.az., in a commitment for a maximum investment of \$80 million in the limited partnership NoCo B LP which Groups a series of funds managed by Perella Weinberg Partners L.P. As a result of this commitment, on December 31, 2007, Ifil Investissements S.A. invested \$17 million (€ 11.9 million).
- c) On September 30, 2007, Ifil Investissements S.A. purchased a 100% stake in the capital stock of the American company ANCOM USA Inc, from Exor Group S.A., for a total payment of approximately \$27 million (€ 19.1 million). ANCOM USA Inc holds 1.96% of the limited partnership NoCo A LP, under which the Perella Weinberg Group conducts all of its activities.
- d) Other liabilities include the payable to the chairman of IFIL S.p.A. for the extraordinary compensation approved in 2005 (for a residual amount of € 2 million) and the payable by Juventus Football Club to its chief executive officer (€ 1 million).
- e) The amount refers to the proceeds discounted to present value on the sale of the investment in Campi di Vinovo S.p.A. and the "Mondo Juve" business segment.
- f) Effective from July 1, 2007 to June 30, 2010, the Fiat Group became the "Official Sponsor" of the Juventus Football Club for all games.  
The agreement gives the Fiat Group the right to exploit the Juventus Football Club image, including the use of its trademarks on all technical clothing for all the teams of the club, for total fixed consideration payable to Juventus Football Club of € 33 million and variable consideration determined in relation to reaching pre-set sports results in national and international games.  
According to the agreement, in the 2007/2008 season, the players will display the trademark of New Holland – Fiat Group. New Holland operates in the agricultural and construction equipment sector.

At December 31, 2007, Tiberto Brandolini d'Adda holds 304,153 options to subscribe or purchase the same number of Sequana Capital shares between May 2009 and May 2013 at a price per share of € 20.46.

Furthermore, Sequana Capital has assigned Tiberto Brandolini d'Adda, gratuitously, 12,340 shares that will be assigned on March 29, 2008 and available from March 29, 2010.

During 2007, Sequana Capital paid compensation to Tiberto Brandolini d'Adda for a total of € 3,361,973.

Moreover, in 2007, the director, Franzo Grande Stevens, rendered professional services to IFIL S.p.A. for € 1,150 thousand and to Fiat S.p.A. for € 1 million (including acting as the secretary to the board of directors).

#### 42. Compensation to directors and statutory auditors

In 2007, the compensation to the directors and statutory auditors of IFI S.p.A., to perform their duties in the parent and also in other companies included in consolidation, is as follows:

€ in thousands	IFI S.p.A.	Subsidiaries (a)	Total
Directors	1,004	2,022	3,026
Statutory Auditors	146	118	264
<b>Total</b>	<b>1,150</b>	<b>2,140</b>	<b>3,290</b>

(a) This does not include the compensation paid by Fiat and its subsidiaries since the Fiat Group is not included in the scope of consolidation.

In 2006, compensation amounted to € 6,827 thousand, of which € 1,092 thousand was paid by IFI and € 5,735 thousand by the subsidiaries.

IFI S.p.A. also signed a third-party liability insurance policy for the directors with a Group of insurance companies for a maximum claim per incident and per year of € 50 million for coverage in the event of requests for reparation of non-fraudulent acts.

The Chairman, John Elkann, does not receive any compensation for his post. The remuneration of the directors Gianluigi Gabetti and Pio Teodorani-Fabbri is not linked to either the economic results of the company or targets set by the board of directors. A part of the compensation of the general manager, however, is tied to the economic results of the company and the reaching of specific targets.

Additional information on compensation, as requested by national law (Consob Regulation 11971 dated May 14, 1999 and later amendments and integrations), is provided in the notes to the separate financial statements of IFI S.p.A.

#### 43. Employees

The breakdown of the average number of employees is provided as follows:

Average number of employees	12/31/2007	12/31/2006
<b>Breakdown by category</b>		
Managers	1,526	68
Middle management and clerical staff	12,256	1,618
Pilots and flight attendants	259	183
Soccer players	54	60
Blue-collar	3,366	2,255
	<b>17,461</b>	<b>4,184</b>

**44. Proforma consolidated data prepared by consolidating the Fiat Group line-by-line**

Pending an opinion by the IASB, which the European Commission has also requested by letter dated October 26, 2006, that will definitively clarify the criteria that will permit a verification of the presence of de facto control in accordance with IAS 27, the IFI Group has continued to exclude the Fiat Group, in which IFIL S.p.A. has a 30.45% holding of ordinary capital stock, from line-by-line consolidation consistently with the method followed for the first-time adoption of IFRS and the preparation of the consolidated financial statements as at December 31, 2005 and December 31, 2006.

However, presented below are the proforma consolidated balance sheet, the proforma consolidated income statement and the composition of the proforma consolidated net financial position prepared by consolidating the Fiat Group line-by-line.

IFI Group – Proforma consolidated income statement prepared by consolidating the Fiat Group line-by-line

€ in millions	Consolidated		Elimination	Consolidated	
	IFI Group	Fiat Group			Aggregate
Revenues	2,657	58,529	61,186	(8)	61,178
Other income (expenses)	36	88	124		124
Current operating costs	(2,627)	(55,384)	(58,011)	8	(58,003)
<b>Profit from current operations</b>	<b>66</b>	<b>3,233</b>	<b>3,299</b>	<b>0</b>	<b>3,299</b>
Gains on sales of investments	0	190	190		190
Restructuring costs and other nonrecurring income (expenses)	(28)	(271)	(299)		(299)
<b>Operating profit</b>	<b>38</b>	<b>3,152</b>	<b>3,190</b>	<b>0</b>	<b>3,190</b>
Gains on sales of investments	9		9		9
Other financial income (expenses)	82	(564)	(482)		(482)
<b>Financial income (expenses)</b>	<b>91</b>	<b>(564)</b>	<b>(473)</b>	<b>0</b>	<b>(473)</b>
Income taxes	(43)	(719)	(762)		(762)
<b>Profit of companies consolidated line-by-line</b>	<b>86</b>	<b>1,869</b>	<b>1,955</b>	<b>0</b>	<b>1,955</b>
Share of profit of the Fiat Group	566		566	(566)	0
Share of profit of other companies accounted for by the equity method	21	185	206		206
<b>Profit from continuing operations</b>	<b>673</b>	<b>2,054</b>	<b>2,727</b>	<b>(566)</b>	<b>2,161</b>
<b>Loss from discontinued operations or assets held for sale</b>	<b>(8)</b>	<b>0</b>	<b>(8)</b>		<b>(8)</b>
<b>Profit</b>	<b>665</b>	<b>2,054</b>	<b>2,719</b>	<b>(566)</b>	<b>2,153</b>
<b>Attributable to the equity holders of the company</b>	<b>444</b>	<b>1,953</b>	<b>2,397</b>	<b>(1,953)</b>	<b>444</b>
<b>Attributable to the minority interest</b>	<b>221</b>	<b>101</b>	<b>322</b>	<b>1,387</b>	<b>1,709</b>

IFI Group – Proforma consolidated balance sheet prepared by consolidating the Fiat Group line-by-line

€ in millions	Consolidated IFI Group	Consolidated Fiat Group	Aggregate	Elimination Fiat	Consolidated Proforma
<b>Non-current assets</b>					
Goodwill	410	3,329	3,739		3,739
Other intangible assets	456	3,194	3,650		3,650
Property, plant and equipment	195	11,256	11,451		11,451
Investment in Fiat accounted for by the equity method	3,125		3,125	(3,125)	0
Investments accounted for by the equity method	348	1,930	2,278		2,278
Other financial assets	2,675	284	2,959		2,959
Leased assets	0	396	396		396
Deferred tax assets	72	1,892	1,964		1,964
Other non-current assets	82	31	113		113
<b>Total Non-current assets</b>	<b>7,363</b>	<b>22,312</b>	<b>29,675</b>	<b>(3,125)</b>	<b>26,550</b>
<b>Current assets</b>					
Inventories, net	3	9,990	9,993		9,993
Trade receivables	434	4,384	4,818	0	4,818
Receivables from financing activities	0	12,268	12,268		12,268
Other receivables, accruals and prepayments	212	3,444	3,656		3,656
Financial assets	160	1,016	1,176		1,176
Cash and cash equivalents	919	6,639	7,558		7,558
<b>Total Current assets</b>	<b>1,728</b>	<b>37,741</b>	<b>39,469</b>	<b>0</b>	<b>39,469</b>
<b>Assets held for sale</b>	<b>3</b>	<b>83</b>	<b>86</b>		<b>86</b>
<b>Total Assets</b>	<b>9,094</b>	<b>60,136</b>	<b>69,230</b>	<b>(3,125)</b>	<b>66,105</b>
<b>Equity</b>					
Equity attributable to the equity holders of the company	4,161	10,606	14,767	(10,606)	4,161
Equity attributable to the minority interest	2,241	673	2,914	7,481	10,395
<b>Total Equity</b>	<b>6,402</b>	<b>11,279</b>	<b>17,681</b>	<b>(3,125)</b>	<b>14,556</b>
<b>Current and non-current liabilities</b>					
Provisions for employee benefits	158	3,597	3,755		3,755
Provisions for other liabilities and charges	115	4,965	5,080		5,080
Bonds and other debt	1,557	18,139	19,696		19,696
Deferred tax liabilities	128	193	321		321
Trade payables	377	14,725	15,102	0	15,102
Other liabilities, accruals and deferrals	357	7,203	7,560		7,560
<b>Total Current and non-current liabilities</b>	<b>2,692</b>	<b>48,822</b>	<b>51,514</b>	<b>0</b>	<b>51,514</b>
<b>Liabilities relating to assets held for sale</b>		<b>35</b>	<b>35</b>		<b>35</b>
<b>Total Equity and liabilities</b>	<b>9,094</b>	<b>60,136</b>	<b>69,230</b>	<b>(3,125)</b>	<b>66,105</b>

IFI Group – Proforma consolidated net financial position prepared by consolidating the Fiat Group line-by-line

€ in millions	Consolidated IFI Group	Consolidated Fiat Group	Consolidated Proforma
Cash and cash equivalents	919	6,932	7,851
Financial receivables	8	12,268	12,276
Other current financial assets	160	703	863
Debt	(613)	(17,951)	(18,564)
IFIL bonds 2006/2011	(200)	0	(200)
IFIL bonds 2007/2017	(744)	0	(744)
Other current financial liabilities	0	(188)	(188)
<b>Consolidated net financial position</b>	<b>(470)</b>	<b>1,764</b>	<b>1,294</b>

**45. Translation of foreign currency financial statements**

The principal exchange rates used for the translation of the 2007 and 2006 foreign currency financial statements and data to Euro are as follows:

	2007	2006
<b>Year-end exchange rate</b>		
British pound	<b>0.733</b>	0.672
U.S. dollar	<b>1.472</b>	1.317
Swiss franc	<b>1.655</b>	1.607
<b>Average exchange rate</b>		
British pound	<b>0.684</b>	0.682
U. S. dollar	<b>1.370</b>	1.256
Swiss franc	<b>1.642</b>	1.573

**46. Approval of the consolidated financial statements and authorization for publication**

The consolidated financial statements at December 31, 2007 were approved by the board of directors on March 28, 2008 which authorized their publication starting from March 29, 2008.

Turin, March 28, 2008

For the Board of Directors  
The Chairman  
John Elkann



***IFI***  
*Istituto Finanziario Industriale*

Annual Report 2007

Certifications according to art. 154-bis of Legislative Decree 58/98

## **Certification of the separate financial statements according to art. 81-ter of Consob Regulation 11971 of May 14, 1999 and subsequent amendments and additions**

We, the undersigned, Virgilio Marrone, Chief Executive Officer and General Manager, and Pierluigi Bernasconi, Manager responsible for the preparation of the financial reports of IFI S.p.A., attest, taking into account the provisions of art. 154-bis, paragraphs 3 and 4, of Legislative Decree 58 dated February 24, 1998:

- the adequacy in relation to the characteristics of the company and
- the effective application,

of the administrative and accounting procedures used in the preparation of the separate financial statements for the year ended December 31, 2007.

We also certify that the separate financial statements for the year ended December 31, 2007:

- agree with the accounting records and entries;
- have been prepared in accordance with International Financial Reporting Standards (IFRS) endorsed by the European Union, as well as the measures enacted to implement Legislative Decree 38 dated February 28, 2005 and, to our knowledge and belief, are suitable for providing a true and fair view of the financial condition, results of operations and cash flows of the company.

Turin, March 28, 2008

Chief Executive Officer and General Manager  
Virgilio Marrone

Manager responsible for the preparation of the financial reports  
Pierluigi Bernasconi

## **Certification of the consolidated financial statements according to art. 81-ter of Consob Regulation 11971 of May 14, 1999 and subsequent amendments and additions**

We, the undersigned, Virgilio Marrone, Chief Executive Officer and General Manager, and Pierluigi Bernasconi, Manager responsible for the preparation of the financial reports of IFI S.p.A., attest, taking into account the provisions of art. 154-bis, paragraphs 3 and 4, of Legislative Decree 58 dated February 24, 1998:

- the adequacy in relation to the characteristics of the company and
- the effective application,

of the administrative and accounting procedures used in the preparation of the consolidated financial statements for the year ended December 31, 2007.

To this end, it should be noted - as indicated in the certification of the consolidated financial statements of the subsidiary IFIL S.p.A. - that the Cushman & Wakefield Group, acquired by the IFIL Group at the end of March 2007, began a specific project for the implementation and the formulation of the administrative and accounting procedures for financial reporting, prepared on the basis of IFRS, transmitted to IFIL S.p.A. for purposes of the preparation of the consolidated financial statements at December 31, 2007.

On the basis of the assessment of the adequacy and the effective application of such administrative and accounting procedures, management of the Cushman & Wakefield Group has indicated to IFIL S.p.A. that there are no irregularities or omissions of material fact.

We also certify that the consolidated financial statements for the year ended December 31, 2007:

- agree with the accounting records and entries;
- have been prepared in accordance with International Financial Reporting Standards (IFRS) endorsed by the European Union, as well as the measures enacted to implement Legislative Decree 38 dated February 28, 2005 and, to our knowledge and belief, are suitable for providing a true and fair view of the financial condition, results of operations and cash flows of the company and the aggregate of the companies included in consolidation.

Turin, March 28, 2008

Chief Executive Officer and General Manager  
Virgilio Marrone

Manager responsible for the preparation of the financial reports  
Pierluigi Bernasconi

## REPORT OF THE INDEPENDENT AUDITORS ON THE FINANCIAL STATEMENTS PURSUANT TO ART. 156 OF LEGISLATIVE DECREE NO. 58 OF FEBRUARY 24, 1998

### To the Stockholders of IFI - ISTITUTO FINANZIARIO INDUSTRIALE S.p.A.

1. We have audited the financial statements of IFI - Istituto Finanziario Industriale S.p.A. as of and for the year ended December 31, 2007, which comprise the balance sheet, the statements of income, changes in stockholders' equity and cash flows and the related explanatory notes. These financial statements are the responsibility of the Directors of IFI - Istituto Finanziario Industriale S.p.A. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards recommended by CONSOB, the Italian Regulatory Commission for Listed Companies and the Stock Exchange. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

For the opinion on the prior year financial statements, the balances of which are presented for comparative purposes, reference should be made to our auditors' report dated April 5, 2007.

3. In our opinion, the financial statements referred to above present fairly the financial position of IFI - Istituto Finanziario Industriale S.p.A. as of December 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with IFRS as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n° 38/2005.

DELOITTE & TOUCHE S.p.A.

Signed by  
Franco Riccomagno  
Partner

Turin, Italy  
April 3, 2008

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

**REPORT OF THE INDEPENDENT AUDITORS ON THE CONSOLIDATED  
FINANCIAL STATEMENTS PURSUANT TO ART. 156 OF LEGISLATIVE DECREE  
No. 58 OF FEBRUARY 24, 1998**

**To the Stockholders of  
IFI - ISTITUTO FINANZIARIO INDUSTRIALE S.p.A.**

1. We have audited the consolidated financial statements of IFI - Istituto Finanziario Industriale S.p.A. and its subsidiaries ("IFI Group") as of and for the year ended December 31, 2007, which comprise the consolidated balance sheet, the consolidated statements of income, changes in stockholders' equity and cash flows and the related explanatory notes. These consolidated financial statements are the responsibility of the Directors of IFI - Istituto Finanziario Industriale S.p.A. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the Auditing Standards recommended by CONSOB, the Italian Regulatory Commission for Listed Companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

For the opinion on the prior year consolidated financial statements, the balances of which are presented for comparative purposes, reference should be made to our auditors' report dated April 5, 2007.

3. In our opinion, the consolidated financial statements referred to above present fairly the consolidated financial position of IFI Group as of December 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n° 38/2005.

4. For a better understanding of the consolidated financial statements, attention is drawn to the fact that IFI Group, pending an opinion by the IASB, which the European Commission has also requested by letter dated October 26, 2006, that will definitively clarify the criteria that will permit a verification of the presence of de facto control in accordance with IAS 27, has continued to exclude the Fiat Group, in which the subsidiary IFIL INVESTMENTS S.p.A. owns 30.45% of ordinary capital stock, from line-by-line consolidation, consistently with the methodology followed for the first-time adoption of IFRS and for the preparation of the consolidated financial statements as of December 31, 2005 and December 31, 2006. However, in note 44 to the consolidated financial statements are presented the pro-forma consolidated financial data prepared consolidating line-by-line the Fiat Group.

DELOITTE & TOUCHE S.p.A.

Signed by  
Franco Riccomagno  
Partner

Turin, Italy  
April 3, 2008

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

## REPORT OF THE BOARD OF STATUTORY AUDITORS ON THE SEPARATE FINANCIAL STATEMENTS

Dear Stockholders,

Under art. 153 of Legislative Decree 58 dated February 24, 1998 (TUF - Consolidated Law on Financial Intermediation), the board of statutory auditors has the obligation to report to the stockholders' meeting on matters concerning the supervisory work carried out and any omissions and censurable matters that may have come to its attention. The board of statutory auditors may also formulate proposals to the stockholders' meeting in relation to the financial statements, to its approval and to matters of its competence.

In keeping with the above law, we have written this report.

During the year, we have carried out the control activities envisaged by the law according to the principles of conduct issued by the National Boards of Dottori Commercialisti and Ragionieri and also taking into account, for the part regarding the board's competence, the instructions by Consob in its communications and in particular, in Communication 1025564 dated April 6, 2001 and subsequent updates.

We have participated in the meetings of the board of directors during which the directors informed us about the activities carried out and about the significant economic, financial and equity transactions entered into or in the process of being entered into by the company and/or its subsidiaries. In this regard, we have ascertained and we have ensured that the transactions approved and carried out were in conformity with the law and the corporate bylaws, were not in disagreement with the resolutions approved by the stockholders' meeting or in conflict of interest and were based upon the principles of good administration.

The organizational structure of the company and the internal control systems, insofar as we are responsible, appear to be adequate for the specific type of business and size of the company. As a result, the board of statutory auditors, also on the basis of meetings held with those in charge of corporate functions, with the manager responsible for the preparation of financial reporting and with representatives of the audit firm, has gathered extensive information regarding compliance with the principles of diligent and proper administrative management.

Furthermore, we consider that the administrative accounting system, insofar as ascertained and checked by us, also in prior years, is in a position to record and correctly represent operating events.

The board of directors, in order to provide the company with a set of rules which takes into account the contents of art. 154 bis of Legislative Decree 58 dated February 24, 1998, has approved the document "Accounting and Administrative Control Model".

As for corporate governance, the directors have written a specific report. As for our responsibilities, in conformity with the provision of art. 149 number 1, letter c) bis of Legislative Decree 58 dated February 24, 1998, we take note that the directors, in their report on corporate governance (2.1), specified the following: "IFI, in view of its particular capital structure, which, for ordinary capital stock is represented by unlisted shares held entirely by Giovanni Agnelli e C. S.a.p.a.z., has not adopted the Code of Self-discipline of listed companies".

Therefore, the corporate governance system adopted by the company is adapted to the capital structure and guarantees transparency according to market practices."

The rules and procedures specifically adopted, as we have ascertained, are nevertheless adequate and complete for purposes of achieving transparency as proposed by the directors.

In the same manner, the directives given by IFI S.p.A. to the subsidiaries as per art. 114, paragraph 2, of Legislative Decree 58 dated February 24, 1998 seem adequate.

The board of directors has sent us, in accordance with the law, the report relating to the first half of the year, making it public within the time-frame and according to the regulations established by Consob and has produced, according to law, the quarterly reports on performance for the first and third quarters.

The chief executive officer and manager responsible for the preparation of financial reporting issued the certifications pursuant to art. 154 bis of TUF on March 28, 2008.

Specifically in reference to other instructions by Consob in its Communication 1025564 dated April 6, 2001 and later updates, with regard to our competence, we can attest to the following:

- the board of statutory auditors, pursuant to Legislative Decree 58 dated February 24, 1998 was constantly informed with regard to matters of its competence;

- the periodical verifications and tests on the company did not bring to light any atypical and/or unusual transactions with third parties, related parties or intragroup that would give rise to reservations about the correctness or completeness of the information in the financial statements, conflicts of interest and the safeguarding of the company's assets;
- with regard to transactions with related parties, the directors, in the notes to the separate financial statements, present and illustrate the transactions for the exchange of goods and services between your company and the companies of the Group and/or related parties, specifying that these transactions have been carried out on the basis of an evaluation of reciprocal economic gain. Such transactions are indicated and commented in Note 30;
- the audit report of Deloitte & Touche S.p.A. issued on April 3, 2008 on the separate financial statements does not contain any qualifications or other matters of interest;
- during the year 2007, the board of directors held nine meetings, which we attended, and the board of statutory auditors held nine meetings, four of which were attended by representatives of the audit firm;
- no significant aspects emerged during the course of the meetings held with the audit firm pursuant to art. 150 Legislative Decree 58 dated February 24, 1998;
- there have been no complaints received under ex art. 2408 of the Italian Civil Code;
- there have been no petitions received;
- from relations existing with the corresponding bodies of the parent and the subsidiaries no matters arose which should be reported;
- during the year, the board of statutory auditors issued opinions on the compensation to be paid to the directors who are charged with special mandates approved by the board of directors pursuant to art. 2389 of the Italian Civil Code and that required by art 22 of the bylaws regarding the appointment of the manager in charge of the preparation of financial reporting;
- during the year, besides the appointment for the audit of the separate and consolidated financial statements and the limited-scope audit for the first-half report, which fees are indicated in Note 31, the company did not engage Deloitte & Touche S.p.A. for other assignments. During the same year, no assignments were conferred to entities associated with Deloitte & Touche S.p.A.

With regard to the separate financial statements which show a profit of € 54,472,566, the formation of which is described in the Report on Operations, we have ascertained that the laws have been observed with regard to its format and structure through tests carried out directly by us and on the basis of information supplied to us by the audit firm; the information supplied by directors in the Report on Operations should be considered extensive and complete.

This being said, we invite you to approve the financial statements together with the motion by the board of directors for the appropriation of the profit for the year.

The board of directors, lastly, invites you to authorize the purchase of treasury stock for the amount and according to the manner and terms indicated in the specific report and, in special session, to assign the mandate in accordance with article 2443 of the Italian Civil Code and proposes amendments to articles 11, 14 and 23 of the bylaws, explaining the reasons thereto. As to our responsibilities in this case, we can attest that the proposals, illustrated by specific reports, conform to existing laws.

Turin, April 7, 2008

THE BOARD OF STATUTORY AUDITORS

Gianluca Ferrero

Giorgio Giorgi

Lionello Jona Celesia

## REPORT OF THE BOARD OF STATUTORY AUDITORS ON THE CONSOLIDATED FINANCIAL STATEMENTS

Dear Stockholders,

The consolidated financial statements of the IFI Group for the year ended December 31, 2007, which we submit for your consideration, show a profit attributable to the equity holders of the company of € 221 million. The consolidated financial statements were submitted to us within the terms of the law, together with the Report on Operations, and are prepared in accordance with International Financial Reporting Standards (IFRS) endorsed by the European Union.

The tests carried out by Deloitte & Touche S.p.A., charged with the audit, have led to the assertion that the values expressed in the financial statements agree with the accounting records of the parent, the consolidated financial statements of the sole subsidiary IFIL S.p.A. and the relative information formally communicated by the latter.

Such consolidated financial statements, transmitted by the subsidiary to the parent for purposes of drawing up the consolidated financial statements, prepared by its relevant corporate bodies, have been examined by the bodies and/or parties in charge of controlling the individual subsidiary and on the part of the audit firm within the scope of the procedures carried out for the audit of the consolidated financial statements. The board of statutory auditors has, therefore, not extended its examination to these financial statements.

The determination of the scope of consolidation, the choice of the principles of consolidation of the investments and the procedures adopted for this purpose are in agreement with IFRS. The structure of the consolidated financial statements is thus to be considered technically correct and, as a whole, conforms to the specific law.

The audit firm has issued its report on the consolidated financial statements with an unqualified opinion, noting, for purposes of full disclosure, that the Fiat Group has been excluded from the scope of line-by-line consolidation.

The Report on Operations adequately describes the results of operations, the financial condition and cash flows, the performance of operations during the course of 2007 and the business outlook of the aggregate of the companies in the scope of consolidation after the end of the year. The examination to which the report has been subjected shows its congruity with the consolidated financial statements.

Turin, April 7, 2008

THE BOARD OF STATUTORY AUDITORS

Gianluca Ferrero

Giorgio Giorgi

Lionello Jona Celesia



***IFI***  
*Istituto Finanziario Industriale*

Annual Report 2007

List of Group companies

As required by Consob Resolution 11971 of May 14, 1999 as amended (Art. 126 of the Regulations), a list of the companies included in the scope of consolidation, the investments accounted for by the equity method and other significant investments, subdivided by business segment, is provided below.

### Investments of IFI consolidated on a line-by-line basis

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
<b>IFI S.p.A.</b>	<b>ITALY</b>	<b>163,251,460</b>	<b>EUR</b>			
IFIL INVESTMENTS S.p.A.	ITALY	1,075,995,737	EUR	68.29 IFI S.p.A. GIOVANNI AGNELLI E C. S.a. p.az. IFIL Investments S.p.A. (*) SOIEM S.p.A. (*)	67.455 2.896 1.153 0.075	69.704 3.000 1.194 0.078

(\*) Voting suspended.

### Investments of the "Holdings System" consolidated on a line-by-line basis (percentage of IFI Group consolidation equal to 68.29%)

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
<b>COMPANIES OF THE HOLDINGS SYSTEM (Holding companies and services)</b>						
IFIL INVESTMENT HOLDING N.V.	NETHERLANDS	960,000	EUR	100.00 IFIL INVESTMENTS S.p.A.	100.000	100.000
IFIL INVESTISSEMENTS S.A.	LUXEMBOURG	166,611,300	EUR	100.00 IFIL INVESTMENTS S.p.A. IFIL INVESTMENT HOLDING N.V.	79.816 20.184	79.816 20.184
IFIL GROUP FINANCE L.T.D.	IRELAND	4,000,000	EUR	100.00 IFIL INVESTISSEMENTS S.A.	100.000	100.000
IFIL INTERNATIONAL FINANCE L.T.D.	IRELAND	4,000,000	EUR	100.00 IFIL INVESTISSEMENTS S.A.	100.000	100.000
EUFIN INVESTMENTS UNLIMITED U.K.	UNITED KINGDOM	243,100	EUR	100.00 IFIL INVESTISSEMENTS S.A.	100.000	100.000
IFIL USA INC.	USA	500,000	USD	100.00 IFIL INVESTISSEMENTS S.A.	100.000	100.000
IFIL ASIA LIMITED	HONG KONG CHINA (PEOPLE'S REP.)	1	HKD	100.00 IFIL INVESTISSEMENTS S.A.	100.000	100.000
IFIL FRANCE SAS (a)	FRANCE	50,000	EUR	100.00 IFIL INVESTISSEMENTS S.A.	100.000	100.000
ANCOM USA INC (b)	USA	-	USD	100.00 IFIL INVESTISSEMENTS S.A.	100.000	100.000
CUSHMAN & WAKEFIELD GROUP INC.	USA	944,882,590	USD	72.13 IFIL INVESTISSEMENTS S.A.	70.183	70.183
SOIEM S.p.A.	ITALY	9,125,000	EUR	100.00 IFIL INVESTMENTS S.p.A.	100.000	100.000
IFIL NEW BUSINESS S.r.l.	ITALY	15,000	EUR	100.00 IFIL INVESTMENTS S.p.A.	100.000	100.000
<b>OPERATING COMPANIES</b>						
<b>Tourism and Hotel activities</b>						
ALPITOUR S.p.A.	ITALY	17,725,000	EUR	100.00 IFIL INVESTMENTS S.P.A.	100.000	100.000
<b>Football club</b>						
JUVENTUS FOOTBALL CLUB S.p.A.	ITALY	20,155,333	EUR	60.00 IFIL INVESTMENTS S.P.A.	60.001	60.001

(a) Set up on July 27, 2007 and consolidated line-by-line in the last quarter of 2007.

(b) Purchased on September 30, 2007 and consolidated line-by-line in the last quarter of 2007.

**Investments of the Cushman & Wakefield Group consolidated on a line-by-line basis  
(percentage of IFI Group consolidation equal to 49.26%)**

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation	Interest held by	% of interest held	% of voting rights
<b>Real Estate Services</b>							
BiGeREALSTATE, Inc.	USA	N/A	USD	89.530%	Cushman & Wakefield, Inc.	89.530%	89.530%
Buckbee Thorne & Co.	USA	37,500	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
C & W Offshore Consulting, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
C & W-Japan K.K.	JAPAN	200	YEN	100.000%	Cushman & Wakefield International Inc.	100.000%	100.000%
Cushman & Wakefield	UNITED KINGDOM	N/A	GBP	99.000%	Cushman & Wakefield (UK) Ltd.	99.000%	99.000%
Cushman & Wakefield - Semco Chile Negocios Inmobiliarios Limitada	CHILE	315,163,132	CHP	100.000%	Cushman & Wakefield-Semco Consultoria Imobiliaria Ltda Cushman & Wakefield of South America, Inc.	99.895% 0.110%	99.895% 0.110%
Cushman & Wakefield - Semco Colombia Ltda	COLOMBIA	5,706,000	COP	100.000%	Cushman & Wakefield-Semco Consultoria Imobiliaria Ltda Cushman & Wakefield of South America, Inc.	99.895% 0.105%	99.895% 0.105%
Cushman & Wakefield - Semco Negocios Inmobiliarios Argentina S.A.	ARGENTINA	3,344,930	ARS	100.000%	Cushman & Wakefield Consultoria Imobiliaria Ltda Cushman & Wakefield of South America, Inc.	95.000% 5.000%	95.000% 5.000%
Cushman & Wakefield - Semco Peru S.A.	PERU	55,842	PEN	100.000%	Cushman & Wakefield Consultoria Imobiliaria Ltda Cushman & Wakefield of South America, Inc.	95.000% 5.000%	95.000% 5.000%
Cushman & Wakefield - Semco Servicos Gerais Ltda.	BRAZIL	10,000	BRL	100.000%	Cushman & Wakefield Consultoria Imobiliaria Ltda Cushman & Wakefield of South America, Inc.	99.990% 0.010%	99.990% 0.010%
Cushman & Wakefield - Semco Venezuela, S.A.	VENEZUELA	1,000,000	VEB	100.000%	Cushman & Wakefield Consultoria Imobiliaria Ltda	100.000%	100.000%
Cushman & Wakefield - Sociedade de Mediacao Imobiliaria, Ltda	PORTUGAL	50,000	EUR	99.800%	Cushman & Wakefield European Holdings, Inc.	99.800%	99.800%
Cushman & Wakefield - Zarzadanie SP z.o.o.	POLAND	50,000	Polish Zloty	99.000%	Cushman & Wakefield Polska SP z.o.o.	99.000%	99.000%
Cushman & Wakefield (7 Western Circus) Limited	UNITED KINGDOM	1	GBP	100.000%	Cushman & Wakefield Management Services (UK) Limited	100.000%	100.000%
Cushman & Wakefield (Australia) Pty Limited	AUSTRALIA	500,000	AUD\$	100.000%	Cushman & Wakefield Singapore Holdings Pte Limited	100.000%	100.000%
Cushman & Wakefield (China) Limited	HONG KONG	2	HKD\$	100.000%	Cushman & Wakefield of Asia Limited	100.000%	100.000%
Cushman & Wakefield (City) Limited	UNITED KINGDOM	1	GBP	100.000%	Cushman & Wakefield (EMEA) Limited	100.000%	100.000%
Cushman & Wakefield (EMEA) Limited	UNITED KINGDOM	1	GBP	100.000%	Cushman & Wakefield European Holdings, Inc.	100.000%	100.000%
Cushman & Wakefield (Hellas) SA	GREECE	60,000	EUR	99.995%	Cushman & Wakefield European Holdings, Inc.	99.995%	99.995%
Cushman & Wakefield (HK) Limited	HONG KONG	100	HKD\$	100.000%	Cushman & Wakefield of Asia Limited	100.000%	100.000%
Cushman & Wakefield (S) Pte. Limited	SINGAPORE	20	Singapore dollar	100.000%	Cushman & Wakefield of Asia Limited	100.000%	100.000%
Cushman & Wakefield (Shanghai) Co., Ltd.	CHINA	1,800,000	USD	100.000%	Cushman & Wakefield (China) Limited	100.000%	100.000%
Cushman & Wakefield (UK) Ltd.	UNITED KINGDOM	15,398,536	GBP	100.000%	Cushman & Wakefield (UK) Services Ltd.	100.000%	100.000%
Cushman & Wakefield (UK) Services Ltd.	UNITED KINGDOM	15,398,536	GBP	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield (Warwick Court) Limited	UNITED KINGDOM	1	GBP	100.000%	Cushman & Wakefield Management Services (UK) Limited	100.000%	100.000%
Cushman & Wakefield 111 Wall, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield 1180, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Actv Consulting S.R.L.	ROMANIA	1,000	RON	100.000%	Cushman & Wakefield (EMEA) Limited Healey & Baker Limited	99.000% 1.000%	99.000% 1.000%
Cushman & Wakefield Asset Management Italy S.r.l.	ITALY	10,000	EUR	100.000%	Cushman & Wakefield Management Services (UK) Limited	100.000%	100.000%
Cushman & Wakefield Canada Limited Partnership	CANADA	N/A	CAD	100.000%	Cushman & Wakefield First Nova Scotia ULC Cushman & Wakefield Second Nova Scotia ULC	99.900% 0.100%	99.900% 0.100%
Cushman & Wakefield Capital Asia (HK) Limited	HONG KONG	100,000,000	HKD\$	100.000%	Cushman & Wakefield Capital Holdings (Asia)	100.000%	100.000%
Cushman & Wakefield Capital Asia Limited	HONG KONG	100	HKD\$	100.000%	Cushman & Wakefield of Asia, Inc.	100.000%	100.000%
Cushman & Wakefield Capital Holdings (Asia)	BELGIUM	18,550	EUR	100.000%	Cushman & Wakefield of Asia Inc Cushman & Wakefield International Inc.	99.989% 0.011%	99.989% 0.011%
Cushman & Wakefield Consultoria Imobiliaria, Unipessoal, Ltda	PORTUGAL	N/A	EUR	100.000%	Cushman & Wakefield - Sociedade de Mediacao Imobiliaria, Ltda	100.000%	100.000%
Cushman & Wakefield Consultoria Imobiliaria Ltda	BRAZIL	2,200,000	BRL	98.000%	Cushman & Wakefield Holding Participacoes Ltda	98.000%	98.000%
Cushman & Wakefield de Mexico, S.A. de C.V	MEXICO	100,000	MXP	100.000%	Cushman & Wakefield of North America, Inc. Cushman & Wakefield of the Americas, Inc.	50.000% 50.000%	50.000% 50.000%
Cushman & Wakefield Eagle Advisors Limited	HONG KONG	10,000	HKD\$	50.000%	Cushman & Wakefield Eagle Holdings	50.000%	50.000%
Cushman & Wakefield Eagle Holdings	CAYMAN ISLANDS	50,000	USD	50.000%	Cushman & Wakefield Investors Asia Holdings	50.000%	50.000%
Cushman & Wakefield Eagle Management Limited	CAYMAN ISLANDS	50,000	USD	50.000%	Cushman & Wakefield Eagle Holdings	50.000%	50.000%
Cushman & Wakefield Eagle Partners	CAYMAN ISLANDS	50,000	USD	50.000%	Cushman & Wakefield Eagle Holdings	50.000%	50.000%
Cushman & Wakefield Eastern, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Ecuador S.A.	ECUADOR	840	USD	100.000%	Cushman & Wakefield Consultoria Imobiliaria Ltda Cushman & Wakefield of South America, Inc.	95.000% 5.000%	95.000% 5.000%
Cushman & Wakefield European Holdings, Inc.	USA	1	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Expertise SAS	FRANCE	37,000	EUR	100.000%	Cushman & Wakefield SAS	100.000%	100.000%
Cushman & Wakefield Finance Limited	UNITED KINGDOM	10,000	GBP	100.000%	Cushman & Wakefield European Holdings, Inc.	100.000%	100.000%
Cushman & Wakefield First Nova Scotia ULC	CANADA	37,803,970	CAD	100.000%	Cushman & Wakefield International Finance Subsidiary, Inc.	100.000%	100.000%
Cushman & Wakefield GCHF	CAYMAN ISLANDS	N/A	USD	100.000%	Cushman & Wakefield Capital Holdings (Asia)	100.000%	100.000%
Cushman & Wakefield Gestion, Inc.	USA	1	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Global Services, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Holdings, Inc.	USA	58,573	USD	100.000%	C & W Group Inc	100.000%	100.000%
Cushman & Wakefield Hospitality Limited	UNITED KINGDOM	2	GBP	100.000%	Cushman & Wakefield (EMEA) Limited	100.000%	100.000%
Cushman & Wakefield India Private Limited	INDIA	336,447,800	Indian Rupee	100.000%	Cushman & Wakefield Mauritius Holdings, Inc. Cushman & Wakefield of Asia Limited	99.990% 0.010%	99.990% 0.010%
Cushman & Wakefield Indonesia Holdings Pte Ltd	SINGAPORE	100,000	Singapore dollar	100.000%	Cushman & Wakefield Singapore Holdings Pte Limited	100.000%	100.000%
Cushman & Wakefield International Finance Subsidiary, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield International Investment Advisors, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield International Real Estate Kit.	HUNGARY	3,000,000	EUR	100.000%	Cushman & Wakefield European Holdings, Inc. Cushman & Wakefield International Finance Subsidiary, Inc.	90.000% 10.000%	90.000% 10.000%
Cushman & Wakefield International, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Investment Advisors K.K.	JAPAN	200	YEN	100.000%	C&W-Japan K.K.	100.000%	100.000%
Cushman & Wakefield Investors (Finance) Limited	UNITED KINGDOM	36,000	GBP	100.000%	Cushman & Wakefield European Holdings, Inc.	100.000%	100.000%
Cushman & Wakefield Investors Asia Holdings	CAYMAN ISLANDS	50,000	USD	100.000%	Cushman & Wakefield Capital Holdings (Asia)	100.000%	100.000%
Cushman & Wakefield Investors Asia Ltd	HONG KONG	100,000,000	HKD\$	100.000%	Cushman & Wakefield Capital Holdings (Asia)	100.000%	100.000%
Cushman & Wakefield Investors Limited	UNITED KINGDOM	1	GBP	100.000%	Cushman & Wakefield European Holdings, Inc.	100.000%	100.000%
Cushman & Wakefield Investors SAS	FRANCE	25,443	EUR	100.000%	Cushman & Wakefield Investors Limited	100.000%	100.000%

**Investments of the Cushman & Wakefield Group consolidated on a line-by-line basis  
(percentage of IFI Group consolidation equal to 49.26%)**

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation	Interest held by	% of interest held	% of voting rights
Cushman & Wakefield Ireland Limited	IRELAND	1,000,000	EUR	100.000%	Cushman & Wakefield UK Limited Partnership	100.000%	100.000%
Cushman & Wakefield K.K.	JAPAN	200	YEN	100.000%	C&W-Japan K.K.	100.000%	100.000%
Cushman & Wakefield Korea Ltd.	SOUTH KOREA	100,000	Korean Won	100.000%	Cushman & Wakefield Singapore Holdings Pte. Limited	100.000%	100.000%
Cushman & Wakefield LePage Inc.	CANADA	11,000	CAD	100.000%	Cushman & Wakefield Canada Limited Partnership	100.000%	100.000%
Cushman & Wakefield LLC	UKRAINE	50,500	UAH	100.000%	Cushman & Wakefield (EMEA) Limited Healey & Baker Limited	99.000% 1.000%	99.000% 1.000%
Cushman & Wakefield LLP	UNITED KINGDOM	N/A	GBP	100.000%	Cushman & Wakefield (UK) Limited Individual Equity Partners	99.000% 1.000%	99.000% 1.000%
Cushman & Wakefield Loan Net, Inc.	USA	20	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Management Corporation	USA	100,000	USD	100.000%	Cushman & Wakefield State Street, Inc.	100.000%	100.000%
Cushman & Wakefield Management Services (UK) Limited	UNITED KINGDOM	500	GBP	100.000%	Cushman & Wakefield European Holdings, Inc.	100.000%	100.000%
Cushman & Wakefield Mauritius Holdings, Inc.	MAURITIUS	500,000	USD	100.000%	Cushman & Wakefield of Asia Limited	100.000%	100.000%
Cushman & Wakefield Mortgage Brokerage, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Netherlands B.V.	NETHERLANDS	40,000	NLG	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Alabama, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Arizona, Inc.	USA	10	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Arkansas, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Asia Limited	BRITISH VIRGIN ISLANDS	979,152	USD	75.000%	Cushman & Wakefield of Asia, Inc.	75.000%	75.000%
Cushman & Wakefield of Asia, Inc.	USA	200	USD	100.000%	Cushman & Wakefield International, Inc.	100.000%	100.000%
Cushman & Wakefield of California, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Colorado, Inc.	USA	800	USD	80.000%	Cushman & Wakefield, Inc.	80.000%	80.000%
Cushman & Wakefield of Connecticut, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Delaware, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Europe, Inc.	USA	200	USD	100.000%	Cushman & Wakefield International, Inc.	100.000%	100.000%
Cushman & Wakefield of Florida, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Georgia, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Illinois, Inc.	USA	1	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Indiana, Inc.	USA	5	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Kentucky, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Long Island, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Maryland, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Massachusetts, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Michigan, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Minnesota, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Mississippi, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Missouri, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Nevada, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of New Hampshire, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of New Jersey, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of New York, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of North America, Inc.	USA	200	USD	100.000%	Cushman & Wakefield International, Inc.	100.000%	100.000%
Cushman & Wakefield of North Carolina, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Ohio, Inc.	USA	500	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Oklahoma, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Oregon, Inc.	USA	1,010	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Pennsylvania, Inc.	USA	14	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of San Diego, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield of California, Inc.	100.000%	100.000%
Cushman & Wakefield of South America, Inc.	USA	100	USD	100.000%	Cushman & Wakefield International, Inc.	100.000%	100.000%
Cushman & Wakefield of Tennessee, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Texas, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of the Americas, Inc.	USA	200	USD	100.000%	Cushman & Wakefield International, Inc.	100.000%	100.000%
Cushman & Wakefield of Virginia, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Washington D.C., Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield of Washington, Inc.	USA	50	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield One Court Square Cleaning, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Oy	FINLAND	2,500	EUR	100.000%	Cushman & Wakefield (EMEA) Limited	100.000%	100.000%
Cushman & Wakefield Polska SP z.o.o.	POLAND	135,588	Polish Zloty	100.000%	Cushman & Wakefield European Holdings, Inc.	100.000%	100.000%
Cushman & Wakefield Property Management Services India Private Limited	INDIA	100,000	INR	100.000%	Cushman & Wakefield India Private Limited Sanjay Verma as nominee for C&W India Private Ltd	99.980% 0.020%	99.980% 0.020%
Cushman & Wakefield Property Services Slovakia, s.r.o	SLOVAK REPUBLIC	N/A	EUR	100.000%	Cushman & Wakefield, s.r.o.	100.000%	100.000%
Cushman & Wakefield Real Estate Securities Research, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Residential Limited	UNITED KINGDOM	1,000	GBP	100.000%	Cushman & Wakefield (EMEA) Limited	100.000%	100.000%
Cushman & Wakefield Residential Real Estate Advisor Ltd.	HUNGARY	3,000,000	Forint	100.000%	Cushman & Wakefield Residential Ltd	100.000%	100.000%
Cushman & Wakefield SAS	FRANCE	42,000	EUR	100.000%	Cushman & Wakefield (France Holdings) SAS	100.000%	100.000%
Cushman & Wakefield Second Nova Scotia ULC	CANADA	100	CAD	100.000%	Cushman & Wakefield International Finance Subsidiary, Inc.	100.000%	100.000%
Cushman & Wakefield Securities, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Singapore Holdings Pte. Limited	SINGAPORE	1,000	Singapore dollar	100.000%	Cushman & Wakefield of Asia Limited	100.000%	100.000%
Cushman & Wakefield Sonnenblick Goldman of California Inc	USA	1	USD	100.000%	Cushman & Wakefield Sonnenblick - Goldman LLC	100.000%	100.000%
Cushman & Wakefield Sonnenblick - Goldman LLC	USA	N/A	USD	65.000%	Cushman & Wakefield Mortgage Brokerage, Inc.	65.000%	65.000%
Cushman & Wakefield Spain Limited	UNITED KINGDOM	1,000	GBP	100.000%	Cushman & Wakefield European Holdings, Inc.	100.000%	100.000%
Cushman & Wakefield State Street, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Stiles & Riabokobyiko Management ZAO	RUSSIA	600	Roubles	100.000%	Cushman & Wakefield European Holdings, Inc. Cushman & Wakefield International, Inc.	99.000% 1.000%	99.000% 1.000%
Cushman & Wakefield Stiles & Riabokobyiko OOO	RUSSIA	600	Roubles	100.000%	Cushman & Wakefield European Holdings, Inc. Cushman & Wakefield International, Inc.	99.000% 1.000%	99.000% 1.000%

**Investments of the Cushman & Wakefield Group consolidated on a line-by-line basis  
(percentage of IFI Group consolidation equal to 49.26%)**

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation	Interest held by	% of interest held	% of voting rights
Cushman & Wakefield U.K. Limited Partnership	UNITED KINGDOM	N/A	GBP	99.000%	Cushman & Wakefield, Inc. Individual Equity Partners	99.000%	99.000%
Cushman & Wakefield V.O.F.	NETHERLANDS		EUR	99.000%	Cushman & Wakefield, Netherlands B.V.	1.000%	1.000%
Cushman & Wakefield Valuation Advisory Services (HK) Limited	HONG KONG	2	HKDollor	100.000%	Cushman & Wakefield (HK) Limited.	100.000%	100.000%
Cushman & Wakefield VHS Pte Limited	SINGAPORE	1	Singapore dollar	100.000%	Cushman & Wakefield (S) Pte Limited	100.000%	100.000%
Cushman & Wakefield Western, Inc.	USA	1,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield, Inc.	USA	100	USD	100.000%	Cushman & Wakefield Holdings, Inc.	100.000%	100.000%
Cushman & Wakefield, s. r. o.	CZECH REPUBLIC	100,000	EUR	100.000%	Cushman & Wakefield European Holdings, Inc.	100.000%	100.000%
Cushman & Wakefield/PREMISSYS Colorado, Inc.	USA	80	USD	80.000%	Cushman & Wakefield/Premisys, Inc.	80.000%	80.000%
Cushman & Wakefield/PREMISSYS, Inc.	USA	97	USD	100.000%	Cushfield, Inc.	100.000%	100.000%
Cushman Investment & Development Corp	USA	5,000	USD	100.000%	Cushman Realty Corporation	100.000%	100.000%
Cushman Management Corporation	USA	1,000	USD	100.000%	Cushman Realty Corporation	100.000%	100.000%
Cushman Realty Corporation	USA	6,286	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman Realty Corporation of Colorado	USA	100	USD	80.000%	Cushman & Wakefield, Inc.	80.000%	80.000%
Greater China Hospitality Fund LP (GCHF)	CAYMAN ISLANDS	N/A	USD	50.000%	Cushman & Wakefield Eagle Partners	50.000%	50.000%
New Cushman Pasadena Corp.	USA	100	USD	100.000%	Cushman Realty Corporation	100.000%	100.000%
SG Securities Holdings LLC	USA	N/A	USD	100.000%	Cushman & Wakefield Sonnenblick- Goldman LLC	100.000%	100.000%
SG Real Estate Securities LLC	USA	N/A	USD	100.000%	SG Securities Holdings LLC	1.000%	1.000%
The Apartment Group LLC	USA	200	USD	100.000%	Cushman & Wakefield of Georgia, Inc.	100.000%	100.000%
Cushman & Wakefield Property Management Services Ltd	HUNGARY	3,000,000	Forint	100.000%	Cushman & Wakefield International Real Estate Kft	100.000%	100.000%
<b>Asset Services</b>							
Cushman & Wakefield FM Limited Partnership	CANADA	N/A	CAD	100.000%	Cushman & Wakefield LePage Inc.	99.000%	99.000%
					Cushman & Wakefield GP Inc	1.000%	1.000%
Cushman & Wakefield GP Inc.	CANADA	100	CAD	100.000%	Cushman & Wakefield Canada Limited Partnership	100.000%	100.000%
<b>Holding</b>							
Cushman & Wakefield (Properties) Limited	UNITED KINGDOM	1	GBP	100.000%	Cushman & Wakefield (EMEA) Limited	100.000%	100.000%
Cushman & Wakefield Holding Participacoes Ltda	BRAZIL	16,423,500	BRR	99.990%	Cushman & Wakefield of South America, Inc.	99.990%	99.990%
Cushman & Wakefield (Resources) Limited	UNITED KINGDOM	N/A	GBP	100.000%	Cushman & Wakefield (EMEA) Limited	100.000%	100.000%
Cushman & Wakefield Thailand Limited.	THAILAND	8,000,000	THB	100.000%	Cushman & Wakefield of Asia Limited	100.000%	100.000%
Healey & Baker Limited	UNITED KINGDOM	2	GBP	100.000%	Cushman & Wakefield (EMEA) Limited	100.000%	100.000%
Cushman & Wakefield (France Holdings) SAS	FRANCE	3,987,000	EUR	100.000%	Cushman & Wakefield European Holdings, Inc	100.000%	100.000%
Cushman & Wakefield International Holdings Limited Partnership	UNITED KINGDOM	N/A	GBP	100.000%	Cushman & Wakefield European Holdings, Inc	33.333%	33.333%
					Cushman & Wakefield of South America, Inc.	33.333%	33.333%
					Cushman & Wakefield, Inc	33.333%	33.333%
<b>Insurance</b>							
Nottingham Indemnity, Inc.	USA	100,000	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
<b>REIT management</b>							
Cushman & Wakefield Investment Management, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Realty Advisors, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
<b>Business Support Management</b>							
Cushman & Wakefield Facilities Management, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
<b>Building Management Services</b>							
Cushfield Maintenance Corp.	USA	10	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushfield Maintenance West Corp.	USA	1,000	USD	100.000%	Buckbee Thorne & Co.	100.000%	100.000%
Cushfield, Inc.	USA	100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield Asset Services Y.K.	JAPAN	60	JPY	100.000%	C&W-Japan K.K.	100.000%	100.000%
Cushman & Wakefield National Corporation	USA	5,100	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
<b>Others</b>							
Cushman & Wakefield Cleanings Services, Inc.	USA	200	USD	100.000%	Cushman & Wakefield, Inc.	100.000%	100.000%
Cushman & Wakefield New Canada Limited Partnership	CANADA	N/A	CAD	100.000%	Cushman & Wakefield Canada Limited Partnership	99.990%	99.990%
					Cushman & Wakefield Second Nova Scotia ULC	0.010%	0.010%

**Investments of the Alpitour Group consolidated on a line-by-line basis  
(percentage of IFI Group consolidation equal to 68.29%)**

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation	Interest held by	% of interest held	% of voting rights
<b>Hotel management</b>							
ALPITOUR ESPANA S.L. UNIPERSONAL	SPAIN	22,751,000.00	EURO	100.000	ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPESOAAL, LDA	100.000	100.000
ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPESOAAL, LDA	PORTUGAL	2,494,000.00	EURO	100.000	ALPITOUR S.p.A.	100.000	100.000
ALPITOUR WORLD HOTELS & RESORTS S.p.A.	ITALY	140,385.00	EURO	100.000	ALPITOUR S.p.A.	100.000	100.000
BLUE MARIN TUNISIE S.A.	TUNISIA	3,000,000	TND	99.998	ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPESOAAL, LDA	99.998	99.998
BLUMARIN DE IMPORTAÇÃO, SOCIEDAD UNIPESOAAL, S.A.	CAPE VERDE	5,000,000	CVE	100.000	BLUMARIN HOTELS, SOCIEDADE UNIPESOAAL, S.A.	100.000	100.000
BLUMARIN HOTELS, SOCIEDADE UNIPESOAAL, S.A.	CAPE VERDE	2,500,000	CVE	100.000	ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPESOAAL, LDA	100.000	100.000
BLUMARIN HOTELS SICILIA S.p.A.	ITALY	38,000,000.00	EURO	100.000	ALPITOUR S.p.A.	100.000	100.000
D.I. RESORTS PRIVATE LTD	MALDIVES	100,000	MVR	100.000	ALPITOUR S.p.A.	99.000	99.000
					HORIZON HOLIDAYS S.A. UNIPERSONAL	1.000	1.000
EL-MASRIEN FOR HOTELS AND SHIPPING CONSTRUCTION	EGYPT	4,000,000	EGP	100.000	ITALIAN EGYPTIAN COMPANY FOR TOURISTIC INVESTMENT (S.A.E.)	100.000	100.000
HARROW TRADING E INVESTIMENTOS SOCIEDADE UNIPESOAAL LDA	PORTUGAL	5,000.00	EURO	100.000	ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPESOAAL, LDA	100.000	100.000
HORIZON HOLIDAYS S.A. UNIPERSONAL	SPAIN	20,133,500.00	EURO	100.000	ALPITOUR ESPANA S.L. UNIPERSONAL	100.000	100.000
INVERSIONES LOS UVEROS S.A. DE C.V.	DOMINICAN REP.	200,000	DOP	99.700	HORIZON HOLIDAYS S.A. UNIPERSONAL	99.700	99.700
ITALIAN EGYPTIAN COMPANY FOR TOURISTIC INVESTMENT (S.A.E.)	EGYPT	4,536,000	EGP	100.000	ALPITOUR WORLD HOTELS & RESORTS S.p.A.	100.000	100.000
KIWENGWA LIMITED	TANZANIA	745,559,000	TZS	100.000	HORIZON HOLIDAYS S.A. UNIPERSONAL	98.964	98.964
					ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPESOAAL, LDA	1.036	1.036
KIWENGWA STRAND HOTEL LTD.	TANZANIA	1,480,000,000	TZS	100.000	HORIZON HOLIDAYS S.A. UNIPERSONAL	99.000	99.000
					ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPESOAAL, LDA	1.000	1.000
MEDITERRANEAN TOURIST COMPANY S.A.	GREECE	304,837.20	EURO	100.000	HORIZON HOLIDAYS S.A. UNIPERSONAL	99.997	99.997
					ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPESOAAL, LDA	0.003	0.003
NETRADE S.p.A.	ITALY	300,000.00	EURO	100.000	ALPITOUR WORLD HOTELS & RESORTS S.p.A.	100.000	100.000
ORIENT SHIPPING FOR FLOATING HOTELS	EGYPT	1,450,000	EGP	100.000	ITALIAN EGYPTIAN COMPANY FOR TOURISTIC INVESTMENT (S.A.E.)	100.000	100.000
RENTHOTEL MEXICO S.A. DE C.V.	MEXICO	50,000	MXP	98.000	HORIZON HOLIDAYS S.A. UNIPERSONAL	98.000	98.000
RENTHOTEL TRAVEL SERVICE S.A. UNIPERSONAL	SPAIN	1,562,860.00	EURO	100.000	HORIZON HOLIDAYS S.A. UNIPERSONAL	100.000	100.000
RIVIERA AZUL S.A. DE C.V.	MEXICO	50,000	MXP	96.000	HARROW TRADING E INVESTIMENTOS SOCIEDADE UNIPESOAAL LDA	96.000	96.000
S.T. RESORTS PRIVATE LTD.	MALDIVES	100,000	MVR	50.000	ALPITOUR S.p.A.	50.000	50.000
STAR RESORT & HOTELS COMPANY PVT LTD.	MALDIVES	1,000,000	MVR	100.000	ALPITOUR S.p.A.	99.000	99.000
					HORIZON HOLIDAYS S.A. UNIPERSONAL	1.000	1.000
<b>Insurance</b>							
ALPITOUR REINSURANCE COMPANY LIMITED	IRELAND	2,500,000.00	EURO	100.000	ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPESOAAL, LDA	100.000	100.000
<b>Distribution (Travel agency)</b>							
AGENZIA VIAGGI SAUGO S.r.l.	ITALY	20,938.00	EURO	100.000	WELCOME TRAVEL GROUP S.p.A.	100.000	100.000
BLUE VIAGGI S.A.	SWITZERLAND	100,000.00	CHF	100.000	WELCOME TRAVEL GROUP S.p.A.	100.000	100.000
WELCOME TRAVEL GROUP S.p.A.	ITALY	3,939,855.00	EURO	100.000	ALPITOUR S.p.A.	100.000	100.000
<b>Incoming services</b>							
CONSORCIO TURISTICO PANMEX S.A. DE C.V.	MEXICO	50,000	MXP	70.000	ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPESOAAL, LDA	70.000	70.000
JUMBO CANARIAS S.A. UNIPERSONAL	SPAIN	180,300.00	EURO	100.000	JUMBOTURISMO S.A. UNIPERSONAL	100.000	100.000
JUMBO TOURS DOMINICANA S.A.	DOMINICAN REP.	100,000	DOP	99.500	JUMBOTURISMO S.A. UNIPERSONAL	99.300	99.300
					JUMBO CANARIAS S.A. UNIPERSONAL	0.100	0.100
					JUMBO TOURS ESPANA S.L. UNIPERSONAL	0.100	0.100
JUMBO TOURS ESPANA S.L. UNIPERSONAL	SPAIN	904,505.00	EURO	100.000	JUMBOTURISMO S.A. UNIPERSONAL	100.000	100.000
JUMBO TOURS FRANCE S.A.	FRANCE	37,000.00	EURO	99.970	JUMBOTURISMO S.A. UNIPERSONAL	99.970	99.970
JUMBO TOURS ITALIA S.r.l.	ITALY	78,000.00	EURO	100.000	JUMBOTURISMO S.A. UNIPERSONAL	100.000	100.000
JUMBO TOURS MEXICO S.A. DE C.V.	MEXICO	50,000	MXP	98.000	JUMBOTURISMO S.A. UNIPERSONAL	98.000	98.000
JUMBO TOURS TUNISIE S.A.	TUNISIA	105,000	TUD	49.983	JUMBOTURISMO S.A. UNIPERSONAL	49.983	49.983
JUMBOTURISMO S.A. UNIPERSONAL	SPAIN	364,927.20	EURO	100.000	ALPITOUR ESPANA S.L. UNIPERSONAL	100.000	100.000
JUMBOTURISMO CABO VERDE, Agencia de Viagens e Turismo, SOCIEDADE UNIPESOAAL, S.A.	CAPE VERDE	5,000,000	CVE	100.000	JUMBOTURISMO S.A. UNIPERSONAL	100.000	100.000
JUMBO MOROCCO INCOMING S.A.	MOROCCO	400,000	MAD	99.700	JUMBOTURISMO S.A. UNIPERSONAL	99.700	99.700
PANCARIBE S.A.	DOMINICAN REP.	200,000	DOP	69.900	ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPESOAAL, LDA	69.900	69.900
PROMOTORA DE SERVICIOS TURISTICOS DE ESPANA EN MEXICO S.A. DE C.V.	MEXICO	50,000	MXP	98.000	JUMBOTURISMO S.A. UNIPERSONAL	98.000	98.000
<b>Tour operating</b>							
A W EVENTS Srl	ITALY	23,838.00	EURO	83.900	ALPITOUR S.p.A.	83.900	83.900
<b>Airline</b>							
NEOS S.p.A.	ITALY	4,425,800.00	EURO	100.000	ALPITOUR S.p.A.	100.000	100.000
					WELCOME TRAVEL GROUP S.p.A.	0.000	0.000

**Investments of the “Holdings System” accounted for by the equity method  
(percentage of IFI Group consolidation equal to 68.29%)**

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
<b>Holding companies and other companies</b>						
SEQUANA CAPITAL S.A.	FRANCE	74,317,503.00	EUR	26.71 IFIL INVESTISSEMENTS S.A.	26.649	26.649
FIAT S.p.A. (a)	ITALY	6,377,262,975.00	EUR	29.01 FIAT S.p.A. FIAT GEVA S.p.A. IFIL INVESTMENTS S.p.A.	1.928 0.000 30.419	2.001 0.000 30.450

(a) The companies of the Fiat Group are presented separately.

**Investments of the Cushman & Wakefield Group accounted for by the equity method  
(percentage of IFI Group consolidation equal to 49.26%)**

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
<b>REAL ESTATE SERVICES</b>						
Kemper's Holdings GmbH	GERMANY	293,750	EUR	Kemper's Holdings GmbH 25.000% Cushman & Wakefield, Inc.	25.000% 25.000%	25.000% 25.000%
Cushman & Wakefield, S. de R.L.de C.V.	MEXICO	16,200,000	Pesos	100.000% Cushman & Wakefield de Mexico, S.A. de C.V. Cushman & Wakefield of the Americas, Inc.	75.000% 25.000%	75.000% 25.000%
Orvis/Cushman & Wakefield Ranch and Recreational Properties, LLC	USA	1,000	USD	50.000% Cushman & Wakefield, Inc. Orvis Inc.	50.000% 50.000%	50.000% 50.000%
<b>ASSET SERVICES</b>						
Corporate Occupier Solutions Limited	UNITED KINGDOM	100,000	GBP	50.000% Cushman & Wakefield (EMEA) Limited.	50.000%	50.000%
<b>BUILDING MANAGEMENT SERVICES</b>						
C & W Operacion Inmobiliaria, S.A.de C.V.	MEXICO	50,000	Pesos	100.000% Cushman & Wakefield, S. de RL de C.V. Cushman & Wakefield de Mexico, S.A. de C.C	99.996% 0.004%	99.996% 0.004%
<b>OTHERS</b>						
Cushman & Wakefield Servicios, S.A. de C.V	MEXICO	50,000	Pesos	100.000% Cushman & Wakefield, S. de RL de C.V. Cushman & Wakefield de Mexico, S.A. de C.C	99.996% 0.004%	99.996% 0.004%

**Investments of the Alpitour Group accounted for by the equity method  
(percentage of IFI Group consolidation equal to 68.29%)**

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
<b>Hotel management</b>						
BLUE DIVING MEXICO S.A. DE C.V.	MEXICO	50,000	MXP	49.000 HORIZON HOLIDAYS S.A. UNIPERSONAL	49.000	49.000
VACANZEINITALIA S.p.A.	ITALY	300,000	EURO	50.000 ALPITOUR S.p.A	50.000	50.000
<b>Incoming services</b>						
ALPITOUR GROUP EGYPT FOR TOURISM S.A.E.	EGYPT	2,000,000	EGP	50.000 ALPITOUR S.p.A	50.000	50.000
HOY VIAJAMOS S.A.	SPAIN	732,032.74	EURO	28.629 JUMBOTURISMO S.A. UNIPERSONAL	28.629	28.629
ITALO HISPANA DE INVERSIONES S.L.	SPAIN	3,005.06	EURO	30.000 ALPITOUR S.p.A.	30.000	30.000
JUMBO TOURS CARIBE S.A.	MEXICO	50,000	MXP	50.000 JUMBOTURISMO S.A. UNIPERSONAL	50.000	50.000
PANAFRICAN SERVICE S.A.R.L.	TUNISIA	10,500	TND	50.000 ALPITURISMO SERVICES OF TOURISM, SOCIEDADE UNIPessoal, LDA	50.000	50.000
PEMBA S.A.	SPAIN	510,809.20	EURO	25.000 JUMBOTURISMO S.A. UNIPERSONAL	25.000	25.000
VIAJES MEDYMAR S.L.	SPAIN	60,101.21	EURO	30.000 ALPITOUR S.p.A.	30.000	30.000

## Significant investments of the “Holdings System”

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation	% of interest held	% of voting rights
<b>Holding companies and other companies</b>						
INTESA SAN PAOLO S.p.A.	ITALY	6,646,547,923.00	EUR	IFIL INVESTMENTS S.p.A.	2.268	2.447
GRUPPO BANCA LEONARDO S.p.A.	ITALY	301,651,927.00	EUR	IFIL INVESTISSEMENTS S.A.	9.818	11.316
SGS S.A.	SWITZERLAND	7,822,436.00	CHF	IFIL INVESTISSEMENTS S.A.	15.000	15.000
Nocco A LP	USA		N.A. USD	ANCOM USA INC	1.960 (a)	N.A.

(a) Percentage holding in the limited partnership.

## Significant investments of the Alpitour Group

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation	Interest held by	% of interest held	% of voting rights
<b>Distribution (Travel agency)</b>							
AIRPORTS & TRAVEL S.r.l.	ITALY	50,000.00	EURO	-	WELCOME TRAVEL GROUP S.p.A.	49.000	49.000
TEAM TRAVEL SERVICE S.r.l.	ITALY	102,000.00	EURO	-	WELCOME TRAVEL GROUP S.p.A.	50.000	50.000
WELCOME TRAVEL SUD S.r.l.	ITALY	100,000.00	EURO	-	WELCOME TRAVEL GROUP S.p.A.	50.000	50.000
<b>Incoming services</b>							
CALOBANDE S.L. UNIPERSONAL	SPAIN	453,755.00	EURO	-	JUMBOTURISMO S.A. UNIPERSONAL	100.000	100.000
JUMBO TOURS ZANZIBAR LIMITED	TANZANIA	1,000,000.00	TZS	-	JUMBOTURISMO S.A. UNIPERSONAL	49.000	49.000

## Significant investments of Juventus Football Club S.p.A.

Name	Country	Capital stock at 12/31/2007	Currency	% of Group consolidation	Interest held by	% of interest held	% of voting rights
<b>Stadium management</b>							
SEMANA S.r.l.	ITALY	100,000	EUR	-	JUVENTUS FOOTBALL CLUB S.p.A.	30.000	30.000

## **The companies of the Fiat Group**

In the consolidated financial statements of the IFI Group at December 31, 2007, the investment held through IFIL S.p.A. in the Fiat Group (19.81% at the IFI Group level) is accounted for by the equity method (please refer to Notes 5 and 44 in the consolidated financial statements at December 31, 2007).

For purposes of complete disclosure, this appendix shows the investments of the Fiat Group as they are presented in the consolidated financial statements of the Fiat Group at December 31, 2007.

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
<b>Controlling company</b>						
<b>Parent company</b>						
Fiat S.p.A.	Turin	Italy	6,377,262,975 EUR	--	--	--
<b>Subsidiaries consolidated on a line-by-line basis</b>						
<b>Fiat Group Automobiles</b>						
Fiat Group Automobiles S.p.A.	Turin	Italy	745,031,979 EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
ABARTH & C. S.p.A.	Chivasso	Italy	1,500,000 EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Alfa Romeo Automobiles S.p.A.	Turin	Italy	120,000 EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Banco Fidis de Investimento SA	Betim	Brazil	439,658,836 BRL	100.00 Fidis S.p.A.	75.000	
				Fiat Automoveis S.A. - FIASA	25.000	
Clickar Assistance S.R.L.	Turin	Italy	335,632 EUR	100.00 Fidis S.p.A.	100.000	
Customer Services Centre S.r.l.	Turin	Italy	2,500,000 EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Easy Drive S.r.l.	Turin	Italy	10,400 EUR	100.00 Fiat Group Automobiles S.p.A.	99.000	
				Fiat Center Italia S.p.A.	1.000	
Fiat Auto Argentina S.A.	Buenos Aires	Argentina	476,464,366 ARS	100.00 Fiat Group Automobiles S.p.A.	72.495	
(business Fiat Group Automobiles)				Fiat Automoveis S.A. - FIASA	27.505	
Fiat Auto Dealer Financing SA	Brussels	Belgium	62,000 EUR	99.84 Fiat Group Automobiles Belgium S.A.	99.839	
Fiat Auto Poland S.A.	Bielsko-Biala	Poland	660,334,600 PLN	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat Auto Var S.r.l.	Turin	Italy	7,370,000 EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat Automobil Vertriebs GmbH	Frankfurt	Germany	8,700,000 EUR	100.00 Fiat Group Automobiles Germany AG	100.000	
Fiat Automobiles S.p.A.	Turin	Italy	120,000 EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat Automotive Finance Co. Ltd.	Shanghai	People's Rep. of China	500,000,000 CNY	100.00 Fidis S.p.A.	100.000	
Fiat Automoveis S.A. - FIASA (business Fiat Group Automobiles)	Betim	Brazil	1,233,506,013 BRL	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat Center (Suisse) S.A.	Meyrin	Switzerland	13,000,000 CHF	100.00 Fiat Group Automobiles Switzerland S.A.	100.000	
Fiat Center Italia S.p.A.	Turin	Italy	2,000,000 EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat CR Spol. S.R.O.	Praque	Czech Republic	1,000,000 CZK	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat Credito Compania Financiera S.A.	Buenos Aires	Argentina	142,630,748 ARS	100.00 Fidis S.p.A.	100.000	
Fiat Finance Netherlands B.V.	Amsterdam	Netherlands	690,000,000 EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat France	Trappes	France	235,480,520 EUR	100.00 Fiat Finance Netherlands B.V.	100.000	
Fiat Group Automobiles Austria GmbH	Vienna	Austria	37,000 EUR	100.00 Fiat Finance Netherlands B.V.	100.000	
Fiat Group Automobiles Belgium S.A.	Brussels	Belgium	18,600,000 EUR	100.00 Fiat Finance Netherlands B.V.	99.998	
				Fiat Group Automobiles Switzerland S.A.	0.002	
Fiat Group Automobiles Denmark A/S	Glostrup	Denmark	55,000,000 DKK	100.00 Fiat Finance Netherlands B.V.	100.000	
Fiat Group Automobiles Germany AG	Heilbronn	Germany	82,650,000 EUR	100.00 Fiat Finance Netherlands B.V.	99.000	
				Fiat Group Automobiles Switzerland S.A.	1.000	
Fiat Group Automobiles Hellas S.A.	Argyroupoli	Greece	62,033,499 EUR	100.00 Fiat Finance Netherlands B.V.	100.000	
Fiat Group Automobiles Ireland Ltd.	Dublin	Ireland	5,078,952 EUR	100.00 Fiat Finance Netherlands B.V.	100.000	
Fiat Group Automobiles Japan K.K.	Minato-Ku, Tokyo	Japan	420,000,000 JPY	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles Maroc S.A.	Casablanca	Morocco	1,000,000 MAD	99.95 Fiat Group Automobiles S.p.A.	99.950	
Fiat Group Automobiles Netherlands B.V.	Lijnden	Netherlands	5,672,250 EUR	100.00 Fiat Netherlands Holding N.V.	100.000	
Fiat Group Automobiles Portugal, S.A.	Aliges	Portugal	1,000,000 EUR	100.00 Fiat Finance Netherlands B.V.	100.000	
Fiat Group Automobiles South Africa (Proprietary) Ltd	Johannesburg	South Africa	640 ZAR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles Spain S.A.	Arcosa De Henares	Spain	8,079,280 EUR	100.00 Fiat Finance Netherlands B.V.	99.998	
				Fiat Group Automobiles Switzerland S.A.	0.002	
Fiat Group Automobiles Switzerland S.A.	Schlieren	Switzerland	21,400,000 CHF	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles UK Ltd	Stough	United Kingdom	44,600,000 GBP	100.00 Fiat Finance Netherlands B.V.	100.000	
Fiat India Private Ltd.	Mumbai	India	8,363,617,700 INR	74.42 Fiat Group Automobiles S.p.A.	47.804	47.372
				Fiat India Automobiles Private Limited	52.196	52.628
Fiat Light Commercial Vehicles S.p.A.	Turin	Italy	120,000 EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat Magyarorszag Kereskedelmi KFT.	Budapest	Hungary	150,000,000 HUF	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat Purchasing Italia S.r.l.	Turin	Italy	600,000 EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
FIAT Purchasing Poland Sp. z o.o.	Bielsko-Biala	Poland	300,000 PLN	100.00 Fiat Purchasing Italia S.r.l.	100.000	
Fiat Real Estate Germany GmbH	Frankfurt	Germany	25,000 EUR	100.00 Fiat Automobil Vertriebs GmbH	100.000	
Fiat SR Spol. SR.O.	Bratislava	Slovak Republic	1,000,000 SKK	100.00 Fiat Group Automobiles S.p.A.	100.000	
Fiat Teamays GmbH	Heilbronn	Germany	500,000 EUR	100.00 Fiat Group Automobiles Germany AG	100.000	
Fiat Versicherungsdienst GmbH	Heilbronn	Germany	26,000 EUR	100.00 Fiat Group Automobiles Germany AG	51.000	
				Rimaco S.A.	49.000	
Fidis S.p.A.	Turin	Italy	250,000,000 EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
I.T.C.A. Produzione S.p.A.	Grugliasco	Italy	10,000,000 EUR	100.00 I.T.C.A. Tools S.p.A.	100.000	

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
I.T.C.A. S.p.A.	Grugliasco	Italy	2,000,000	EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
I.T.C.A. Tools S.p.A.	Grugliasco	Italy	10,000,000	EUR	100.00 I.T.C.A. S.p.A.	100.000	
i-FAST Automotive Logistics S.r.l.	Turin	Italy	750,000	EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
International Metropolitan Automotive Promotion (France) S.A.	Trappes	France	2,977,680	EUR	100.00 Fiat France	99.997	
Italian Automotive Center S.A.	Brussels	Belgium	8,500,000	EUR	100.00 Fiat Group Automobiles Belgium S.A. Fiat Group Automobiles S.p.A.	99.988 0.012	
Italian Motor Village S.A.	Algos	Portugal	50,000	EUR	100.00 Fiat Group Automobiles Portugal, S.A.	100.000	
Italian Motor Village S.L.	Alcala De Henares	Spain	1,454,420	EUR	100.00 Fiat Group Automobiles Spain S.A.	100.000	
Lancia Automobiles S.p.A.	Turin	Italy	120,000	EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Nuove Iniziative Finanziarie 2 S.r.l.	Turin	Italy	25,000	EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Sats-Società Automobilistica Tecnologie Avanzate S.p.A.	Melfi	Italy	276,640,000	EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
SCDR (Ireland) Limited	Dublin	Ireland	70,000	EUR	100.00 Società di Commercializzazione e Distribuzione Ricambi S.p.A.	100.000	
SCDR (Switzerland) S.A.	Schlieren Stough	Switzerland	100,000	CHF	100.00 Società di Commercializzazione e Distribuzione Ricambi S.p.A.	100.000	
SCDR Automotive Limited	Berkshire	United Kingdom	50,000	GBP	100.00 Società di Commercializzazione e Distribuzione Ricambi S.p.A.	100.000	
Società di Commercializzazione e Distribuzione Ricambi S.p.A.	Turin	Italy	100,000	EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Targa Rent S.r.l.	Turin	Italy	310,000	EUR	100.00 Fids S.p.A.	100.000	
Turinauto S.P.A.	Turin	Italy	510,000	EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
<b>Maserati</b>							
Maserati S.p.A.	Modena	Italy	40,000,000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
Maserati (Suisse) S.A.	Nyon	Switzerland	250,000	CHF	100.00 Maserati S.p.A.	100.000	
Maserati Deutschland GmbH	Wiesbaden Stough	Germany	500,000	EUR	100.00 Maserati S.p.A.	100.000	
Maserati GB Limited	Berkshire	United Kingdom	20,000	GBP	100.00 Maserati S.p.A.	100.000	
Maserati North America Inc.	Englewood Cliffs	U.S.A.	1,000	USD	100.00 Maserati S.p.A.	100.000	
Maserati West Europe société par actions simplifiée	Paris	France	37,000	EUR	100.00 Maserati S.p.A.	100.000	
<b>Ferrari</b>							
Ferrari S.p.A.	Modena	Italy	20,260,000	EUR	85.00 Fiat S.p.A.	85.000	
410 Park Display Inc.	New York	U.S.A.	100	USD	85.00 Ferrari N.America Inc.	100.000	
Charles Pozzi S.a.r.l.	Levallois-Perret	France	959,519	EUR	85.00 Ferrari West Europe S.A.	100.000	
Ferrari (Suisse) SA	Nyon	Switzerland	1,000,000	CHF	85.00 Ferrari International S.A.	100.000	
Ferrari Deutschland GmbH	Wiesbaden	Germany	1,000,000	EUR	85.00 Ferrari International S.A.	100.000	
Ferrari Financial Services AG	Munich	Germany	1,777,600	EUR	76.50 Ferrari Financial Services S.p.A.	100.000	
Ferrari Financial Services S.p.A.	Modena	Italy	5,100,000	EUR	76.50 Ferrari S.p.A.	90.000	
Ferrari Financial Services, Inc.	Wilmington Stough	U.S.A.	1,000	USD	76.50 Ferrari Financial Services S.p.A.	100.000	
Ferrari GB Limited	Berkshire	United Kingdom	50,000	GBP	85.00 Ferrari International S.A.	100.000	
Ferrari G.E.D. S.p.A.	Modena	Italy	11,570,000	EUR	85.00 Ferrari S.p.A.	100.000	
Ferrari International S.A.	Luxembourg	Luxembourg	13,112,000	EUR	85.00 Ferrari S.p.A.	99.999	
					Ferrari N.America Inc.	0.001	
Ferrari N.America Inc.	Englewood Cliffs	U.S.A.	200,000	USD	85.00 Ferrari S.p.A.	100.000	
Ferrari San Francisco Inc.	Mill Valley	U.S.A.	100,000	USD	85.00 Ferrari N.America Inc.	100.000	
Ferrari West Europe S.A.	Levallois-Perret	France	280,920	EUR	85.00 Société Française de Participations Ferrari - S.F.P.F. S.A.R.L.	100.000	
GSA-Gestions Sportives Automobiles S.A.	Meyrin	Switzerland	1,000,000	CHF	85.00 Ferrari International S.A.	100.000	
Société Française de Participations Ferrari - S.F.P.F. S.A.R.L.	Levallois-Perret	France	6,000,000	EUR	85.00 Ferrari International S.A.	100.000	
<b>Agricultural and Construction Equipment</b>							
CNH Global N.V.	Amsterdam	Netherlands	533,979,412	EUR	89.33 Fiat Netherlands Holding N.V. CNH Global N.V.	89.273 0.065	89.331 0.000
Banco CNH Capital S.A.	Curitiba	Brazil	327,353,563	BRL	89.33 CNH Global N.V. CNH Latin America Ltda.	98.760 1.240	
Bli Group Inc.	Wilmington	U.S.A.	1,000	USD	89.33 CNH America LLC	100.000	
Blue Leaf I.P. Inc.	Wilmington	U.S.A.	1,000	USD	89.33 Bli Group Inc.	100.000	
Case Brazil Holdings Inc.	Wilmington	U.S.A.	1,000	USD	89.33 CNH America LLC	100.000	
Case Canada Receivables, Inc.	Calgary	Canada People's Rep. of	1	CAD	89.33 CNH Capital America LLC	100.000	
Case Construction Machinery (Shanghai) Co., Ltd	Shanghai	China	5,000,000	USD	89.33 CNH Global N.V.	100.000	
Case Credit Holdings Limited	Wilmington	U.S.A.	5	USD	89.33 CNH Capital America LLC	100.000	
Case Equipment Holdings Limited	Wilmington	U.S.A.	5	USD	89.33 CNH America LLC	100.000	
Case Equipment International Corporation	Wilmington	U.S.A.	1,000	USD	89.33 CNH America LLC	100.000	
Case Europe S.a.r.l.	La Plasse Belleville	France	7,622	EUR	89.33 CNH America LLC	100.000	
Case Harvesting Systems GmbH	Berlin	Germany People's Rep. of	281,211	EUR	89.33 CNH America LLC	100.000	
CASE IH Machinery Trading (Shanghai) Co. Ltd.	Shanghai	China	2,250,000	USD	89.33 CNH America LLC	100.000	
Case India Limited	Wilmington	U.S.A.	5	USD	89.33 CNH America LLC	100.000	

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
Case International Marketing Inc.	Wilmington	U.S.A.	5 USD		89.33 CNH America LLC	100.000	
Case LBX Holdings Inc.	Wilmington	U.S.A.	5 USD		89.33 CNH America LLC	100.000	
Case New Holland Inc.	Wilmington	U.S.A.	5 USD		89.33 CNH Global N.V.	100.000	
Case United Kingdom Limited	Basildon	United Kingdom	3,763,618 GBP		89.33 CNH America LLC	100.000	
CNH America LLC	Wilmington	U.S.A.	0 USD		89.33 Case New Holland Inc.	100.000	
CNH Argentina S.A.	Buenos Aires	Argentina	29,611,105 ARS		89.33 New Holland Holdings Argentina S.A. CNH Latin America Ltda.	80.654 19.346	
CNH Asian Holding Limited N.V.	Zedelgem	Belgium	34,594,401 EUR		89.33 CNH Global N.V.	100.000	
CNH Australia Pty Limited	St. Marys	Australia	306,785,439 AUD		89.33 CNH Global N.V.	100.000	
CNH Baumaschinen GmbH	Berlin	Germany	61,355,030 EUR		89.33 CNH Europe Holding S.A.	100.000	
CNH Belgium N.V.	Zedelgem	Belgium	27,268,300 EUR		89.33 CNH Europe Holding S.A.	100.000	
CNH Canada, Ltd.	Toronto	Canada	28,000,100 CAD		89.33 CNH Global N.V.	100.000	
CNH Capital (Europe) plc	Osbertown	Ireland	38,100 EUR		89.33 CNH Capital plc CNH Europe Holding S.A. CNH Financial Services A/S CNH Global N.V. CNH Trade N.V. CNH Capital U.K. Ltd CNH Financial Services S.A.S.	99.984 0.003 0.003 0.003 0.002 0.002	
CNH Capital America LLC	Wilmington	U.S.A.	0 USD		89.33 CNH Capital LLC	100.000	
CNH Capital Australia Pty Limited	St. Marys	Australia	83,248,874 AUD		89.33 CNH Australia Pty Limited	100.000	
CNH Capital Automotive Receivables LLC	Wilmington	U.S.A.	0 USD		89.33 CNH Capital America LLC	100.000	
CNH Capital Benelux	Zedelgem	Belgium	61,500 EUR		89.33 CNH Global N.V. CNH Capital U.K. Ltd.	98.999 1.001	
CNH Capital Canada Insurance Agency Ltd.	Calgary	Canada	1 CAD		89.33 CNH Capital Canada Ltd.	100.000	
CNH Capital Canada Ltd.	Calgary	Canada	1 CAD		89.33 Case Credit Holdings Limited CNH Canada, Ltd.	99.500 0.500	
CNH Capital Insurance Agency Inc.	Wilmington	U.S.A.	5 USD		89.33 CNH Capital America LLC	100.000	
CNH Capital LLC	Wilmington	U.S.A.	0 USD		89.33 CNH America LLC	100.000	
CNH Capital plc	Osbertown	Ireland	6,386,791 EUR		89.33 CNH Global N.V.	100.000	
CNH Capital RACES LLC	Wilmington	U.S.A.	1,000 USD		89.33 CNH Capital America LLC	100.000	
CNH Capital Receivables LLC	Wilmington	U.S.A.	0 USD		89.33 CNH Capital America LLC	100.000	
CNH Capital U.K. Ltd.	Basildon	United Kingdom	10,000,001 GBP		89.33 CNH Global N.V.	100.000	
CNH Componentes, S.A. de C.V.	San Pedro	Mexico	135,634,842 MXN		89.33 CNH America LLC	100.000	
CNH Danmark A/S	Hvidovre	Denmark	12,000,000 DKK		89.33 CNH Europe Holding S.A.	100.000	
CNH Deutschland GmbH	Heilbronn	Germany	18,457,650 EUR		89.33 CNH Baumaschinen GmbH CNH Europe Holding S.A.	90.000 10.000	
CNH Engine Corporation	Wilmington	U.S.A.	1,000 USD		89.33 CNH America LLC	100.000	
CNH Europe Holding S.A.	Luxembourg	Luxembourg	53,000,000 USD		89.33 CNH Global N.V.	100.000	
CNH Financial Services A/S	Hvidovre	Denmark	500,000 DKK		89.33 CNH Global N.V.	100.000	
CNH Financial Services GmbH	Heilbronn	Germany	1,151,000 EUR		89.33 CNH Europe Holding S.A.	100.000	
CNH Financial Services S.A.S.	Puteaux	France	45,860,639 EUR		89.33 CNH Global N.V. CNH Capital Benelux	98.766 1.234	
CNH France S.A.	Chamigny	France	138,813,150 EUR		89.33 CNH Europe Holding S.A.	100.000	
CNH International S.A.	Paradiso	Switzerland	100,000 CHF		89.33 CNH Global N.V.	100.000	
CNH Italia s.p.a.	Modena	Italy	15,600,000 EUR		89.33 CNH Osterreich GmbH CNH Global N.V.	75.000 25.000	
CNH Latin America Ltda.	Contagem	Brazil	355,332,946 BRL		89.33 CNH Global N.V. Case Brazil Holdings Inc. Case Equipment International Corporation	85.658 12.557 1.785	
CNH Maquinaria Spain S.A.	Costlada	Spain	21,000,000 EUR		89.33 CNH Europe Holding S.A.	100.000	
CNH Osterreich GmbH	St. Valentin	Austria	2,000,000 EUR		89.33 CNH Global N.V.	100.000	
CNH Polska Sp. z o.o.	Plock	Poland	162,591,660 PLN		89.33 CNH Belgium N.V.	100.000	
CNH Portugal-Comercio de Tractores e Maquinas Agricolas Ltda	Carnaxide	Portugal	498,798 EUR		89.33 CNH Europe Holding S.A. CNH Italia s.p.a.	99.980 0.020	
CNH Receivables LLC	Wilmington	U.S.A.	0 USD		89.33 CNH Capital America LLC	100.000	
CNH Services S.r.l.	Modena	Italy	10,400 EUR		89.33 CNH Italia s.p.a.	100.000	
CNH Trade N.V.	Amsterdam	Netherlands	50,000 EUR		89.33 CNH Global N.V.	100.000	
CNH U.K. Limited	Basildon	United Kingdom	91,262,275 GBP		89.33 New Holland Holding Limited	100.000	

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
CNH Wholesale Receivables LLC	Wilmington	U.S.A.	0	USD	89.33 CNH Capital America LLC	100.000	
Fiatallis North America LLC	Wilmington	U.S.A.	32	USD	89.33 CNH America LLC	100.000	
Flexi-Coil (U.K.) Limited	Basildon	United Kingdom	3,291,776	GBP	89.33 CNH Canada, Ltd.	100.000	
Harbin New Holland Tractors Co., Ltd.	Harbin	People's Rep. of China	2,859,091	USD	89.33 CNH Asian Holding Limited N.V. CNH Europe Holding S.A.	99.000 1.000	
HFI Holdings Inc.	Wilmington	U.S.A.	1,000	USD	89.33 CNH America LLC	100.000	
JV Uzcaseagproleasing LLC	Tashkent	Uzbekistan	0	USD	45.56 Case Credit Holdings Limited	51.000	
JV UzCaseMash LLC	Tashkent	Uzbekistan	0	USD	53.60 Case Equipment Holdings Limited	60.000	
JV UzCaseService LLC	Tashkent	Uzbekistan	0	USD	45.56 Case Equipment Holdings Limited	51.000	
JV UzCaseTractor LLC	Tashkent	Uzbekistan	0	USD	45.56 Case Equipment Holdings Limited	51.000	
Kobelco Construction Machinery America LLC	Wilmington	U.S.A.	0	USD	58.07 New Holland Excavator Holdings LLC	65.000	
MBA AG	Basensdorf	Switzerland	4,000,000	CHF	89.33 CNH Global N.V.	100.000	
New Holland Australia Pty Ltd	St. Marys	Australia	1	AUD	89.33 CNH Australia Pty Limited	100.000	
New Holland Credit Australia Pty Limited	St. Marys	Australia	0	AUD	89.33 CNH Capital Australia Pty Limited	100.000	
New Holland Credit Company, LLC	Wilmington	U.S.A.	0	USD	89.33 CNH Capital LLC	100.000	
New Holland Excavator Holdings LLC	Wilmington	U.S.A.	0	USD	89.33 CNH America LLC	100.000	
New Holland Holding Limited	London	United Kingdom	165,000,000	GBP	89.33 CNH Europe Holding S.A.	100.000	
New Holland Holdings Argentina S.A.	Buenos Aires	Argentina	23,555,415	ARS	89.33 CNH Latin America Ltda.	100.000	
New Holland Kobelco Construction Machinery S.p.A.	Carpi	Italy	80,025,291	EUR	66.66 CNH Italia s.p.a.	74.625	
New Holland Ltd	Basildon	United Kingdom	1,000,000	GBP	89.33 CNH Global N.V.	100.000	
New Holland Tractor Ltd. N.V.	Antwerp	Belgium	9,631,500	EUR	89.33 New Holland Holding Limited	100.000	
New Holland Tractors (India) Private Ltd	New Delhi	India	1,949,835,804	INR	89.33 CNH Asian Holding Limited N.V.	100.000	
O & K - Hife GmbH	Berlin	Germany	25,565	EUR	89.33 CNH Baumaschinen GmbH	100.000	
One Earth Receivables Limited	Dublin	Ireland	100	EUR	89.33 CNH Capital plc	100.000	
Pfzer Foundry Inc.	Oklahoma City	U.S.A.	1,000	USD	89.33 CNH America LLC	100.000	
Receivables Credit II Corporation	Calgary	Canada	1	CAD	89.33 CNH Capital America LLC	100.000	
Shanghai New Holland Agricultural Machinery Corporation Limited	Shanghai	People's Rep. of China	35,000,000	USD	53.60 CNH Asian Holding Limited N.V.	60.000	
<b>Trucks and Commercial Vehicles</b>							
Iveco S.p.A.	Turin	Italy	369,500,000	EUR	100.00 Fiat S.p.A.	60.563	
(business Trucks and Commercial Vehicles)					Fiat Partecipazioni S.p.A.	39.437	
Afin bohemia s.r.o.	Prague	Czech Republic	1,000,000	CZK	100.00 Afin Leasing AG	100.000	
Afin Broker de Asigurare - Reasigurare S.r.l.	Bucarest	Romania	25,000	RON	100.00 Afin Leasing Ifn s.a.	100.000	
Afin Bulgaria EAD	Sofia	Bulgaria	200,000	BGN	100.00 Afin Leasing AG	100.000	
Afin Hungary Kereskedelmi KFT.	Budapest	Hungary	24,000,000	HUF	100.00 Afin Leasing AG	100.000	
Afin Leasing AG	Vienna	Austria	1,500,000	EUR	100.00 Iveco International Trade Finance S.A.	100.000	
Afin Leasing Ifn s.a.	Bucarest	Romania	618,960	RON	100.00 Afin Leasing AG	99.800	
					Afin Bohemia s.r.o.	0.050	
					Afin Bulgaria EAD	0.050	
					Afin Hungary Kereskedelmi KFT.	0.050	
					Afin Slovakia S.R.O.	0.050	
Afin Slovakia S.R.O.	Bratislava	Slovak Republic	1,200,000	SKK	100.00 Afin Leasing AG	100.000	
Afin Trade Bulgaria Eood	Sofia	Bulgaria	5,000	BGN	100.00 Afin Bulgaria EAD	100.000	
Afin Trade Vostok OOO	Moscow	Russia	345,000	RUB	100.00 Afin Leasing AG	100.000	
Amco-Automotive Manufacturing Co Ethiopia	Addis Abeba	Ethiopia	3,000,000	ETB	70.00 Iveco S.p.A.	70.000	
AS Afin Baltica	Harjuma	Estonia	800,000	EEK	100.00 Afin Leasing AG	100.000	
Astra Veicoli Industriali S.p.A.	Placenza	Italy	10,400,000	EUR	100.00 Iveco S.p.A.	100.000	
Brandschutztechnik Gortitz GmbH	Gortitz	Germany	511,292	EUR	88.00 Iveco Magirus Brandschutztechnik GmbH	88.000	
C.A.M.I.V.A. Constructeurs Associés de Matériels d'Incendie, Voie, Aviation S.A.	Saint-Alban-Leyrass	France	1,870,169	EUR	99.99 Iveco Magirus Fire Fighting GmbH	99.994	
Effe Grundbesitz GmbH	Ulm	Germany	10,225,938	EUR	100.00 Iveco Investitions GmbH	90.000	
					Iveco S.p.A.	10.000	
Electronica Trasporti Commercial S.r.l. (Eltrac S.r.l.)	Turin	Italy	109,200	EUR	100.00 Iveco S.p.A.	100.000	
Fiat Automoveis S.A. - FIASA (business Trucks and Commercial Vehicles)	Betim	Brazil	1,233,506,013	BRL	100.00 Fiat Group Automobiles S.p.A.	100.000	
Hauliez Bus S.A.	Rorthais	France	9,000,000	EUR	100.00 Société Charolaise de Participations S.A.	100.000	
IAV-Industrie-Anlagen-Verpachtung GmbH	Ulm	Germany	25,565	EUR	100.00 Iveco Investitions GmbH	95.000	
					Iveco S.p.A.	5.000	
Ikanus Egyedi Autobusz GY	Budapest	Hungary	1,200,000,000	HUF	90.71 Iveco España S.L.	90.709	
Industrial Vehicles Center Hainaut S.A.	Charleroi	Belgium	600,000	EUR	100.00 S.A. Iveco Belgium N.V. Iveco Nederland B.V.	95.000 5.000	
Inibus (U.K.) Ltd	Watford	United Kingdom	200,000	GBP	100.00 Iveco España S.L.	100.000	

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Iribus Australia Pty. Ltd.	Dandenong	Australia	1,500,000	AUD	100.00 Iveco España S.L.	100.000	
Iribus Benelux Ltd.	Leudelange	Luxembourg	594,000	EUR	100.00 Iveco France	99.983	
					Société Charolaise de Participations S.A.		0.017
Iribus Deutschland GmbH	Unterschlesheim	Germany	8,800,000	EUR	100.00 Iveco España S.L.	100.000	
Iribus Italia S.p.A.	Turin	Italy	27,557,047	EUR	100.00 Iveco España S.L.	100.000	
IVC Brabant N.V. S.A.	Groot	Belgium	800,000	EUR	100.00 S.A. Iveco Belgium N.V.	75.000	
					Iveco Nederland B.V.		25.000
Iveco (Schweiz) AG	Kloten	Switzerland	9,000,000	CHF	100.00 Iveco Nederland B.V.	100.000	
Iveco Argentina S.A.	Cordoba	Argentina	130,237,793	ARS	100.00 Iveco España S.L.	99.000	
					Astra Veicoli Industriali S.p.A.		1.000
Iveco Austria GmbH	Vienna	Austria	6,178,000	EUR	100.00 Iveco S.p.A.	100.000	
Iveco Bayern GmbH	Nuremberg	Germany	742,000	EUR	100.00 Iveco Magirus AG	100.000	
Iveco Contract Services Limited	Watford	United Kingdom	17,000,000	GBP	100.00 Iveco Partecipazioni Finanziarie S.r.l.	100.000	
Iveco Czech Republic A.S.	Vysoké Mýto	Czech Republic	1,365,559,000	CZK	97.98 Iveco France	97.978	
Iveco Danmark A/S	Glostrup	Denmark	501,000	DKK	100.00 Iveco S.p.A.	100.000	
Iveco España S.L. (business Trucks and Commercial Vehicles)	Madrid	Spain	121,612,116	EUR	100.00 Iveco S.p.A.	100.000	
Iveco Est Sas	Hauconcourt	France	305,600	EUR	100.00 Iveco France	100.000	
Iveco France	Vénissieux	France	82,856,130	EUR	100.00 Iveco España S.L.	50.326	
					Iveco S.p.A.		49.674
Iveco Holdings Limited	Watford	United Kingdom	47,000,000	GBP	100.00 Iveco S.p.A.	100.000	
Iveco International Trade Finance S.A.	Lugano	Switzerland	30,800,000	CHF	100.00 Iveco Partecipazioni Finanziarie S.r.l.	100.000	
Iveco Investitions GmbH	Ulm	Germany	2,556,459	EUR	100.00 Iveco Magirus AG	99.020	
					Iveco S.p.A.		0.980
Iveco L.V.I. S.a.s.	Saint Priest	France	503,250	EUR	100.00 Iveco France	100.000	
Iveco Latin America Ltda (business Trucks and Commercial Vehicles)	Vila da Serra	Brazil	784,700,000	BRL	100.00 Iveco España S.L.	99.999	
					Astra Veicoli Industriali S.p.A.		0.001
Iveco Limited (business Trucks and Commercial Vehicles)	Watford	United Kingdom	117,000,000	GBP	100.00 Iveco Holdings Limited	100.000	
Iveco Magirus AG (business Trucks and Commercial Vehicles)	Ulm	Germany	50,000,000	EUR	100.00 Iveco S.p.A.	53.660	
					Fiat Netherlands Holding N.V.		46.340
Iveco Magirus Brandschutztechnik GmbH	Ulm	Germany	6,493,407	EUR	100.00 Iveco Magirus Fire Fighting GmbH	99.764	
					Iveco S.p.A.		0.236
Iveco Magirus Fire Fighting GmbH	Weisweil	Germany	30,776,857	EUR	100.00 Iveco Magirus AG	90.032	
					Iveco S.p.A.		9.968
Iveco Mezzi Speciali S.p.A.	Brescia	Italy	13,120,000	EUR	100.00 Iveco S.p.A.	100.000	
Iveco Nederland B.V.	Breda	Netherlands	4,537,802	EUR	100.00 Fiat Netherlands Holding N.V.	100.000	
Iveco Nord Nutzfahrzeuge GmbH	Hamburg	Germany	818,500	EUR	100.00 Iveco Magirus AG	100.000	
Iveco Nord-Ost Nutzfahrzeuge GmbH	Berlin	Germany	2,120,000	EUR	100.00 Iveco Magirus AG	100.000	
Iveco Norge A.S.	Vøyenenga	Norway	18,600,000	NOK	100.00 Iveco S.p.A.	100.000	
	Samsøen						
Iveco Otomotiv Ticaret A.S.	Kartal/Istanbul	Turkey	15,060,046	TRY	100.00 Iveco S.p.A.	99.995	
Iveco Partecipazioni Finanziarie S.r.l.	Turin	Italy	50,000,000	EUR	100.00 Iveco S.p.A.	100.000	
Iveco Participations S.A.	Trappes	France	1,000,000	EUR	100.00 Iveco S.p.A.	100.000	
Iveco Pension Trustee Ltd	Watford	United Kingdom	2	GBP	100.00 Iveco Holdings Limited	50.000	
					Iveco Limited		50.000
Iveco Poland Ltd.	Warsaw	Poland	46,974,500	PLN	100.00 Iveco S.p.A.	100.000	
Iveco Portugal-Comercio de Veiculos Industriais S.A.	Vila Franca de Xira	Portugal	15,962,000	EUR	100.00 Iveco S.p.A.	99.997	
					Astra Veicoli Industriali S.p.A.		0.001
Iveco Romania S.r.l.	Bucarest	Romania	17,500	RON	100.00 Afm Leasing AG	100.000	
Iveco Slovakia, r.s.o.	Bratislava	Slovak Republic	200,000	SKK	97.98 Iveco Czech Republic A.S.	100.000	
Iveco South Africa (Pty) Ltd.	Wadswille	South Africa	15,000,750	ZAR	100.00 Iveco S.p.A.	100.000	
	Mannheim-Neckarau						
Iveco Sud-West Nutzfahrzeuge GmbH	Neckarau	Germany	1,533,900	EUR	100.00 Iveco Magirus AG	100.000	
Iveco Sweden A.B. (business Trucks and Commercial Vehicles)	Arlov	Sweden	600,000	SEK	100.00 Iveco S.p.A.	100.000	
Iveco Trucks Australia Limited	Dandenong	Australia	47,492,260	AUD	100.00 Iveco S.p.A.	100.000	
Iveco Ukraine LLC	Kiev	Ukraine	55,961,760	UAH	99.97 Iveco S.p.A.	99.968	
Iveco Venezuela C.A.	La Victoria	Venezuela	2,498,644,000	VEB	100.00 Iveco S.p.A.	100.000	
Iveco West Nutzfahrzeuge GmbH	Cologne	Germany	1,662,000	EUR	100.00 Iveco Magirus AG	100.000	
Lohr-Magirus Feuerwehrtechnik GmbH	Kainbach	Austria	1,271,775	EUR	95.00 Iveco Magirus Brandschutztechnik GmbH	95.000	
	Valencia						
Mediterranea de Camiones S.L.	Valencia	Spain	48,080	EUR	100.00 Iveco España S.L.	100.000	
Officine Brennero S.p.A.	Trento	Italy	7,120,000	EUR	100.00 Iveco S.p.A.	100.000	
OOO Afm Leasing Vostok LLC	Moscow	Russia	50,000,000	RUB	100.00 Afm Leasing AG	100.000	

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S.A. Iveco Belgium N.V.	Groot	Belgium	6,000,000	EUR	100.00	Iveco S.p.A. Iveco Nederland B.V.	99.983 0.017	
S.C.I. La Méditerranéenne	Vitrolles	France	248,000	EUR	100.00	Iveco France Société de Diffusion de Véhicules Industriels-SDVI S.A.S.	50.000 50.000	
Seddon Atkinson Vehicles Ltd	Watford	United Kingdom	41,700,000	GBP	100.00	Iveco Holdings Limited	100.000	
Société Charlaise de Participations S.A.	Vénissieux	France	2,370,000	EUR	100.00	Iveco España S.L.	100.000	
Société de Diffusion de Véhicules Industriels-SDVI S.A.S.	Trappes	France	7,022,400	EUR	100.00	Iveco France	100.000	
Transolver Service S.A.	Madrid	Spain	610,000	EUR	100.00	Iveco Partecipazioni Finanziarie S.r.l.	100.000	
Transolver Service S.p.A.	Turin	Italy	214,763	EUR	100.00	Iveco Partecipazioni Finanziarie S.r.l.	100.000	
Transolver Service GmbH	Heilbronn	Germany	750,000	EUR	100.00	Iveco Partecipazioni Finanziarie S.r.l.	100.000	
UAB Afm Baltica (Lithuania)	Vilnius	Lithuania	35,000	LTL	100.00	Afm Leasing AG	100.000	
Utilitaires & Véhicules Industriels Franciliens-UVIF SAS	La Garenne	France	1,067,500	EUR	100.00	Iveco France	100.000	
Zona Franca Alari Sepaño S.A.	Barcelona	Spain	520,560	EUR	51.87	Iveco España S.L.	51.867	
<b>FPT Powertrain Technologies</b>								
Fiat Powertrain Technologies SpA	Turin	Italy	397,500,000	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	
2 H Energy S.A.S.	Fécamp	France	2,000,000	EUR	100.00	Iveco Participations S.A.	100.000	
C.R.F. Società Consortile per Azioni (business FPT Powertrain Technologies)	Orbassano	Italy	45,000,000	EUR	99.28	Fiat Partecipazioni S.p.A. Fiat Group Automobiles S.p.A. Iveco S.p.A. Magneti Marelli Holding S.p.A. Fiat Powertrain Technologies SpA CNH Italia s.p.a. Comau S.p.A. Teksid S.p.A. Ferrari S.p.A.	52.061 17.478 9.987 7.490 4.994 2.497 2.497 2.497 0.499	
Componentes Mecanicos S.A.	Barcelona	Spain	37,405,038	EUR	59.39	Iveco España S.L.	59.387	
European Engine Alliance S.c.r.l.	Turin	Italy	32,044,797	EUR	63.11	CNH Global N.V. Iveco S.p.A.	33.333 33.333	
Fiat Auto Argentina S.A.	Buenos Aires	Argentina	476,464,366	ARS	100.00	Fiat Group Automobiles S.p.A.	72.495	
<i>(business FPT Powertrain Technologies)</i>								
Fiat Automovels S.A. - FIASA (business FPT Powertrain Technologies)	Betim	Brazil	1,233,506,013	BRL	100.00	Fiat Automovels S.A. - FIASA Fiat Group Automobiles S.p.A.	27.505 100.000	
Fiat Powertrain Technologies (Shanghai) R&D Co. Ltd.	Shanghai	People's Rep. of China	10,000,000	EUR	100.00	Fiat Powertrain Technologies SpA	100.000	
Fiat Powertrain Technologies of North America, Inc.	Wilmington	U.S.A.	1	USD	100.00	Iveco S.p.A.	100.000	
FMA - Fabbrica Motori Automobilistici S.r.l.	Pratola Serra	Italy	150,000,000	EUR	100.00	Fiat Powertrain Technologies SpA	100.000	
FPT - Powertrain Technologies France S.A.	Garchizy	France	73,444,960	EUR	100.00	Iveco France Iveco Participations S.A.	97.200 2.800	
FPT RACING S.r.l.	Cusago	Italy	100,000	EUR	100.00	Fiat Powertrain Technologies SpA	100.000	
Iveco España S.L. (business FPT Powertrain Technologies)	Madrid	Spain	121,612,116	EUR	100.00	Iveco S.p.A.	100.000	
Iveco Latin America Ltda	Vila da Serra	Brazil	784,700,000	BRL	100.00	Iveco España S.L. Astra Veicoli Industriali S.p.A.	99.999 0.001	
<i>(business FPT Powertrain Technologies)</i>								
Iveco Limited (business FPT Powertrain Technologies)	Watford	United Kingdom	117,000,000	GBP	100.00	Iveco Holdings Limited	100.000	
Iveco Magirus AG	Ulm	Germany	50,000,000	EUR	100.00	Iveco S.p.A.	53.660	
<i>(business FPT Powertrain Technologies)</i>								
Iveco Motorenforschung AG	Arbon	Switzerland	4,600,000	CHF	100.00	Iveco S.p.A. Iveco France	60.000 40.000	
Iveco S.p.A.	Turin	Italy	369,500,000	EUR	100.00	Fiat S.p.A.	60.563	
<i>(business FPT Powertrain Technologies)</i>								
Iveco Sweden A.B. (business FPT Powertrain Technologies)	Arlov	Sweden	600,000	SEK	100.00	Iveco S.p.A.	39.437 100.000	
SAIC Fiat Powertrain Hongyan Co. Ltd.	Chongqing	People's Rep. of China	580,000,000	CNY	60.00	Fiat Powertrain Technologies SpA SAIC IVECO Commercial Vehicle Investment Company Limited	30.000 60.000	
<b>Components</b>								
Magneti Marelli Holding S.p.A.	Corbetta	Italy	254,324,998	EUR	99.99	Fiat Partecipazioni S.p.A.	99.991 100.000	
Automotive Lighting Broterode GmbH	Meiningen	Germany	7,270,000	EUR	99.99	Automotive Lighting Reutlingen GmbH	100.000	
Automotive Lighting Italia S.p.A.	Venaria Reale	Italy	2,000,000	EUR	99.99	Automotive Lighting Reutlingen GmbH	100.000	
Automotive Lighting LLC	Farmington Hills	U.S.A.	25,001,000	USD	99.99	Magneti Marelli Holding U.S.A. Inc.	100.000	
Automotive Lighting o.o.o.	Rjassan	Russia	36,875,663	RUB	99.99	Automotive Lighting Reutlingen GmbH	100.000	
Automotive Lighting Polska Sp. z o.o.	Sosnowiec	Poland	83,500,000	PLN	99.99	Automotive Lighting Reutlingen GmbH	100.000	
Automotive Lighting Rear Lamps Espana S.A.	Linares del Valles	Spain	638,476	EUR	99.99	Magneti Marelli Iberica S.A. Automotive Lighting Rear Lamps Italia S.p.A.	80.000 20.000	

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Automotive Lighting Rear Lamps France S.A.	Saint Julien du Saul	France	17,789,152	EUR	99.99 Automotive Lighting Rear Lamps Italia S.p.A.	100.000	
Automotive Lighting Rear Lamps Italia S.p.A.	Tolmezzo	Italy	10,000,000	EUR	99.99 Automotive Lighting Reutlingen GmbH	100.000	
Automotive Lighting Rear Lamps Mexico S. de r.l. de C.V.	El Marques Queretaro	Mexico	50,000	MXN	99.99 Magneti Marelli Holding U.S.A. Inc.	100.000	
Automotive Lighting Reutlingen GmbH	Reutlingen	Germany	1,330,000	EUR	99.99 Magneti Marelli Holding S.p.A.	100.000	
Automotive Lighting S.R.O.	Jihlava	Czech Republic	927,637,000	CZK	99.99 Automotive Lighting Reutlingen GmbH	100.000	
Automotive Lighting UK Limited	Cannock	United Kingdom	15,387,348	GBP	99.99 Magneti Marelli Holding S.p.A.	100.000	
Fiat CIEI S.p.A. in liquidation	Corbetta	Italy	220,211	EUR	99.99 Magneti Marelli Holding S.p.A.	100.000	
Industrial Yorka de Mexico S.A. de C.V.	Mexico city	Mexico	50,000	MXN	99.99 Automotive Lighting Rear Lamps Mexico S. de r.l. de C.V.	98.000	
Industrial Yorka de Tepozotlan S.A. de C.V.	Mexico city	Mexico	50,000	MXN	Industrial Yorka de Tepozotlan S.A. de C.V.	2.000	
Industrias Magneti Marelli Mexico S.A. de C.V.	Tepozotlan	Mexico	50,000	MXN	99.99 Automotive Lighting Rear Lamps Mexico S. de r.l. de C.V.	99.000	
					Industrial Yorka de Mexico S.A. de C.V.	1.000	
					99.99 Magneti Marelli Sistemas Electronicos Mexico S.A.	99.998	
					Services Administrativos Corp. IPASA S.A.	0.002	
Kadron S/A	Maua	Brazil	2,622,229	BRL	99.99 Magneti Marelli Sistemas Automotivos Industria e Comercio Ltda	100.000	
Magneti Marelli After Market Parts and Services S.p.A.	Corbetta	Italy	7,000,000	EUR	99.99 Magneti Marelli Parts and Services S.p.A.	100.000	
Magneti Marelli After Market S.p.A. in liquidation	Turin	Italy	0	EUR	99.99 Magneti Marelli Holding S.p.A.	99.999	100.000
Magneti Marelli After Market Sp. z o.o.	Katowice	Poland	2,000,000	PLN	89.99 Magneti Marelli Parts and Services S.p.A.	100.000	
Magneti Marelli Aftermarket GmbH	Heilbronn	Germany	100,000	EUR	89.99 Magneti Marelli Parts and Services S.p.A.	100.000	
Magneti Marelli Aftermarket S.a.s.	Nanterre	France	782,208	EUR	89.99 Magneti Marelli Parts and Services S.p.A.	100.000	
Magneti Marelli Aftermarket SL	Barcelona	Spain	5,255,000	EUR	89.99 Magneti Marelli After Market Parts and Services S.p.A.	100.000	
Magneti Marelli Argentina S.A.	Buenos Aires	Argentina	700,000	ARS	99.99 Magneti Marelli Holding S.p.A.	95.000	
					Magneti Marelli France S.a.s.	5.000	
Magneti Marelli Automotive Components (WUHU) Co. Ltd.	Anhui	People's Rep. of China	9,500,000	USD	99.99 Magneti Marelli Powertrain S.p.A.	100.000	
Magneti Marelli Cofap Autopecas Ltda	Sao Paulo	Brazil	7,554,539	BRL	89.99 Magneti Marelli After Market Parts and Services S.p.A.	100.000	
Magneti Marelli Cofap Companhia Fabricadora de Pecas	Santo Andre	Brazil	170,950,634	BRL	99.62 Magneti Marelli Holding S.p.A.	99.628	99.994
Magneti Marelli Components B.V. in liquidation	Amsterdam	Netherlands	53,800,000	EUR	99.99 Magneti Marelli Holding S.p.A.	100.000	
Magneti Marelli Conjuntos de Escape S.A.	Buenos Aires	Argentina	7,480,071	ARS	99.99 Magneti Marelli Sistemi di Scarico S.p.A.	95.000	
					Magneti Marelli Argentina S.A.	5.000	
Magneti Marelli do Brasil Industria e Comercio SA	Hortolandia	Brazil	40,568,427	BRL	99.86 Magneti Marelli Holding S.p.A.	99.872	99.990
Magneti Marelli Electronica SL	Barcelona	Spain	18,388,581	EUR	99.99 Magneti Marelli Iberica S.A.	100.000	
Magneti Marelli Elektronische Systeme GmbH	Heilbronn	Germany	100,000	EUR	99.99 Magneti Marelli Sistemi Elettronici S.p.A.	100.000	
Magneti Marelli Exhaust Systems Polska Sp. z o.o.	Sosnowiec	Poland	15,000,000	PLN	99.99 Magneti Marelli Sistemi di Scarico S.p.A.	100.000	
Magneti Marelli France S.a.s.	Nanterre	France	42,672,960	EUR	99.99 Magneti Marelli Sistemi Elettronici S.p.A.	99.999	
					Uffma S.A.S.	0.001	
Magneti Marelli Guangzhou Motor Vehicle Instruments Co. Limited	Guangzhou	People's Rep. of China	8,100,000	USD	99.99 Magneti Marelli Sistemi Elettronici S.p.A.	100.000	
Magneti Marelli Hellas A.E.	Athens	Greece	587,000	EUR	89.99 Magneti Marelli Parts and Services S.p.A.	100.000	
Magneti Marelli Holding U.S.A. Inc.	Wixom	U.S.A.	10	USD	99.99 Magneti Marelli Holding S.p.A.	100.000	
Magneti Marelli Iberica S.A.	Santpedor	Spain	24,499,771	EUR	99.99 Magneti Marelli Holding S.p.A.	100.000	
Magneti Marelli Motopropulsion France SAS	Argentan	France	884,058	EUR	99.99 Magneti Marelli Powertrain S.p.A.	100.000	
Magneti Marelli North America Inc.	Wilmington	U.S.A.	40,223,205	USD	99.62 Magneti Marelli Cofap Companhia Fabricadora de Pecas	100.000	
Magneti Marelli Parts and Services S.p.A.	Corbetta	Italy	13,137,000	EUR	89.99 Magneti Marelli Holding S.p.A.	89.998	
Magneti Marelli Poland S.A.	Sosnowiec	Poland	10,567,800	PLN	99.99 Magneti Marelli Holding S.p.A.	100.000	
Magneti Marelli Powertrain (Shanghai) Co. Ltd.	Shanghai	People's Rep. of China	17,500,000	USD	99.99 Magneti Marelli Powertrain S.p.A.	100.000	
Magneti Marelli Powertrain GmbH	Russelsheim	Germany	100,000	EUR	99.99 Magneti Marelli Powertrain S.p.A.	100.000	
Magneti Marelli Powertrain India Private Limited	New Delhi	India	90,000,000	INR	51.00 Magneti Marelli Powertrain S.p.A.	51.000	
Magneti Marelli Powertrain S.p.A.	Corbetta	Italy	85,690,872	EUR	99.99 Magneti Marelli Holding S.p.A.	99.999	100.000
Magneti Marelli Powertrain U.S.A. LLC	Sanford	U.S.A.	25,000,000	USD	99.99 Magneti Marelli Holding U.S.A. Inc.	100.000	
Magneti Marelli Racing Ltd	Basildon	United Kingdom	10,000	GBP	99.99 Magneti Marelli Holding S.p.A.	100.000	
Magneti Marelli Repuestos S.A.	Buenos Aires	Argentina	2,012,000	ARS	89.99 Magneti Marelli After Market Parts and Services S.p.A.	51.000	
					Magneti Marelli Cofap Autopecas Ltda	48.000	
					Magneti Marelli Parts and Services S.p.A.	1.000	
Magneti Marelli Sistemas Automotivos Industria e Comercio Ltda	Contagem	Brazil	196,634,874	BRL	99.99 Magneti Marelli Powertrain S.p.A.	66.111	
					Automotive Lighting Reutlingen GmbH	33.889	
Magneti Marelli Sistemas Electronicos Mexico S.A.	Tepozotlan	Mexico	23,611,680	MXN	99.99 Magneti Marelli Sistemi Elettronici S.p.A.	100.000	
Magneti Marelli Sistemi di Scarico S.p.A.	Corbetta	Italy	20,000,000	EUR	99.99 Magneti Marelli Holding S.p.A.	100.000	
Magneti Marelli Sistemi Elettronici S.p.A.	Corbetta	Italy	74,897,548	EUR	99.99 Magneti Marelli Holding S.p.A.	99.999	100.000
Magneti Marelli Slovakia s.r.o.	Bratislava	Slovak Republic	200,000	SKK	99.99 Magneti Marelli Sistemi Elettronici S.p.A.	100.000	
Magneti Marelli South Africa (Proprietary) Limited	Johannesburg	South Africa	1,950,000	ZAR	99.99 Magneti Marelli Sistemi di Scarico S.p.A.	100.000	
Magneti Marelli Suspension Systems Bielsko Sp. z o.o.	Bielsko-Biala	Poland	70,050,000	PLN	99.99 Magneti Marelli Holding S.p.A.	100.000	

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
Magneti Marelli Suspension Systems Poland Sp. z o.o.	Sosnowiec	Poland	43,100,000	PLN	99.99 Magneti Marelli Holding S.p.A.	100.000	
Magneti Marelli Tubos de Escape SL	Barcelona	Spain	10,154,256	EUR	99.99 Magneti Marelli Iberica S.A.	100.000	
Magneti Marelli U.K. Limited in liquidation	Canrock	United Kingdom	12,400,000	GBP	99.99 Magneti Marelli Holding S.p.A.	100.000	
Mako Elektrik Sanayi Ve Ticaret A.S.	Bursa	Turkey	16,500,000	TRY	94.99 Magneti Marelli Holding S.p.A.	95.000	
Malaysian Automotive Lighting SDN. BHD	Penang	Malaysia	8,000,000	MYR	79.99 Automotive Lighting Reutlingen GmbH	80.000	
Powertrain Mekanik Sanayi ve Ticaret Limited Sirketi	Demirtas-Bursa	Turkey	75,329,600	TRY	99.99 Magneti Marelli Holding S.p.A.	100.000	
Servicios Administrativos Corp. IPASA S.A.	Cd. Chapultepec	Mexico	1,000	MXN	99.99 Magneti Marelli Sistemas Electronicos Mexico S.A. Industrias Magneti Marelli Mexico S.A. de C.V.	99.990 0.010	
Sistemi Sospensioni S.p.A.	Corbetta	Italy	37,622,179	EUR	99.99 Magneti Marelli Holding S.p.A.	100.000	
Tecnología de Iluminación Automotriz S.A. de C.V.	Chihuahua	Mexico	50,000	MXN	99.99 Automotive Lighting LLC	100.000	
Ufima S.A.S.	Nanterre	France	44,940	EUR	99.99 Magneti Marelli Holding S.p.A. Fiat Partecipazioni S.p.A.	65.020 34.980	
<b>Metallurgical Products</b>							
Teksid S.p.A.	Turin	Italy	71,403,261	EUR	84.79 Fiat Partecipazioni S.p.A.	84.791	
Compania Industrial Frontera S.A. de C.V.	Frontera	Mexico	50,000	MXN	84.79 Teksid Hierro de Mexico S.A. de C.V.	100.000	
Fonderie du Pottou Fonte S.A.S.	Ingrandes-sur-Vienne	France	26,958,464	EUR	84.79 Teksid S.p.A.	100.000	
Funfrap-Fundicao Portuguesa S.A.	Cacia	Portugal	13,697,550	EUR	70.89 Fonderie du Pottou Fonte S.A.S.	83.607	
Teksid Aluminium S.r.l.	Carmagnola	Italy	5,000,000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
Teksid do Brasil Ltda	Betim	Brazil	59,899,570	BRL	84.79 Teksid S.p.A.	100.000	
Teksid Hierro De Mexico Arrendadora S.A. de C.V.	Frontera	Mexico	497,690,000	MXN	84.79 Teksid S.p.A.	100.000	
Teksid Hierro de Mexico S.A. de C.V.	Frontera	Mexico	418,874,300	MXN	84.79 Teksid S.p.A.	100.000	
Teksid Inc.	Wilmington	U.S.A.	100,000	USD	84.79 Teksid S.p.A.	100.000	
Teksid Iron Poland Sp. z o.o.	Skoczow	Poland	115,678,500	PLN	84.79 Teksid S.p.A.	100.000	
<b>Production Systems</b>							
Comau S.p.A.	Grugliasco	Italy	48,013,959	EUR	100.00 Fiat S.p.A.	100.000	
Autodie International, Inc.	Grand Rapids	U.S.A.	1,000	USD	100.00 Comau Pico Holdings Corporation	100.000	
Comau (Shanghai) Automotive Equipment Co. Ltd.	Shanghai	China	5,000,000	USD	100.00 Comau S.p.A.	100.000	
Comau Argentina S.A.	Buenos Aires	Argentina	500,000	ARS	100.00 Comau S.p.A. Comau do Brasil Industria e Comercio Ltda. Fiat Argentina S.A.	55.280 44.690 0.030	
Comau Canada Inc.	Windsor	Canada	100	CAD	100.00 Comau Inc.	100.000	
Comau Deutschland GmbH	Boblingen	Germany	1,330,000	EUR	100.00 Comau S.p.A.	100.000	
Comau do Brasil Industria e Comercio Ltda.	Betim	Brazil	29,312,653	BRL	100.00 Comau S.p.A. Fiat do Brasil S.A.	99.999 0.001	
(* Comau Estil Unt.	Luton	United Kingdom	103,165,056	USD	100.00 Comau S.p.A.	100.000	
Comau France S.A.	Trappes	France	11,900,000	EUR	100.00 Comau S.p.A.	100.000	
Comau Inc.	Southfield	U.S.A.	21,457	USD	100.00 Comau Pico Holdings Corporation	100.000	
Comau India Private Limited	Pune	India	161,935,020	INR	100.00 Comau S.p.A.	99.990	
Comau Pico Holdings Corporation	New York	U.S.A.	100	USD	100.00 Comau S.p.A.	100.000	
Comau Pico Ialsa S.de R.L. de C.V.	Tepetzotlan	Mexico	3,000	MXN	100.00 Comau Pico Mexico S.de R.L. de C.V. Comau S.p.A.	99.967 0.033	
Comau Pico Mexico S.de R.L. de C.V.	Tepetzotlan	Mexico	3,000	MXN	100.00 Comau S.p.A. Comau Deutschland GmbH	99.967 0.033	
Comau Pico Pilex S.de R.L. C.V.	Tepetzotlan	Mexico	3,000	MXN	100.00 Comau Pico Mexico S.de R.L. de C.V. Comau S.p.A.	99.967 0.033	
Comau Pico Resources, Inc.	Southfield	U.S.A.	1,000	USD	100.00 Comau Pico Holdings Corporation	100.000	
Comau Pico Trebol S.de R.L. de C.V.	Tepetzotlan	Mexico	3,000	MXN	100.00 Comau Pico Mexico S.de R.L. de C.V. Comau S.p.A.	99.967 0.033	
Comau Poland Sp. z o.o.	Bielsko-Biala	Poland	2,100,000	PLN	100.00 Comau S.p.A.	100.000	
Comau Romania S.R.L.	Bihor	Romania	10,315,170	RON	100.00 Comau S.p.A.	100.000	
Comau Russia OOO	Moscow	Russia	4,770,225	RUB	100.00 Comau S.p.A.	99.000	
(* Comau SA Body Systems (Pty) Ltd.	Uitenhage	South Africa	301	ZAR	Comau Deutschland GmbH	1.000	
(* Comau SA Press Tools and Parts (Pty) Ltd.	Uitenhage	South Africa	100	ZAR	100.00 Comau South Africa (Pty) Ltd.	100.000	
(* Comau SA Properties (Pty) Ltd.	Uitenhage	South Africa	100	ZAR	100.00 Comau SA Body Systems (Pty) Ltd.	100.000	
Comau Service Systems S.L.	Madrid	Spain	250,000	EUR	100.00 Comau S.p.A.	100.000	
(* Comau South Africa (Pty) Ltd.	Uitenhage	South Africa	1,001,003	ZAR	100.00 Comau S.p.A.	100.000	
Comau Sverige AB	Trollhattan	Sweden	5,000,000	SEK	100.00 Comau S.p.A.	100.000	

(\*) Assets held for sale.

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
German Intec GmbH	Heilbronn	Germany	25.000	EUR	100.00 Comau Deutschland GmbH	100.000	
Mecaner S.A.	Undúiz	Spain	3.000.000	EUR	100.00 Comau S.p.A.	100.000	
Pico Europe, Inc.	Southfield	U.S.A.	1.000	USD	100.00 Comau S.p.A.	100.000	
<b>Publishing and Communications</b>							
Itedi-Italiana Edizioni S.p.A.	Turin	Italy	5.980.000	EUR	100.00 Fiat S.p.A.	100.000	
BMI S.p.A.	Genoa	Italy	124.820	EUR	58.00 Itedi-Italiana Edizioni S.p.A.	58.004	
Editrice La Stampa S.p.A.	Turin	Italy	4.160.000	EUR	100.00 Itedi-Italiana Edizioni S.p.A.	100.000	
La Stampa Europe SAS	Trappes	France	18.600.000	EUR	100.00 Itedi-Italiana Edizioni S.p.A.	100.000	
Publikompass S.p.A.	Milan	Italy	3.058.000	EUR	100.00 Itedi-Italiana Edizioni S.p.A.	100.000	
<b>Holding companies and Other companies</b>							
Business Solutions S.p.A.	Turin	Italy	4.791.396	EUR	100.00 Fiat S.p.A.	100.000	
C.R.F. Società Consortile per Azioni (business Other Activities)	Orbassano	Italy	45.000.000	EUR	99.28 Fiat Partecipazioni S.p.A. Fiat Group Automobiles S.p.A. Iveco S.p.A. Magneti Marelli Holding S.p.A. Fiat Powertrain Technologies SpA CNH Italia s.p.a. Comau S.p.A. Teksid S.p.A. Ferrari S.p.A.	52.061 17.478 9.987 7.490 4.994 2.497 2.497 2.497 0.499	
Centro Ricerche Plast-Optica S.p.A.	Amaro	Italy	1.033.000	EUR	75.13 C.R.F. Società Consortile per Azioni Automotive Lighting Rear Lamps Italia S.p.A.	51.000 24.500	
Deposito Avogadro S.r.l.	Turin Pomigliano d'Arco	Italy	100.000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
Etlasis-Società Consortile per Azioni	Pomigliano d'Arco	Italy	20.000.000	EUR	98.91 Fiat Group Automobiles S.p.A. C.R.F. Società Consortile per Azioni CNH Italia s.p.a. Fiat Powertrain Technologies SpA Iveco S.p.A. Comau S.p.A. Magneti Marelli Holding S.p.A. Fiat Partecipazioni S.p.A. Ferrari S.p.A. Azioni Fiat S.p.A.	51.000 27.933 6.800 5.000 3.300 1.500 1.500 1.450 1.100 0.250 0.167	
eSPIN S.p.A.	Turin	Italy	120.000	EUR	100.00 Business Solutions S.p.A.	100.000	
Fast Buyer France S.a.r.l.	Trappes	France	7.700	EUR	100.00 Fast-Buyer S.p.A.	100.000	
Fast-Buyer S.p.A.	Turin	Italy	500.000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
FGI - Fiat Group International SA	Lugano	Switzerland	100.000.000	CHF	100.00 Fiat S.p.A.	100.000	
Fiat Argentina S.A.	Buenos Aires	Argentina	5.292.117	ARS	100.00 Fiat Partecipazioni S.p.A. Fiat do Brasil S.A. SGR-Sociedad para la Gestion de Riesgos S.A. Fiat Auto Argentina S.A.	90.961 9.029 0.009 0.001	
Fiat Attività Immobiliari S.p.A.	Turin	Italy	65.700.000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
Fiat Auto Holdings B.V. in liquidation	Amsterdam	Netherlands	1.000.000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
Fiat do Brasil S.A.	Nova Lima	Brazil	28.513.780	BRL	100.00 Fiat Partecipazioni S.p.A. Fiat Services S.p.A.	99.998 0.002	
Fiat Financas Brasil Ltda	Nova Lima	Brazil	2.469.701	BRL	100.00 Fiat Finance S.p.A. Fiat do Brasil S.A.	99.994 0.006	
Fiat Finance and Trade Ltd S.A.	Luxembourg	Luxembourg	251.494.000	EUR	100.00 Fiat Finance S.p.A. Fiat Finance Canada Ltd.	99.993 0.007	
Fiat Finance Canada Ltd.	Calgary	Canada	10.099.885	CAD	100.00 Fiat Finance S.p.A.	100.000	
Fiat Finance et Services S.A.	Trappes	France	3.700.000	EUR	100.00 Fiat Services S.p.A.	99.997	
Fiat Finance North America Inc.	Wilmington	U.S.A.	40.090.010	USD	100.00 Fiat Finance S.p.A. Fiat S.p.A.	60.526 39.474	
Fiat Finance S.p.A.	Turin	Italy	224.440.000	EUR	100.00 Fiat S.p.A.	100.000	
Fiat GmbH	Ulm	Germany	200.000	EUR	100.00 Fiat Services S.p.A.	100.000	
Fiat Iberica S.A.	Madrid	Spain	2.797.054	EUR	100.00 Fiat Services S.p.A.	100.000	

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
Fiat Information & Communication Services società consortile per azioni	Turin	Italy	800.000	EUR	98.03 Fiat S.p.A. CNH Italia s.p.a. Fiat Group Automobiles S.p.A. Iveco S.p.A. Comau S.p.A. Ferrari S.p.A. Fiat Services S.p.A. Itedi-Italiana Edizioni S.p.A. Magnetit Marelli Holding S.p.A. Teksid S.p.A. Fiat Partecipazioni S.p.A.	51.000 10.000 10.000 10.000 3.000 3.000 3.000 3.000 3.000 3.000 1.000	
Fiat Netherlands Holding N.V.	Amsterdam	Netherlands	2,610,397,295	EUR	100.00 Fiat S.p.A. Fiat Partecipazioni S.p.A.	60.563 39.437	
Fiat Partecipazioni (U.K.) Limited in liquidation	Basington	United Kingdom	860.000	GBP	100.00 Fiat Partecipazioni S.p.A.	100.000	
Fiat Partecipazioni S.p.A.	Turin	Italy	356,158,302	EUR	100.00 Fiat S.p.A.	100.000	
Fiat Polska Sp. z o.o.	Warsaw	Poland	25,500,000	PLN	100.00 Fiat Partecipazioni S.p.A.	100.000	
Fiat Services Belgium N.V.	Zedelgem	Belgium	62,500	EUR	100.00 Fiat U.K. Limited Fiat Services S.p.A.	99.960 0.040	
Fiat Services Polska Sp. z o.o.	Bielsko-Biala	Poland	3,600,000	PLN	100.00 Fiat Services S.p.A.	100.000	
Fiat Services S.p.A.	Turin	Italy	3,600,000	EUR	100.00 Business Solutions S.p.A.	100.000	
Fiat Servizi per l'Industria S.c.p.a.	Turin	Italy	1,652,669	EUR	99.36 Fiat Partecipazioni S.p.A. Fiat Group Automobiles S.p.A. Iveco S.p.A. Fiat S.p.A. CNH Italia s.p.a. Teksid S.p.A. C.R.F. Società Consortile per Azioni Comau S.p.A. Editrice La Stampa S.p.A. Fiat Services S.p.A. Magnetit Marelli Holding S.p.A.	51.000 25.500 6.000 5.000 3.000 2.000 1.500 1.500 1.500 1.500 1.500	
Fiat U.K. Limited	Basington	United Kingdom	750.000	GBP	100.00 Fiat Services S.p.A.	100.000	
Fiat U.S.A. Inc.	New York	U.S.A.	16,830,000	USD	100.00 Fiat S.p.A.	100.000	
Fiat-Revisione Interna S.c.r.l.	Turin	Italy	300.000	EUR	98.33 Fiat S.p.A. Fiat Group Automobiles S.p.A. CNH Global N.V. Iveco S.p.A. Comau S.p.A. Ferrari S.p.A. Fiat Powertrain Technologies SpA Fiat Services S.p.A. Itedi-Italiana Edizioni S.p.A. Magnetit Marelli Holding S.p.A. Maserati S.p.A. Teksid S.p.A. Fiat Finance S.p.A. Fiat Partecipazioni S.p.A.	51.000 15.000 10.000 6.000 2.000 2.000 2.000 2.000 2.000 2.000 2.000 2.000 1.000 1.000	
Isvor Fiat Società consortile di sviluppo e addestramento industriale per Azioni	Turin	Italy	300.000	EUR	99.22 Fiat Partecipazioni S.p.A. Fiat Group Automobiles S.p.A. Iveco S.p.A. CNH Italia s.p.a. Comau S.p.A. Ferrari S.p.A. Fiat Powertrain Technologies SpA Fiat S.p.A. Fiat Services S.p.A. Magnetit Marelli Holding S.p.A. Teksid S.p.A.	51.000 16.000 12.000 3.000 3.000 3.000 3.000 3.000 3.000 3.000 3.000	
(* ITS GSA FiatGroup France S.A.S.	Trappes	France	1,737,440	EUR	100.00 Fiat Finance et Services S.A.	100.000	

(\*) Assets held for sale.



## The companies of the Fiat Group

Name	Registered office	Country	Capital stock	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
<b>Jointly-controlled entities accounted for using the proportional consolidation</b>							
<b>FPT Powertrain Technologies</b>							
Fiat-GM Powertrain Polska Sp. z o.o.	Bielsko-Biala	Poland	220,100,000	PLN	50.00 Fiat Powertrain Technologies SpA	50.000	
<b>Jointly-controlled entities accounted for using the equity method</b>							
<b>Fiat Group Automobiles</b>							
Fiat Group Automobiles Financial Services S.p.A.	Turin	Italy	700,000,000	EUR	50.00 Fiat Group Automobiles S.p.A.	50.000	
FAL Fleet Services S.A.S.	Trappes	France	3,000,000	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
FC France S.A.	Trappes	France	11,360,000	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	99.999	
FGA Stock SA	Alicala De Henares	Spain	5,108,799	EUR	50.00 Finplus Renting S.A.	100.000	
Fiat Auto Contracts Ltd	Slough	United Kingdom	16,000,000	GBP	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fiat Auto Financial Services (Wholesale) Ltd.	Berkshire	United Kingdom	3,500,000	GBP	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fiat Auto Financial Services Limited	Berkshire	United Kingdom	10,250,000	GBP	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fiat Bank GmbH	Heilbronn	Germany	39,600,000	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fiat Bank Polska S.A.	Warsaw	Poland	125,000,000	PLN	50.00 Fiat Bank GmbH	100.000	
Fiat Credit Belgio S.A.	Evere	Belgium	3,718,500	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	99.999	
Fiat Credit Hellas Commercial S.A. of Vehicles	Argyroupoli	Greece	800,000	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fiat Distribuidora Portugal S.A.	Alges	Portugal	500,300	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fiat Finance Holding S.A.	Luxembourg	Luxembourg	2,300,000	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	99.995	
Fiat Finance S.A.	Luxembourg	Luxembourg	9,900,000	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	99.995	
Fiat Finensering A/S	Glostrup	Denmark	13,000,000	DKK	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fiat Handlarservice GmbH	Heilbronn	Germany	5,100,000	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fidis Credit Danmark A/S	Glostrup	Denmark	500,000	DKK	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fidis Finance (Suisse) S.A.	Schlieren	Switzerland	24,100,000	CHF	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fidis Finance Polska Sp. z o.o.	Warsaw	Poland	10,000,000	PLN	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fidis Insurance Consultants SA	Argyroupoli	Greece	60,000	EUR	49.99 Fiat Credit Hellas Commercial S.A. of Vehicles	99.975	
Fidis Leasing GmbH	Vienna	Austria	40,000	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fidis Leasing Polska Sp. z o.o.	Warsaw	Poland	12,500,000	PLN	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fidis Nederland B.V.	Utrecht	Netherlands	3,085,800	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Fidis Retail Financial Services (Ireland) PLC	Dublin	Ireland	100,007	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	99.994	
Fidis Retail IFIC SA	Alges	Portugal	10,000,000	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
Finplus Renting S.A.	Alicala De Henares	Spain	25,145,299	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
FL Auto Snc	Trappes	France	8,954,581	EUR	50.00 FC France S.A.	99.998	
FL Location SNC	Paris	France	76,225	EUR	49.99 FC France S.A.	99.980	
Leasys S.p.A.	Fiumicino	Italy	77,879,400	EUR	49.89 Fiat Group Automobiles Financial Services S.p.A.	99.384	
Savarent Società per Azioni	Turin	Italy	21,000,000	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
TarCredit E.F.C. S.A.	Alicala De Henares	Spain	16,871,568	EUR	50.00 Fiat Group Automobiles Financial Services S.p.A.	100.000	
FER MAS Oto Ticaret A.S.	Istanbul	Turkey	5,500,000	TRY	37.64 Tofas-Turk Otomobil Fabrikasi Tofas A.S.	99.418	
Fiat India Automobiles Private Limited (business Fiat Group Automobiles)	Ranjanaogan	India	3,489,489,200	INR	51.00 Fiat Group Automobiles S.p.A.	51.000	
G.E.I.E. Gisevel	Paris	France	15,200	EUR	50.00 Fiat France	50.000	
G.E.I.E. Sevelind	Paris	France	15,200	EUR	50.00 Fiat France	50.000	
Koc Fiat Kredi Tuketicci Finansmani A.S.	Istanbul	Turkey	30,000,000	TRY	37.86 Tofas-Turk Otomobil Fabrikasi Tofas A.S.	100.000	
MEKATRO Arastirma-Gelistirme ve Ticaret A.S.	Kocaeli	Turkey	150,000	TRY	36.72 Tofas-Turk Otomobil Fabrikasi Tofas A.S.	97.000	
(* Nan Jing Fiat Auto Co. Ltd.	Nanjing	China	1,409,469,782	CNY	50.00 Fiat Group Automobiles S.p.A.	50.000	
PLATFORM Arastirma Gelistirme Tasarim ve Ticaret A.S.	Bursa	Turkey	1,000,000	TRY	37.48 Tofas-Turk Otomobil Fabrikasi Tofas A.S.	99.000	
Powertrain India Pvt. Ltd. in liquidation	Mumbai	India	101,000	INR	51.00 Fiat India Automobiles Private Limited	100.000	
Società Europea Veicoli Leggeri-Sevel S.p.A.	Atessa	Italy	68,640,000	EUR	50.00 Fiat Group Automobiles S.p.A.	50.000	
Société Européenne de Véhicules Légers du Nord-Sevelind Société Anonyme	Paris	France	80,325,000	EUR	50.00 Fiat France	50.000	
Tofas-Turk Otomobil Fabrikasi Tofas A.S.	Levent	Turkey	500,000,000	TRY	37.86 Fiat Group Automobiles S.p.A.	37.856	
<b>Agricultural and Construction Equipment</b>							
Case Mexico S.A. de C.V.	Sao Pedro	Mexico	810,000	MXN	44.67 CNH de Mexico SA de CV	100.000	
Case Special Excavators N.V.	Zedelgem	Belgium	1,100,000	EUR	44.67 CNH Global N.V.	50.000	
CNH Comercial SA de C.V.	Sao Pedro	Mexico	160,050,000	MXN	44.67 CNH de Mexico SA de CV	100.000	
CNH de Mexico SA de CV	Sao Pedro	Mexico	165,276,000	MXN	44.67 CNH Global N.V.	50.000	
CNH Industrial S.A. de C.V.	Sao Pedro	Mexico	200,050,000	MXN	44.67 CNH de Mexico SA de CV	100.000	
CNH Servicios Comerciales, S.A. de C.V.	Sao Pedro	Mexico	50,000,000	MXN	43.77 CNH Global N.V.	49.000	
CNH Servicios Corporativos S.A. de C.V.	Sao Pedro	Mexico	375,000	MXN	44.67 CNH de Mexico SA de CV	99.999	
Consolidated Diesel Company	Whitakers	U.S.A.	100	USD	44.67 CNH Engine Corporation	50.000	
L&T-Case Equipment Private Limited	Mumbai	India	240,100,000	INR	44.67 CNH America LLC	50.000	

(\*) Assets held for sale.

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
<b>LBX Company LLC</b>	Wilmington	U.S.A.	0 USD	44.67 Case LBX Holdings Inc.	50.000	
Megavolt L.P. L.L.L.P.	Wilmington	U.S.A.	500.000 USD	35.73 CNH America LLC	40.000	
New Holland HFT Japan Inc.	Sapporo	Japan	240.000.000 JPY	44.67 CNH Global N.V.	50.000	
New Holland Traktors Traktor A.S.	Izmir	Turkey	800.000 TRY	33.50 CNH Global N.V.	37.500	
Turk Traktor Ve Ziraat Makineleri A.S.	Ankara	Turkey	47.000.000 TRY	33.50 CNH Global N.V.	37.500	
<b>Trucks and Commercial Vehicles</b>						
Iveco Fiat - Oto Melara Società consortile r.l.	Rome	Italy	40.000 EUR	50.00 Iveco S.p.A.	50.000	
Naveco Ltd.	Nanjing	People's Rep. of China	2.527.000.000 CNY	50.00 Iveco S.p.A.	50.000	
SAIC IVECO Commercial Vehicle Investment Company Limited	Shanghai	People's Rep. of China	180.000.000 USD	50.00 Iveco S.p.A.	50.000	
SAIC Iveco Hongyan Commercial Vehicles Co. Ltd.	Chongqing	People's Rep. of China	500.000.000 CNY	33.50 SAIC IVECO Commercial Vehicle Investment Company Limited	67.000	
Transolver Finance Establecimiento Financiero de Credito S.A.	Madrid	Spain	9.315.500 EUR	50.00 Iveco S.p.A.	50.000	
<b>FPT Powertrain Technologies</b>						
Fiat India Automobiles Private Limited (business FPT Powertrain Technologies)	Ranjanagan	India	3.489.489.200 INR	51.00 Fiat Group Automobiles S.p.A.	51.000	
<b>Components</b>						
Gestamp Marelli Autochassis S.L.	Barcelona	Spain	2.000.000 EUR	50.00 Sistemi Sospensioni S.p.A.	50.000	
terma mobility	Turin	Italy	350.000 EUR	50.00 Magneti Marelli Sistemi Elettronici S.p.A.	50.000	
<b>Metallurgical Products</b>						
Hua Dong Teksaid Automotive Foundry Co. Ltd.	Zhenjiang-Jiangsu	People's Rep. of China	385.363.550 CNY	42.40 Teksaid S.p.A.	50.000	
<b>Subsidiaries accounted for using the equity method</b>						
<b>Fiat Group Automobiles</b>						
Alfa Romeo Inc.	Orlando	U.S.A.	3.000.000 USD	100.00 Fiat Group Automobiles S.p.A.	100.000	
Alfa Romeo Motors Ltd.	Bangkok	Thailand	160.000.000 THB	100.00 Fiat Group Automobiles S.p.A.	100.000	
Auto Italia Erfurt GmbH in liquidation	Erfurt	Germany	2.985.000 EUR	100.00 Fiat Automobil Vertriebs GmbH	100.000	
F.A. Austria Commerz GmbH	Vienna	Austria	37.000 EUR	100.00 Fiat Group Automobiles Switzerland S.A.	100.000	
Fiat Auto Egypt Industrial Company SAE	Giza	Egypt	50.000.000 EGP	80.40 Fiat Group Automobiles S.p.A.	80.400	
Fiat Auto Egypt S.A.E.	Giza	Egypt	5.000.000 EGP	79.60 Fiat Auto Egypt Industrial Company SAE	99.000	
Fiat Auto S.A. de Ahorro para Fines Determinados	Buenos Aires	Argentina	24.535.149 ARS	100.00 Fiat Auto Argentina S.A.	100.000	
Fiat Auto Thailand Pvt. Ltd.	Bangkok	Thailand	276.000.000 THB	100.00 Fiat Group Automobiles S.p.A.	100.000	
Italcar SA	Casablanca	Morocco	28.000.000 MAD	99.94 Fiat Group Automobiles Maroc S.A.	99.986	
Srio Polska Sp. z o.o.	Bielsko-Biala	Poland	1.350.000 PLN	100.00 Fiat Auto Poland S.A.	100.000	
<b>Ferrari</b>						
Ferrari Maserati Cars International Trading (Shanghai) Co. Ltd.	Shanghai	People's Rep. of China	3.000.000 USD	57.80 Ferrari S.p.A.	68.000	
<b>Agricultural and Construction Equipment</b>						
Farmers New Holland Inc.	Wilmington	U.S.A.	800.000 USD	89.33 CNH America LLC	100.000	
Jackson New Holland, Inc.	Wilmington	U.S.A.	371.000 USD	84.28 CNH America LLC	94.340	
Medicines Hat New Holland Ltd.	Ottawa	Canada	903.783 CAD	56.19 CNH Canada Ltd.	62.900	
Mid State New Holland, Inc.	Wilmington	U.S.A.	400.000 USD	78.17 CNH America LLC	87.500	
Northside New Holland Inc.	Wilmington	U.S.A.	250.000 USD	62.25 CNH America LLC	69.680	
Ridgeview New Holland Inc.	Wilmington	U.S.A.	534.000 USD	61.53 CNH America LLC	68.876	
Southside New Holland Tractor & Equipment, Inc.	Wilmington	U.S.A.	325.000 USD	89.33 CNH America LLC	100.000	
Sunrise Tractor & Equipment Inc.	Wilmington	U.S.A.	875.000 USD	70.55 CNH America LLC	78.971	
Tri-County New Holland Inc.	Wilmington	U.S.A.	400.000 USD	89.33 CNH America LLC	100.000	
<b>Trucks and Commercial Vehicles</b>						
Altra S.p.A.	Genoa	Italy	516.400 EUR	100.00 Iveco S.p.A.	100.000	
F. Pegaso S.A.	Madrid	Spain	993.045 EUR	100.00 Iveco España S.L.	100.000	
Financière Pegaso France S.A.	Trappes	France	260.832 EUR	100.00 Iveco España S.L.	100.000	
Iveco Colombia Ltda.	Santa Fe' de Bogota	Colombia	7.596.249.000 COP	100.00 Iveco Venezuela C.A. Iveco Latin America Ltda	99.990 0.010	
Iveco S.P.R.L.	Kinshasa	Congo (dem. Rep. Congo)	340.235.000 CDF	100.00 Iveco S.p.A. Astra Veicoli Industriali S.p.A.	99.992 0.008	
<b>Components</b>						
Cofap Fabricadora de Peças Ltda	Santo Andre	Brazil	62.838.291 BRL	68.26 Magneti Marelli do Brasil Industria e Comercio SA	68.350	
<b>Production Systems</b>						
Comau AGS s.r.l.	Grugliasco	Italy	103.100 EUR	100.00 Comau S.p.A.	100.000	
Comau Service U.K. Ltd	Watford	United Kingdom	260.000 GBP	100.00 Comau S.p.A.	100.000	
<b>Holding companies and Other companies</b>						
Centro Studi sui Sistemi di Trasporto-CSST S.p.A.	Turin	Italy	120.000 EUR	99.85 Fiat Group Automobiles S.p.A. Iveco S.p.A. C.R.F. Società Consortile per Azioni	49.000 30.000 21.000	

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
Cromos Consulenza e Formazione S.r.l. in liquidation	Turin	Italy	13,000 EUR	76.00 Business Solutions S.p.A.	76.000	
European Engine Alliance EEIG	Basildon	United Kingdom	450,000 GBP	63.11 CNH U.K. Limited Iveco S.p.A.	33.333 33.333	
Fiat (China) Business Co., Ltd.	Beijing	People's Rep. of China	3,000,000 USD	100.00 Fiat Partecipazioni S.p.A.	100.000	
Isvor Dealernet S.r.l. in liquidation	Turin	Italy	10,000 EUR	Isvor Fiat Società consortile di sviluppo e addestramento industriale per 99.38 Azioni Fiat Group Automobiles S.p.A.	80.000 20.000	
SGR-Sociedad para la Gestion de Riesgos S.A.	Buenos Aires	Argentina	10,000 ARS	99.96 Rimaco S.A.	99.960	
Sistemi Ambientali S.p.A. in liquidation	Rivoli	Italy	9,544,080 EUR	99.79 Fiat Partecipazioni S.p.A.	99.785	
<b>Subsidiaries valued at cost</b>						
<b>Fiat Group Automobiles</b>						
Aeroporto Valle d'Aosta S.p.A.	Saint-Christophe	Italy	1,000,000 EUR	50.84 Air Vallée S.p.A. - Services Aériens du Val d'Aoste	51.000	
Air Vallée Helicopter Operations & Services S.r.l.	Saint-Christophe	Italy	82,633 EUR	99.89 Air Vallée S.p.A. - Services Aériens du Val d'Aoste	100.000	
Air Vallée S.p.A. - Services Aériens du Val d'Aoste	Saint-Christophe	Italy	4,000,000 EUR	99.89 Ergom Holding S.p.A.	99.885	
Ergom Automotive S.p.A.	Borgaro	Italy	154,500,000 EUR	100.00 Ergom Holding S.p.A.	100.000	
Ergom do Brasil Ltda	Itauna	Brazil	5,000,000 BRL	100.00 Ergom Automotive S.p.A.	100.000	
Ergom France S.A.S.	Limas	France	3,474,540 EUR	100.00 Ergom Holding S.p.A.	100.000	
Ergom Holding S.p.A.	Borgaro	Italy	38,688,000 EUR	100.00 Nuove Iniziative Finanziarie 2 S.r.l.	100.000	
Ergom Poland Sp. z o.o.	Sosnowiec	Poland	20,711,000 PLN	100.00 Ersi Poland S.A.	100.000	
Ergom Sofliaggio S.r.l.	Leno	Italy	45,900 EUR	85.00 Ergom Automotive S.p.A.	85.000	
Ergomec S.r.l. in liquidation	Borgaro	Italy	765,000 EUR	100.00 Ergom Holding S.p.A.	100.000	
Ergomolds Sp. z o.o.	Sosnowiec	Poland	8,554,000 PLN	100.00 Ersi Poland S.A.	100.000	
Ersi Poland S.A.	Sosnowiec	Poland	21,000,000 PLN	100.00 Ergom Automotive S.p.A.	100.000	
Fiat Auto Espana Marketing Instituto Agrupacion de Interes Economico	Alcala De Henares	Spain	30,051 EUR	95.00 Fiat Group Automobiles Spain S.A.	95.000	
Fiat Auto Marketing Institute (Portugal) ACE	Alges	Portugal	15,000 EUR	80.00 Fiat Group Automobiles Portugal, S.A.	80.000	
Fiat Motor Sales Ltd	Slough Berkshire	United Kingdom	1,500,000 GBP	100.00 Fiat Group Automobiles UK Ltd	100.000	
I.D.L.P. S.R.L. in liquidation	Paliano	Italy	50,000 EUR	51.00 Ergom Holding S.p.A.	51.000	
Immatec Società Consortile a r.l.	Melfi	Italy	516,000 EUR	100.00 Ergom Automotive S.p.A.	95.000	
	Slough	United Kingdom		Ergom Holding S.p.A.	5.000	
Italian Motor Village Ltd.	Slough Berkshire	United Kingdom	1,500,000 GBP	100.00 Fiat Group Automobiles UK Ltd	100.000	
New Business 19 S.r.l.	Turin	Italy	50,000 EUR	100.00 Fiat Group Automobiles S.p.A.	100.000	
Parco Scientifico e Tecnologico della Basilicata - S.p.A. in liquidation	Pisticci	Italy	120,000 EUR	100.00 Ergom Holding S.p.A.	100.000	
Plastiform A.S.	Bursa	Turkey	715,000 TRY	94.00 Ergom Automotive S.p.A.	94.000	
Sistemas de Comandos Mecanicos - S.C.M. Industria e Comercio LTDA.	Sete Lagoas	Brazil	141,362,320 BRL	100.00 Fiat Automoveis S.A. - FIASA	100.000	
Sniaferche S.C.P.A.	Pisticci	Italy	704,000 EUR	100.00 Ergom Holding S.p.A.	100.000	
Travels & Hotel S.r.l.	Saint-Christophe	Italy	92,970 EUR	99.89 Air Vallée S.p.A. - Services Aériens du Val d'Aoste	100.000	
<b>Ferrari</b>						
Ferrari Management Consulting (Shanghai) CO., LTD	Shanghai	People's Rep. of China	2,100,000 USD	85.00 Ferrari S.p.A.	100.000	
Ferrari Maserati Cars Sales and Services (Shanghai) Co.,Ltd.	Shanghai	People's Rep. of China	2,500,000 USD	85.00 Ferrari S.p.A.	100.000	
Societa Ferrari Club S.c. a r.l.	Maranello	Italy	105,000 EUR	81.28 Ferrari S.p.A.	95.619	
<b>Agricultural and Construction Equipment</b>						
Austoft Industries Limited	St. Marys	Australia	0 AUD	89.33 CNH Australia Pty Limited	100.000	
Case Construction Equipment, Inc.	Wilmington	U.S.A.	1,000 USD	89.33 CNH America LLC	100.000	
Case Credit Australia Investments Pty Ltd	St. Marys	Australia	0 AUD	89.33 CNH Australia Pty Limited	100.000	
Case Credit Wholesale Pty. Limited	St. Marys	Australia	0 AUD	89.33 CNH Australia Pty Limited	100.000	
Case IH Agricultural Equipment, Inc.	Wilmington	U.S.A.	1,000 USD	89.33 CNH America LLC	100.000	
Fermec North America Inc.	Wilmington	U.S.A.	5 USD	89.33 CNH America LLC	100.000	
International Harvester Company	Wilmington	U.S.A.	1,000 USD	89.33 CNH America LLC	100.000	
J.I. Case Company Limited	Basildon	United Kingdom	2 GBP	89.33 Case United Kingdom Limited	100.000	
Mass-Conn Equipment, Inc.	Wilmington	U.S.A.	750,000 USD	89.33 CNH America LLC	100.000	
New Holland Agricultural Equipment S.p.A.	Turin	Italy	120,000 EUR	89.33 CNH Italia s.p.a.	100.000	
New Holland Construction Equipment S.p.A.	Turin	Italy	120,000 EUR	89.33 CNH Italia s.p.a.	100.000	
RosCaseMash	Saratov	Russia	0 RUB	34.17 Case Equipment Holdings Limited	38.250	51.000
<b>Trucks and Commercial Vehicles</b>						
Consorzio per la Formazione Commerciale Iveco-Cofoma	Turin	Italy	51,646 EUR	59.92 Iveco S.p.A. Isvor Fiat Società consortile di sviluppo e addestramento industriale per Azioni	50.000 10.000	
Inisbus North America Limited Liability Company	Las Vegas	U.S.A.	20,000 USD	100.00 Iveco France	100.000	
M.R. Fire Fighting International S.A.	Brasov	Romania	35,000,000 RON	75.88 Iveco Magirus Brandschutztechnik GmbH Brandschutztechnik Gorlitz GmbH Iveco Magirus Fire Fighting GmbH	74.000 1.000 1.000	

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock	Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
OOO "CABEKO"	Nizhny Novgorod	Russia	3,500,000	RUB	51.00 Iveco S.p.A.	51.000	
Saveco Partecipazioni S.r.l.	Turin	Italy	50,000	EUR	100.00 Iveco S.p.A.	100.000	
<b>FPT Powertrain Technologies</b>							
Iveco Motors of China Limited	Shanghai	People's Rep. of China	300,000	USD	100.00 Iveco S.p.A.	100.000	
<b>Components</b>							
Automotive Lighting Japan K.K.	Kohoku-Ku-Yokohama	Japan	10,000,000	JPY	99.99 Automotive Lighting Reutlingen GmbH	100.000	
Fast Buyer Middle East A.S.	Bursa	Turkey	350,230	TRY	93.95 Mako Elektrik Sanayi Ve Ticaret A.S.	98.900	
Magneti Marelli Automotive Components (India) Limited in liquidation	Pune	India	125,000,000	INR	99.99 Magneti Marelli Components B.V. in liquidation	100.000	
Magneti Marelli Electronic Systems (Asia) Limited	Hong Kong	People's Rep. of China	10,000	HKD	99.99 Magneti Marelli Sistemi Elettronici S.p.A. Magneti Marelli France S.a.s.	99.990 0.010	
Magneti Marelli Japan K.K.	Kohoku-Ku-Yokohama	Japan	60,000,000	JPY	99.99 Magneti Marelli Holding S.p.A.	100.000	
Sistemi Comandi Meccanici Otomotiv Sanayi Ve Ticaret A.S.	Bursa	Turkey	90,000	TRY	99.95 Magneti Marelli Holding S.p.A.	99.956	
Sistemi Comandi Meccanici S.C.M. S.p.A.	Corbetta	Italy	1,800,000	EUR	99.99 Magneti Marelli Holding S.p.A.	100.000	
<b>Metallurgical Products</b>							
(*) Teksid Aluminum Getti Speciali S.r.l.	Carmagnola	Italy	500,000	EUR	100.00 Teksid Aluminum S.r.l.	100.000	
<b>Production Systems</b>							
Comau (Shanghai) International Trading Co. Ltd	Shanghai	People's Rep. of China	200,000	USD	100.00 Comau S.p.A.	100.000	
Comau U.K. Limited	Telford	United Kingdom	2,500	GBP	100.00 Comau S.p.A.	100.000	
Consorzio Fermaq in liquidation	Milan	Italy	144,608	EUR	68.00 Comau S.p.A.	68.000	
Synesis	Modugno	Italy	20,000	EUR	75.00 Comau S.p.A.	75.000	
<b>Holding companies and Other companies</b>							
Fiat Common Investment Fund Limited	London	United Kingdom	2	GBP	100.00 Fiat U.K. Limited	100.000	
Fiat Gra.De EEIG	Watford	United Kingdom	0	GBP	97.39 Fiat Group Automobiles S.p.A. CNH Global N.V. Fiat Netherlands Holding N.V. Business Solutions S.p.A. Fiat S.p.A. C.R.F. Società Consortile per Azioni Comau S.p.A. Magneti Marelli Holding S.p.A. Teksid S.p.A.	46.000 23.000 23.000 2.000 2.000 1.000 1.000 1.000 1.000	
Fiat Oriente S.A.E. in liquidation	Cairo	Egypt	50,000	EGP	100.00 Fiat Partecipazioni S.p.A.	100.000	
Fides Correlagens de Seguros Ltda	Nova Lima	Brazil	365,625	BRL	100.00 Rimago S.A.	89.998	
Iavor Fiat India Private Ltd. in liquidation	New Delhi	India	1,750,000	INR	Iavor Fiat Società consorzio di sviluppo e addestramento industriale per Azioni	100.000	
MC2 - Media Communications S.p.A.	Turin	Italy	219,758	EUR	51.00 Fiat Partecipazioni S.p.A.	51.000	
New Business 18 S.r.l.	Turin	Italy	50,000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
New Business 20 S.r.l.	Turin	Italy	50,000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
New Business 25 S.r.l.	Turin	Italy	50,000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
New Business 26 S.r.l.	Turin	Italy	50,000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
Nuova Immobiliare nove S.r.l.	Turin	Italy	50,000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
Nuova Immobiliare Otto S.r.l.	Turin	Italy	50,000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
Nuova Immobiliare Tre S.p.A.	Turin	Italy	120,000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
Nuove Iniziative Finanziarie 5 S.r.l.	Turin	Italy	50,000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	
Orione-Società Industriale per la Sicurezza e la Vigilanza Consortile per Azioni	Turin	Italy	120,000	EUR	98.85 Fiat Partecipazioni S.p.A. Fiat S.p.A. Editrice La Stampa S.p.A. Fiat Group Automobiles S.p.A. CNH Italia s.p.a. Comau S.p.A. Ferrari S.p.A. Fiat Finance S.p.A. Fiat Powertrain Technologies SpA Fiat Services S.p.A. Iavor Fiat Società consorzio di sviluppo e addestramento industriale per Azioni Iveco S.p.A. Magneti Marelli Holding S.p.A. Sisport Fiat S.p.A. - Società sportiva dilettantistica	77.822 18.003 0.439 0.439 0.220 0.220 0.220 0.220 0.220 0.220 0.220 0.220 0.220 0.220 0.220 0.220 0.220	
PDL Services S.r.l.	Turin	Italy	105,000	EUR	100.00 Fiat Partecipazioni S.p.A.	100.000	

(\*) Assets held for sale.

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
<b>Associated companies accounted for using the equity method</b>						
<b>Fiat Group Automobiles</b>						
Fiat Auto Kreditbank GmbH	Vienna	Austria	5,000,000 EUR	25.00 Fidis S.p.A.	25.000	
Fidis Bank G.m.b.H.	Vienna	Austria	4,740,000 EUR	25.00 Fidis S.p.A.	25.000	
Targasve S.r.l.	Turin	Italy	4,322,040 EUR	40.00 Fidis S.p.A.	40.000	
Uhytat S.A.	Santa Margarita I Els Morjos	Spain	2,644,453 EUR	40.00 I.T.C.A. S.p.A.	40.000	
<b>Ferrari</b>						
Senator Software GmbH	Munich	Germany	25,565 EUR	37.49 Ferrari Financial Services AG	49.000	
<b>Agricultural and Construction Equipment</b>						
Al-Ghazi Tractors Ltd	Karachi	Pakistan	214,682,226 PKR	38.56 CNH Global N.V.	43.169	
CNH Capital Europe S.a.S.	Puteaux	France	88,482,297 EUR	44.58 CNH Global N.V.	49.900	
Employers Health Initiatives LLC	Wilmington	U.S.A.	790,000 USD	44.67 CNH America LLC	50.000	
Kobelco Construction Machinery Co. Ltd.	Tokyo	Japan	16,000,000,000 JPY	17.87 CNH Global N.V.	20.000	
New Holland Finance Ltd	Basingstoke	United Kingdom	2,900,001 GBP	43.77 CNH Global N.V.	49.000	
Rathell Farm Equipment Company Inc.	Wilmington	U.S.A.	640,000 USD	38.65 CNH America LLC	43.266	
<b>Trucks and Commercial Vehicles</b>						
GEIE V.IV.RE	Boulogne	France	0 EUR	50.00 Iveco S.p.A.	50.000	
Iveco Finance Holdings Limited	Basingstoke	United Kingdom	1,000 EUR	49.00 Iveco Partecipazioni Finanziarie S.r.l.	49.000	
Iveco Uralaz Ltd.	Missä	Russia	65,255,056 RUB	33.33 Iveco S.p.A.	33.330	
Otoyol Sanayi A.S.	Samsun/Kartal/Istanbul	Turkey	52,674,386 TRY	27.00 Iveco S.p.A.	27.000	
V.IV.RE Gruppo Europeo di Interesse Economico	Turin	Italy	0 EUR	50.00 Iveco S.p.A.	50.000	
<b>FPT Powertrain Technologies</b>						
Hangzhou IVECO Automobile Transmission Technology Co., Ltd.	Hangzhou	People's Rep. of China	240,000,000 CNY	33.33 Iveco S.p.A.	33.333	
Havoco Automotive Transmission Co. Ltd.	Zhailiang	People's Rep. of China	200,010,000 CNY	33.33 Iveco S.p.A.	33.330	
Iveco-Motor Sich, Inc.	Zaporozhye	Ukraine	26,568,000 UAH	38.62 Iveco S.p.A.	38.618	
Powertrain Industrial Services S.C.R.L. in liquidation	Turin	Italy	100,000 EUR	50.00 Fiat Powertrain Technologies SpA FMA - Fabbrica Motori Automobilistici S.r.l.	25.000 25.000	
<b>Production Systems</b>						
G.P. Properties I.L.L.C.	Pontiac	U.S.A.	10,000 USD	49.00 Comau Pico Holdings Corporation	49.000	
Gonzalez Production Systems Inc.	Pontiac	U.S.A.	10,000 USD	49.00 Comau Pico Holdings Corporation	49.000	
<b>Publishing and Communications</b>						
Editalia S.r.l.	Caserta	Italy	2,833,050 EUR	45.00 Editrice La Stampa S.p.A.	45.000	
Edizioni Dost S.r.l.	Bologna	Italy	1,042,914 EUR	40.00 Editrice La Stampa S.p.A.	40.000	
Società Editrice Mercantile - S.E.M. S.R.L.	Genoa	Italy	3,000,000 EUR	40.00 Editrice La Stampa S.p.A.	40.000	
To-dis S.r.l.	Turin	Italy	510,000 EUR	45.00 Editrice La Stampa S.p.A.	45.000	
<b>Holding companies and Other companies</b>						
Rizzoli Corriere della Sera MediaGroup S.p.A.	Milan	Italy	762,019,050 EUR	10.09 Fiat Partecipazioni S.p.A.	10.093	10.497
<b>Associated companies valued at cost</b>						
<b>Fiat Group Automobiles</b>						
Consorzio per la Reindustrializzazione Area di Arese S.r.l. in liquidation	Arese	Italy	1,020,000 EUR	30.00 Fiat Group Automobiles S.p.A.	30.000	
Fidis Rent GmbH	Frankfurt	Germany	50,000 EUR	49.00 Fiat Teamays GmbH	49.000	
Servizi Elicotteristici Valdostani - S.E.V. s.r.l. in liquidation	Aosta	Italy	50,000 EUR	24.97 Air Vallée Helicopter Operations & Services S.r.l.	25.000	
Turin Auto Private Ltd. in liquidation	Mumbai	India	43,300,200 INR	50.00 I.T.C.A. S.p.A.	50.000	
<b>Ferrari</b>						
Iniziativa Fiorano S.r.l.	Modena	Italy	90,000 EUR	28.33 Ferrari S.p.A.	33.333	
<b>Agricultural and Construction Equipment</b>						
Nido Industria Vallesina	Ancona	Italy	53,903 EUR	34.60 CNH Italia s.p.a.	38.728	
<b>Trucks and Commercial Vehicles</b>						
Sotra S.A.	Abidjan	Ivory Coast	3,000,000,000 XOF	39.80 Iveco France	39.800	
Trucks & Bus Company	Tajoura	Libya	96,000,000 LYD	25.00 Iveco España S.L.	25.000	
Zastava-Kamioni D.O.O.	Kragujevac	Serbia	1,673,505,893 YUM	33.68 Iveco S.p.A.	33.677	
<b>Components</b>						
Ban Servizi Industriali S.c.r.l.	Modugno	Italy	12,000 EUR	50.00 Magneti Marelli Powertrain S.p.A.	50.000	
Flexider S.p.A.	Turin	Italy	4,131,655 EUR	25.00 Magneti Marelli Holding S.p.A.	25.000	
Mars Seal Private Limited	Mumbai	India	400,000 INR	24.00 Magneti Marelli France S.a.s.	24.000	
Matay Otomotiv Yan Sanay Ve Ticaret A.S.	Istanbul	Turkey	2,400,000 TRY	28.00 Magneti Marelli Holding S.p.A.	28.000	
<b>Production Systems</b>						
Consorzio Generazione Forme-CO.GE.F.	San Mauro Torinese	Italy	15,494 EUR	33.33 Comau S.p.A.	33.333	

## The companies of the Fiat Group

Name	Registered office	Country	Capital stock Currency	% of Group consolidation Interest held by	% of interest held	% of voting rights
<b>Publishing and Communications</b>						
Le Monde Europe S.A.S.	Paris	France	5,024,274 EUR	48.44 La Stampa Europe SAS	48.443	
Le Monde Presse S.A.S.	Paris	France	7,327,930 EUR	27.28 La Stampa Europe SAS	27.277	
<b>Holding companies and Other companies</b>						
Ascai Servizi S.r.l. in liquidation	Rome	Italy	73,337 EUR	avor Fiat Società consortile di sviluppo e addestramento industriale per 25.77 Azioni	25.970	
Ciosa S.p.A. in liquidation	Milan	Italy	516 EUR	25.00 Fiat Partecipazioni S.p.A.	25.000	
Consorzio Parco Industriale di Chivasso	Chivasso	Italy	51,650 EUR	38.60 Fiat Partecipazioni S.p.A. Ergom Automotive S.p.A. ABARTH & C. S.p.A.	23.100 11.200 4.300	
Consorzio per lo Sviluppo delle Aziende Fornitrici in liquidation	Turin	Italy	241,961 EUR	30.88 CNH Italia s.p.a. Fiat Group Automobiles S.p.A. Iveco S.p.A.	10.672 10.672 10.672	
Consorzio Prode	Naples Pomigliano	Italy	51,644 EUR	19.78 Elasis-Società Consortile per Azioni	20.000	
Consorzio Scire	d'Arco	Italy	51,644 EUR	49.45 Elasis-Società Consortile per Azioni	50.000	
Consorzio Scuola Superiore per l'Alta Formazione Universitaria Federico II in liquidation	Naples	Italy	127,500 EUR	19.78 Elasis-Società Consortile per Azioni	20.000	
FMA-Consultoria e Negocios Ltda	Sao Paulo	Brazil	1 BRL	50.00 Fiat do Brasil S.A.	50.000	
Interfinanziaria S.A. in liquidation	Paradisio	Switzerland	1,000,000 CHF	33.33 FGI - Fiat Group International SA	33.330	
MB Venture Capital Fund I Participating Company F.N.V.	Amsterdam	Netherlands	50,000 EUR	45.00 Fiat Partecipazioni S.p.A.	45.000	
Nuova Didactica S.c. a r.l.	Modena	Italy	112,200 EUR	24.87 Ferrari S.p.A. CNH Italia s.p.a.	16.364 12.273	
Tecnologie per il Calcolo Numerico-Centro Superiore di Formazione S.c. a r.l.	Trento	Italy	100,000 EUR	24.82 C.R.F. Società Consortile per Azioni	25.000	
Zetesis S.p.A. in liquidation	Milan	Italy	283,150 EUR	40.00 Fiat Partecipazioni S.p.A.	40.000	
<b>Other companies valued at cost</b>						
<b>Agricultural and Construction Equipment</b>						
Polagris S.A.	Pajaietzi	Lithuania	1,133,400 LTL	9.88 CNH Polska Sp. z o.o.	11.054	
<b>Trucks and Commercial Vehicles</b>						
Consorzio Spike	Genoa	Italy	90,380 EUR	15.00 Iveco S.p.A.	15.000	
<b>Holding companies and Other companies</b>						
Centro di Eccellenza su Metodi e Sistemi per le Aziende Competitive	Fisciano	Italy	225,000 EUR	15.83 Elasis-Società Consortile per Azioni	16.000	
Consorzio Calfer (Consorzio per la ricerca e lo sviluppo delle applicazioni industriali laser e del fascio elettronico)	Rotondella	Italy	83,445 EUR	10.44 Elasis-Società Consortile per Azioni C.R.F. Società Consortile per Azioni	5.319 5.213	
Consorzio Lingotto	Turin	Italy	9,612 EUR	16.90 Fiat Attività Immobiliari S.p.A. Fiat S.p.A.	11.500 5.400	
Consorzio Technapoli	Naples	Italy	1,626,855 EUR	10.99 Elasis-Società Consortile per Azioni	11.110	
Ercote Marelli & C. S.p.A. in liquidation	Milan	Italy	9,633,000 EUR	13.00 Fiat Partecipazioni S.p.A.	13.000	
Expo 2000 - S.p.A.	Turin	Italy	2,205,930 EUR	18.95 Fiat Partecipazioni S.p.A.	18.949	
Fin.Priv. S.r.l.	Milan	Italy	20,000 EUR	14.29 Fiat S.p.A.	14.285	
Sorore Ricerche per Santa Maria della Scala	Siens	Italy	9,296 EUR	16.66 Fiat Partecipazioni S.p.A.	16.663	
Team Consorzio Italiano per la Trazione Elettrica Alternata Monofase	Milan	Italy	45,900 EUR	11.11 Fiat Partecipazioni S.p.A.	11.111	
Torino Zericinque Trading S.p.A.	Milan	Italy	2,425,000 EUR	15.04 Fiat Partecipazioni S.p.A.	15.040	