IFI

Istituto Finanziario Industriale

Quarterly report at September 30, 2008

QUARTERLY REPORT AT SEPTEMBER 30, 2008

CONTENTS

Disclaimer

This report, and in particular the section entitled “Business Outlook”, contains forward-looking statements about the performance of the subsidiary IFIL Investments S.p.A.. These statements are based on the group companies' current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including changes in commodity prices, changes in general economic conditions, economic growth and other changes in business conditions, changes in regulations (in each case, in Italy or abroad), and many other factors, most of which are outside of the group companies' control.

This is an English translation of the Italian original document “Resoconto intermedio di gestione al 30 settembre 2008” approved by the IFI board of directors on November 14, 2008 and authorized for publication on the same date, which has been prepared solely for the convenience of the reader. The version in Italian takes precedence. For complete information about IFI S.p.A. and the Group, reference should be made to the full original report in Italian

IFI
Istituto Finanziario Industriale

Società per Azioni
Capital stock € 163,251,460, fully paid-in
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Board of Directors

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

[(a)] Independent director.

Board of Statutory Auditors

Chairman	Lionello Jona Celesia
Standing Auditors	Giorgio Ferrino Paolo Piccatti

Independent Auditors Deloitte & Touche S.p.A.

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 separate 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.

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 Electronic Share Market of 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. is one of Europe's leading investment companies, controlled by the Agnelli family. Founded in 1919, it is headquartered in Turin and listed on the Italian stock exchange.
Besides being the majority stockholder of the Fiat Group, IFIL invests in diverse sectors, mainly in Europe, the United States and the two most important emerging markets, India and China.
Investment activities are conducted with entrepreneurial vision and solid financial backing. IFIL cooperates on an ongoing basis with the management teams of its holdings, while respecting their right to operate autonomously and with a perspective geared to the medium-/long-term.
The major investments of the IFIL Group are indicated below.

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

Cushman & Wakefield (C&W), in which the subsidiary Ifil Investissements S.A. has a 72.04% 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 227 offices and 15,000 employees in 59 countries.

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

- **Arjowiggins S.A.** (100% holding), the world leader in the manufacture of high value-added paper products, with 7,700 employees in 82 countries;

- **Antalis S.A.** (100% holding), the leading European group in the distribution of paper products for printing and writing, with over 7,900 employees in 44 countries.

Intesa Sanpaolo S.p.A., in which IFIL S.p.A. has a 1% stake in ordinary capital stock, is listed on the Electronic Share Market of the Italian stock exchange (Blue Chip segment). It is one of the most important banking groups in Europe and is the foremost bank in Italy with an approximate 20% market share on average in all segments of business (retail, corporate and wealth management).

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

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

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

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

Vision Investment Management Limited, founded in 2000, is one of the most important hedge fund managers specialized in Asian markets.
In April 2008, Ifil Investissements subscribed to 5-year bonds issued by Perfect Vision with a mandatory conversion into shares at maturity which will give Ifil Investissements a 40% stake in Vision Investment Management.

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

The following chart is updated to the beginning of November 2008 and presents the main business segments in which the IFI Group holds investments. 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) Post-conversion of convertible bonds.
(d) Percentage interest held in the NoCo A LP limited partnership.

SIGNIFICANT EVENTS

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

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

Settlements in cash are not envisaged.

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

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

On December 1, 2008 (or December 2, 2008, possibly in second call), the special stockholders' meetings will be held by IFIL S.p.A. and IFI S.p.A., called on October 28, 2008, to resolve on the merger; on the same date, IFIL S.p.A. filed the documentation relating to the merger at the corporate headquarters and at Borsa Italiana S.p.A., which includes:

- the Merger Project;
- the descriptive Reports of the boards of directors of IFIL S.p.A. and IFI S.p.A., prepared in accordance with art. 2501-quinquies of the Italian Civil Code;
- the Reports of the Experts on the fairness of the share exchange ratio, prepared in accordance with art. 2501-sexies of the Italian Civil Code by Reconta Ernst & Young S.p.A. (for IFIL S.p.A.) and KPMG S.p.A. (for IFI S.p.A.).

This documentation, to which reference can be made for additional information, is also published on the corporate website at www.gruppoifi.com.

Furthermore, the Merger Project was recorded in the Turin Company Register on October 29, 2008 and, at least ten days prior to the date set for the stockholders' meeting, the Disclosure Document on the transaction, drawn up in accordance with article 70, paragraph 4, and article 71-bis of Consob Regulation 11971, will be made available to the public.

The meeting of IFI S.p.A. preferred stockholders called by the common representative will be held on December 2, 2008.

Loan from the subsidiary IFIL S.p.A.
On October 10, 2008, IFIL S.p.A. granted the parent, IFI S.p.A., a loan of up to a maximum of € 200 million which can be disbursed at various times and will be due on December 31, 2009. The loan, currently drawn down for € 106 million, will earn interest based on the 1 month Euribor with a spread of 0.10%.

Since this is a transaction between related parties, as provided in the rules of Corporate Governance of the two companies, the transaction was approved beforehand by the respective boards of directors on October 10, 2008.

BASIS OF PREPARATION

The quarterly report of the IFI Group at September 30, 2008 has been prepared pursuant to art. 154-ter, paragraph 5 of Legislative Decree 58 of February 24, 1998, as amended by Legislative Decree 195 of November 6, 2007

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 period financial statements (balance sheet and income statement) prepared by accounting for the investment in the IFIL Group (70% of capital stock outstanding) by the equity method in the separate financial statements or in the separate accounting data of IFI S.p.A. This methodology allows the IFI Group to present a synthesized representation of its consolidated results, which are presented along with the annual consolidated financial statements and the half-yearly condensed consolidated financial statements of each year. The quarterly consolidated data is also presented in that same format in the quarterly reports at March 31 and September 30 of each year.

Finally, it should be noted that certain valuation procedures, i.e. particularly complex procedures such as the determination of possible impairment losses on fixed assets, are generally completed only at the time of the preparation of the annual consolidated financial statements, when all the necessary information is available, except those cases in which impairment indicators require a prompt assessment of possible impairments.

The quarterly report of the IFI Group at September 30, 2008 is unaudited.

INTERIM FINANCIAL STATEMENTS PREPARED BY ACCOUNTING FOR THE INVESTMENT IN THE IFIL GROUP BY THE EQUITY METHOD

The **income statement** and **balance sheet** and notes commenting on the most significant items are presented on the following pages.

IFI GROUP – Interim income statement prepared by accounting for the investment in the IFIL Group by the equity method

Consolidated profit attributable to the equity holders of the IFI Group for the nine months ended September 30, 2008 is € 332.5 million, an increase of € 46.5 million compared to the first nine months of 2007 (€ 286 million). The change is due to a higher interest in the profit of the IFIL Group (+€ 54.2 million), which is partly offset by higher net financial expenses (-€ 7.2 million) and higher net general expenses (-€ 0.5 million).

Third-quarter 2008 **consolidated profit attributable to the equity holders of the company** is € 125.8 million (€ 84 million in the same period of 2007). The positive change of € 41.8 million is due to a higher interest in the profit of the IFIL Group (+€ 43.8 million), which is partly offset by higher net financial expenses (-€ 1.9 million) and higher net general expenses(-€ 0.1 million).

Year			9 months to September 30			Quarter III		
2007	€ in millions	Note	**2008**	2007	Change	**2008**	2007	Change
458.2	Share of the profit of the IFIL Group	1	**348.9**	294.7	54.2	**131.4**	87.6	43.8
0.1	Dividends from investments		**0.1**	0.1	0.0	**0.0**	0.0	0.0
(8.8)	Financial income (expenses)	2	**(12.7)**	(5.5)	(7.2)	**(4.4)**	(2.5)	(1.9)
(5.2)	Net general expenses		**(3.8)**	(3.3)	(0.5)	**(1.2)**	(1.1)	(0.1)
0.0	Income taxes		**0.0**	0.0	0.0	**0.0**	0.0	0.0
444.3	**Profit attributable to the equity holders of the company**		**332.5**	286.0	46.5	**125.8**	84.0	41.8

IFI GROUP – Interim balance sheet prepared by accounting for the investment in the IFIL Group by the equity method

		Balances at		
€ in millions	Note	**9/30/2008**	12/31/2007	Change
Non-current assets				
Investment in the IFIL Group	3	**4,439.4**	4,537.0	(97.6)
Other financial assets	5	**0.7**	0.6	0.1
Total Non-current assets		**4,440.1**	4,537.6	(97.5)
Current assets				
Financial assets and cash and cash equivalents	5	**1.4**	2.4	(1.0)
Trade receivables and other receivables		**19.4**	19.3	0.1
Total Current assets		**20.8**	21.7	(0.9)
Total Assets		**4,460.9**	4,559.3	(98.4)
Equity attributable to the equity holders of the company				
Capital and reserves		**4,172.6**	4,231.0	(58.4)
Treasury stock		**(70.5)**	(70.5)	0.0
Total Equity attributable to the equity holders of the company	4	**4,102.1**	4,160.5	(58.4)
Non-current liabilities				
Provisions for employee benefits		**2.2**	2.1	0.1
Debt	5	**150.0**	100.0	50.0
Deferred tax liabilities and other liabilities		**0.1**	0.1	0.0
Total Non-current liabilities		**152.3**	102.2	50.1
Current liabilities				
Debt	5	**205.6**	295.4	(89.8)
Trade payables and other liabilities		**0.9**	1.2	(0.3)
Total Current liabilities		**206.5**	296.6	(90.1)
Total Equity and liabilities		**4,460.9**	4,559.3	(98.4)

NOTES TO THE INTERIM FINANCIAL STATEMENTS PREPARED BY ACCOUNTING FOR THE INVESTMENT IN THE IFIL GROUP BY THE EQUITY METHOD

1. Share of the profit of the IFIL Group

The share of the profit of the IFIL Group for the first nine months of 2008 amounts to € 348.9 million, with an increase of € 54.2 million compared to € 294.7 million in the first nine months of 2007.

	9 months to September 30				Quarter III		
€ in millions	**2008**		2007	Change	**2008**	2007	Change
IFIL Group	**337.3**		294.7	42.6	**122.1**	87.6	34.5
Consolidation adjustments	**11.6**	(a)	0.0	11.6	**9.3**	0.0	9.3
Total IFIL Group	**348.9**		294.7	54.2	**131.4**	87.6	43.8

(a) Of which € 2.3 million is the excess of IFI's share of the consolidated equity attributable to the equity holders of the IFIL Group against the cost of the IFIL shares purchased in the first quarter of 2008 and € 9.3 million represents the adjustment of the gain realized on the sale of the 1.2% stake in Intesa Sanpaolo ordinary capital stock (due to the lower original carrying amount, € 19.1 million, of the 50,774,500 shares conferred by IFI to IFIL in 2003 -€ 0.375 per share).

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

2. Financial income (expenses)

Net financial expenses total € 12.7 million and increased by € 7.2 million compared to the first nine months of 2007 (€ 5.5 million), mainly as a result of higher debt owing to purchases of IFIL ordinary shares.

3. Investment in the IFIL Group

At September 30, 2008, the carrying amount of the investment in the IFIL Group accounted for by the equity method is € 4,439.4 million. The decrease of € 97.6 million compared to the end of 2007 (€ 4,537 million) is due to purchases of IFIL ordinary shares during the first quarter of 2008 (+€ 16.2 million) and IFI's share (-€ 113.8 million) of the changes in the equity of the IFIL Group. The carrying amount of IFIL stock per share is € 6.09 (€ 6.25 at December 31, 2007).

Based on market prices at September 30, 2008 (€ 3.14 per ordinary share and € 2.407 per savings share), the market value of the investment is € 2,287 million.

Based on market prices at November 7, 2008 (€ 2.541 per ordinary share and € 2.216 per savings share), the market value of the investment is € 1,851.2 million.

4. Equity attributable to the equity holders of the company

The consolidated equity attributable to the equity holders of the IFI Group at September 30, 2008 is € 4,102.1 million (€ 4,160.5 million at the end of 2007). The net decrease of € 58.4 million is attributable to the following changes.

€ in millions	
Equity attributable to the equity holders of the company at December 31, 2007	**4,160.5**
Release of the fair value reserve on the stake of the investment sold in Intesa Sanpaolo by IFIL (-€ 242.4 million, net of deferred taxes of +€ 3.9 million)	(238.5)
Change in the fair value of the remaining stake in Intesa Sanpaolo (-€ 163.8 million, net of deferred taxes of +€ 2.2 million) and the investment in SGS (+€ 11.5 million) shown by IFIL	(150.1)
Share of exchange gains (losses) on the translation of foreign operations (+€ 18 million) and other net changes (-€ 40.5 million) shown by IFIL	(22.5)
Positive dilution due to treasury stock purchases by IFIL	21.2
Other net changes	(1.0)
Profit attributable to the equity holders of the company	332.5
Net change during the period	**(58.4)**
Equity attributable to the equity holders of the company at September 30, 2008	**4,102.1**

5. Net financial position of IFI S.p.A.

The net financial position of IFI S.p.A. at September 30, 2008 is a negative € 353.7 million, with a decrease of € 39 million compared to a negative balance at the end of 2007 (€ 392.7 million).

The analysis of the composition and changes during the period is as follows:

	9/30/2008			12/31/2007		
€ in millions	**Current**	**Non-current**	**Total**	Current	Non-current	Total
Financial assets	**1.2**	**0.5**	**1.7**	2.3	0.2	2.5
Cash and cash equivalents	**0.2**	**0.0**	**0.2**	0.2	0.0	0.2
Total financial assets	**1.4**	**0.5**	**1.9**	2.5	0.2	2.7
Debt	**(205.6)**	**(150.0)**	**(355.6)**	(295.4)	(100.0)	(395.4)
Net financial position of IFI S.p.A.	**(204.2)**	**(149.5)**	**(353.7)**	(292.9)	(99.8)	(392.7)

The change during the period is due to the following flows:

€ in millions	
IFI S.p.A. - Net financial position at December 31, 2007	**(392.7)**
Purchase of 2,950,000 IFIL S.p.A. ordinary shares (0.29% of the class of stock)	(16.2)
Dividends collected from IFIL	73.0
Financial income (expenses)	(12.7)
Net general expenses	(3.8)
Other changes, net	(1.3)
Net change during the period	**39.0**
IFI S.p.A. - Net financial position at September 30, 2008	**(353.7)**

At September 30, 2008, IFI S.p.A. has irrevocable credit lines for € 620 million, of which € 50 million is due by September 30, 2009 and € 570 million at later expiration dates.

BUSINESS OUTLOOK

In view of the fact that the IFIL Group has forecast a consolidated profit for 2008, even though market conditions are not favorable for the companies of the group, IFI expects to report a profit both in the separate and the consolidated financial statements for the year 2008.

The commentary on the review of the operating performance of the subsidiary IFIL Investments S.p.A. is presented below.

(69.99% of ordinary capital stock)

The following comments are in respect of the synthesized interim consolidated income statement and balance sheet of the IFIL Group at September 30, 2008.
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, Cushman & Wakefield, Alpitour and Juventus Football Club) by the equity method.

IFIL GROUP – Synthesized interim consolidated income statement
Consolidated profit attributable to the equity holders of the company for the nine months ended September 30, 2008 is € 481.9 million, a growth of € 43.3 million compared to the first nine months of 2007 (€ 438.6 million). The increase is due to higher dividends collected from holdings (+€ 27.6 million) and gains on the sale of investments (+€ 64.2 million) which are partly offset by higher writedowns of securities recorded in current financial assets (-€ 41.4 million) and other net changes (-€ 7.1 million).

Third-quarter 2008 **consolidated profit attributable to the equity holders of the company** is € 172.1 million (€ 123.8 million in the corresponding period of 2007). The increase of € 48.3 million is due to higher gains on the sale of investments (+€ 64.2 million) which are partly offset by higher writedowns of securities recorded in current financial assets (-€ 12.2 million) and other net changes (-€ 3.7 million).

Year			9 months to September 30			Quarter III		
2007	€ in millions	Note	**2008**	2007	Change	**2008**	2007	Change
610.9	Share of the profit (loss) of companies accounted for by the equity method	1	**358.6**	358.0	0.6	**129.9**	132.4	(2.5)
	Net financial income (expenses):							
111.6	- Dividends from investments	2	**139.2**	111.6	27.6	**0.0**	0.0	0.0
0.9	- Gains on the sale of investments	3	**65.1**	0.9	64.2	**65.1**	0.9	64.2
(2.6)	- Net writedowns on securities in current financial assets	4	**(43.3)**	(1.9)	(41.4)	**(13.9)**	(1.7)	(12.2)
(7.5)	- Other financial income (expenses)	5	**(8.4)**	(4.8)	(3.6)	**(3.6)**	(3.2)	(0.4)
102.4	Net financial income (expenses)		**152.6**	105.8	46.8	**47.6**	(4.0)	51.6
(25.9)	Net general expenses	6	**(19.5)**	(15.0)	(4.5)	**(5.2)**	(4.5)	(0.7)
(17.2)	Other non-current income (expenses)	7	**(5.0)**	(7.9)	2.9	**0.0**	0.0	0.0
670.2	**Profit before income taxes**		**486.7**	440.9	45.8	**172.3**	123.9	48.4
1.5	Income taxes		**(4.8)**	(2.3)	(2.5)	**(0.2)**	(0.1)	(0.1)
671.7	**Profit attributable to the equity holders of the company**		**481.9**	438.6	43.3	**172.1**	123.8	48.3

IFIL Group – Synthesized interim consolidated balance sheet

€ in millions	Note	Balances at 9/30/2008	Balances at 12/31/2007	Change
Non-current assets				
Investments accounted for by the equity method	6	**4,263.2**	4,081.0	182.2
Other financial assets	7	**1,777.5**	2,667.3	(889.8)
Intangible assets and property, plant and equipment		**13.7**	13.8	(0.1)
Deferred tax assets		**1.7**	1.4	0.3
Total Non-current assets		**6,056.1**	6,763.5	(707.4)
Current assets				
Financial assets and cash and cash equivalents	10	**1,255.1**	862.4	392.7
Trade receivables and other receivables		**42.5**	47.9	(5.4)
Total Current assets		**1,297.6**	910.3	387.3
Total Assets		**7,353.7**	7,673.8	(320.1)
Equity attributable to the equity holders of the company	9	**6,363.7**	6,666.5	(302.8)
Non-current liabilities				
Provisions for employee benefits and provisions for other liabilities and charges		**2.7**	2.6	0.1
Bonds and other debt	10	**944.0**	943.6	0.4
Deferred tax liabilities and other liabilities		**1.8**	10.3	(8.5)
Total Non-current liabilities		**948.5**	956.5	(8.0)
Current liabilities				
Bank debt and other financial liabilities	10	**19.0**	23.6	(4.6)
Trade payables and other liabilities		**22.5**	27.2	(4.7)
Total Current liabilities		**41.5**	50.8	(9.3)
Total Equity and Liabilities		**7,353.7**	7,673.8	(320.1)

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

The share of the profit of companies accounted for by the equity method for the nine months ending September 30, 2008 is € 358.6 million and is basically in line with the figure for the first nine months of 2007 (€ 358 million).

The increase of € 0.6 million reflects the higher profit contributions by the Fiat Group (+€ 24.5 million), the Sequana Group (+€ 6.5 million) and Juventus Football Club (+€ 2.1 million) and the lower contributions by the Cushman & Wakefield Group (-€ 28 million) and the Alpitour Group (-€ 4.5 million).

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

(a) Loss realized on the sale of the 22% stake in capital stock.
(b) The result refers to the period April 1 – September 30, 2007, subsequent to acquisition (March 31, 2007).
(c) Data for the period November 1 – July 31.
(d) Data for the period January 1 – September 30.

2. Dividends from investments

Dividends from investments for the first nine months of 2008 amount to € 139.2 million and include dividends collected from Intesa Sanpaolo S.p.A. for € 110.2 million (unchanged compared to the first nine months of 2007), SGS for € 26.2 million and Gruppo Banca Leonardo for € 2.8 million (€ 1.4 million in the first nine months of 2007).

3. Gains on the sale of investments

Gains on the sale of investments for the first nine months of 2008 include the net gain realized on the sale on the market of a 1.2% stake in Intesa Sanpaolo S.p.A. ordinary capital stock (€ 65.1 million). Additional information is provided in note 7.
In the same period of the prior year, gains on the sale of investments included the gain of € 0.9 million realized on the sale of the investment in Turismo&Immobiliare (25% of capital stock).

4. Net writedowns on securities recorded in current financial assets

Net writedowns on securities recorded in current financial assets for the first nine months of 2008 amount to € 43.3 million (€ 1.9 million for the first nine months of 2007) and include the adjustment to fair value of equity shares and bonds held by the subsidiary Ifil Investissements (€ 34.7 million), as well as equity shares held for trading by the parent IFIL (€ 8.6 million).
The fair value of securities in current assets was calculated using the market prices at September 30, 2008 translated, where applicable, at the period-end exchange rates.

5. Other financial income (expenses)

The net other financial expenses balance for the first nine months of 2008 is € 8.4 million (€ 4.8 million for the first nine months of 2007) and include:

	9 months to September 30			Quarter III		
€ in millions	**2008**	2007	Change	**2008**	2007	Change
Interest income and other financial income	**42.5**	27.8	14.7	**17.0**	12.8	4.2
Bond interest expenses	**(38.0)**	(19.9)	(18.1)	**(12.6)**	(13.1)	0.5
Interest expenses and other financial charges	**(12.9)**	(12.7)	(0.2)	**(8.0)**	(2.9)	(5.1)
Total	**(8.4)**	(4.8)	(3.6)	**(3.6)**	(3.2)	(0.4)

The change in interest income and other financial income (+€ 14.7 million) originates from the increase in income on equity shares for trading (+€ 9.3 million), interest income on bank deposits (+€ 6.3 million) and the decrease in other financial income (-€ 0.9 million).

The increase in bond interest expenses is mainly attributable to the portion of interest due on bonds maturing in 2017, issued by IFIL S.p.A. in June 2007, and should be viewed in relation to the decrease in bank interest expenses described in the next paragraph.

The change in interest expenses and other financial charges (-€ 0.2 million) is due to the extinguishment of bank debt by IFIL S.p.A. (+€ 5.8 million), the loss on the sale of equity shares held for trading (-€ 8.7 million) and the decrease in other financial expenses (+€ 2.7 million).

6. Investments accounted for by the equity method

Details are as follows:

€ in millions	Carrying amount at 9/30/2008	Carrying amount at 12/31/2007	Change
Fiat Group	**3,361.9**	3,125.3	236.6
Sequana Group	**329.9**	341.0	(11.1)
Cushman & Wakefield Group	**462.4**	466.1	(3.7)
Alpitour Group	**49.9**	78.8	(28.9)
Juventus Football Club S.p.A.	**59.1**	69.8	(10.7)
Total	**4,263.2**	4,081.0	182.2

7. Non-current other financial assets

Details are as follows:

€ in millions	Carrying amount at 9/30/2008	Carrying amount at 12/31/2007	Change
Investments in:			
- Intesa Sanpaolo S.p.A.	**565.8**	1,564.7	(998.9)
- SGS S.A.	**973.0**	956.6	16.4
- Gruppo Banca Leonardo S.p.A.	**82.4**	82.4	0.0
- NoCo A LP	**19.1**	18.7	0.4
- Banijay Holding S.A.S.	**21.4**	0.0	21.4
Other investments:			
Perfect Vision Limited convertible bonds	**59.6**	0.0	59.6
DLMD bonds	**28.2**	27.6	0.6
Ocean Club Méditerranée bonds	**5.1**	5.1	0.0
NoCo B LP	**22.7**	11.9	10.8
Sundry	**0.2**	0.3	(0.1)
Total	**1,777.5**	2,667.3	(889.8)

At September 30, 2008, the negative change in the investment in Intesa Sanpaolo, for € 998.9 million, is due to the reversal of the carrying amount (-€ 764.9 million) of the stake sold (1.2% of ordinary capital stock) and the alignment of the remaining interest to fair value at the end of the period (-€ 234 million).
The reversal of the carrying amount of the stake in the investment sold (-€ 764.9 million) includes the original purchase cost of € 431.9 million and accumulated fair value of € 333 million.

The gain of € 65.1 million is due to the difference between the net proceeds of € 497 million and the original purchase cost of € 431.9 million. The accumulated fair value of € 333 million was recorded as a deduction from the specific reserve in consolidated equity.

The original purchase cost of the remaining stake in Intesa Sanpaolo is € 451.6 million; at September 30, 2008, the net positive adjustment to fair value amounts to € 114.2 million.

Up to the date of September 30, 2008, call options were also sold on 20,000,000 Intesa Sanpaolo ordinary shares expiring between December 2008 and February 2009 at a strike price per share of between € 4.2 and € 4.4. The positive fair value of these options at September 30, 2008 is € 0.7 million. With a value date of October 1, call options on another 2,500,000 Intesa Sanpaolo shares were sold expiring February 20, 2009 at a strike price of € 4.4.

At September 30, 2008, the positive change in the investment in SGS of € 16.4 million is due to the alignment of the investment to fair value at the end of the period.

The original carrying amount of the investment in SGS is € 469.7 million; the positive change in fair value of the investment amounts to € 503.3 million at September 30, 2008.

The bonds issued by DLMD are guaranteed by 10,806,343 Sequana shares and cash collateral of approximately € 7 million.
In July 2008, certain clauses were renegotiated for the bonds issued by DLMD that were subdivided into Senior and Junior bond portions. The redemption of the Junior portion, in exchange for a higher yield, is subordinate to that of the Senior portion.
Ifil Investissements holds a nominal amount for € 27.2 million, of which € 12.3 million represents Senior bonds and € 14.9 million Junior bonds.

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

Details are as follows:

				Market price at				
	Number of	Carrying amount		September 30, 2008		November 7, 2008		
	shares held	Per share (€)	Total (€ ml)	Per share (€)	Total (€ ml)	Per share (€)	Total (€ ml)	
Investments								
Fiat Group								
- ordinary shares	332,587,447	9.24	**3,074.6**	9.48	**3,152.9**	6.13	**2,039.1**	
- preferred shares	31,082,500	9.24	**287.3**	5.60	**174.1**	3.34	**104.0**	
			3,361.9		**3,327.0**		**2,143.1**	
Sequana Group	13,203,139	24.99	**329.9**	9.96	**131.5**	6.06	**80.0**	
Juventus Football Club S.p.A.	120,934,166	0.49	**59.1**	0.89	**107.6**	0.79	**94.9**	
Other financial assets								
Intesa Sanpaolo S.p.A.	148,200,000	3.82	**565.8**	3.82	**565.8**	2.97	**350.3**	(a)
SGS S.A.	1,173,400	829.21	**973.0**	829.21	**973.0**	760.56	**892.4**	
Ocean Club Méditerranée bonds	76,614	66.57	**5.1**	67.50	**5.2**	67.55	**5.2**	
Total			**5,294.8**		**5,110.1**			

(a) Market price of the remaining investment, corresponding to 118,000,000 shares.

9. Equity attributable to the equity holders of the company

Details are as follows:

€ in millions	**9/30/2008**	12/31/2007	Change
Capital and reserves	**6,515.9**	6,715.0	(199.1)
Treasury stock	**(152.2)**	(48.5)	(103.7)
Total	**6,363.7**	6,666.5	(302.8)

The change during the period is analyzed as follows:

€ in millions	
Equity attributable to the equity holders of the company at December 31, 2007	**6,666.5**
Release of the fair value reserve on the stake of the investment sold in Intesa Sanpaolo (- € 333 million, net of deferred taxes of +€ 5.6 million)	(327.4)
Change in the fair value of the remaining stake in Intesa Sanpaolo (-€ 234 million, net of deferred taxes of +€ 3.2 million) and SGS (+€ 16.4 million)	(214.4)
Purchase of treasury stock	(103.7)
Share of exchange gains (losses) on the translation of foreign operations (+€ 25.7 million) and other net changes (-€ 58.7 million) shown in the equity of the companies consolidated and those accounted for by the equity method	(33.0)
Dividends paid by IFIL S.p.A.	(106.2) (a)
Profit attributable to the equity holders of the company	481.9
Net change during the period	**(302.8)**
Equity attributable to the equity holders of the company at September 30, 2008	**6,363.7**

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

During the period February 26, – August 18, 2008, purchases were made for 20,783,200 IFIL ordinary shares (2% of the class of stock) at the average cost per share of € 4.8 for a total of € 99.8 million, in addition to 917,000 IFIL savings shares (2.45% of the class of stock) at the average cost per share of € 4.3 for a total of € 3.9 million, for an overall total of € 103.7 million.

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

	Number	% class	Amount	
	of shares	of stock	Per share (€)	Total (€ ml)
Ordinary shares, held by IFIL S.p.A.	33,186,198	3.20	4.38	145.5
Ordinary shares, held by subsidiary Soiem S.p.A.	810,262	0.08	3.41	2.8
Total ordinary shares held	**33,996,460**	**3.28**	**4.36**	**148.3**
Savings shares held by IFIL S.p.A.	**917,000**	**2.45**	**4.30**	**3.9**
Total treasury stock	**34,913,460**	-		**152.2**

10. Consolidated net financial position of the "Holdings System"

The consolidated net financial position of the "Holdings System" at September 30, 2008 is a cash position of € 292.3 million with a positive change of € 396.8 million compared to a borrowings position at the end of 2007 (€ 104.5 million).

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

The composition of the balance at September 30, 2008 and December 31, 2007 is as follows:

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

At September 30, 2008, IFIL S.p.A. has irrevocable credit lines for € 610 million, of which € 260 million is due by September 30, 2009 and € 350 million at later expiration dates. Standard & Poor's rating of IFIL's long-term debt is "BBB+" and its short-term debt is "A-2", both with a stable outlook.

The positive change of € 396.8 million during the period is due to the following flows:

€ in millions		
Consolidated net financial position of the "Holdings System" at December 31, 2007		**(104.5)**
Dividends collected from investments		293.9
- Fiat S.p.A	145.5	
- Intesa Sanpaolo S.p.A.	110.2	
- SGS S.A.	26.2	
- Sequana S.A.	9.2	
- Gruppo Banca Leonardo S.p.A.	2.8	
Purchases of IFIL treasury stock		(103.7)
- 20,783,200 ordinary shares (2% of class of stock)	(99.8)	
- 917,000 savings shares (2.45% of class of stock)	(3.9)	
Dividends paid by IFIL S.p.A.		(106.2) (a)
Sale of Intesa Sanpaolo stock (1.2% of ordinary capital stock)		497.0
Investments		(101.9)
- Perfect Vision Limited convertible bonds	(58.1)	
- Banijay Holding (17.03% of capital stock)	(21.4)	
- Cushman & Wakefield (2.05% of capital stock)	(11.6)	
- NoCo B LP	(10.8)	
Other net changes		(82.3)
- Net general expenses	(19.5)	
- Special compensation to Mr Gabetti	(5.0)	
- Net writedowns on securities recorded in current financial assets and other net financial expenses	(51.7)	
- Sundry, net	(6.1)	
Net change during the period		**396.8**
Consolidated net financial position of the "Holdings System" at September 30, 2008		**292.3**

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

Significant events in the third quarter of 2008 are presented below.

Buyback of treasury stock

Under the Program for the buyback of ordinary and savings treasury stock voted by the IFIL S.p.A. board of directors' meeting on February 18, 2008, during the period July 1 to August 18, 2008, IFIL S.p.A. purchased on the market 7,805,000 ordinary shares (0.75% of the class of stock) at an average cost per share of € 4.33 for a total of € 33.8 million as well as 75,500 savings shares (0.20% of the class of stock) at an average cost per share of € 3.64 for a total of € 0.2 million, for a grand total of € 34 million.

At September 30, 2008, the overall investment amounts to € 103.7 million (about 69% of the maximum disbursement of € 150 million stated in the Program).

In its meeting of September 8, 2008, the board of directors confirmed the suspension of the program.

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

In July 2008, IFIL S.p.A. sold 141,716,165 Intesa Sanpaolo ordinary shares (equal to 1.2% of ordinary capital stock) on the market for net proceeds of € 497 million and a net capital gain of € 65.1 million on consolidation.

In October and in the first few days of November, IFIL S.p.A. sold another 30,200,000 Intesa Sanpaolo ordinary shares (equal to 0.25% of ordinary capital stock) on the market for net proceeds of € 101.4 million and a net gain of € 9.4 million on consolidation.

These transactions will be recognized in the last quarter of the year for accounting purposes.

After these sales, IFIL S.p.A. holds 118,000,000 shares equal to 1% of Intesa Sanpaolo S.p.A. ordinary capital stock.

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

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

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

Business outlook

For the first nine months of 2008, IFIL S.p.A. reported a profit of € 339.3 million mainly as a result of the dividends collected from investment holdings (€ 255.6 million) and the gain realized on the sale of a part of its investment in Intesa Sanpaolo (€ 141.7 million).

Therefore, the profit for the full-year 2008 is expected to be considerably higher than that reported in 2007 (which closed with a profit of € 123.4 million).

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

IFI S.p.A. INTERIM FINANCIAL STATEMENTS AT SEPTEMBER 30, 2008 AND NOTES

In view of the proposed merger by incorporation of IFIL S.p.A in IFI S.p.A. which will be submitted for approval at the next special shareholders' meetings of the two companies, it was decided to also publish in this report the interim separate financial statements of IFI S.p.A. at September 30, 2008 with notes commenting on the most important items.

IFI S.p.A. INTERIM FINANCIAL STATEMENTS
SEPARATE INCOME STATEMENT

Year		9 months to September 30		
2007	(€ in thousands)	**2008**	2007	Change
	Investment income (charges)			
67,817	Dividends from investments	**72,730**	67,817	4,913
91	Gains on the sale of investments and securities	**0**	72	(72)
(48)	Impairment losses on investments	**(50)**	0	(50)
67,860	**Net investment income**	**72,680**	67,889	4,791
	Financial income (expenses)			
(12,118)	Financial expenses from related parties	**(16,986)**	(7,634)	(9,352)
3,277	Financial income from third parties	**4,269**	2,188	2,081
15	Financial income from related parties	**0**	15	(15)
(8,826)	**Net financial expenses**	**(12,717)**	(5,431)	(7,286)
	Net general expenses			
(2,666)	Personnel costs	**(1,767)**	(1,570)	(197)
(874)	Purchases of goods and services from third parties	**(573)**	(638)	65
(1,094)	Purchases of goods and services from related parties	**(859)**	(823)	(36)
(1,028)	Other current operating expenses	**(723)**	(693)	(30)
(2)	Depreciation and amortization	**(2)**	(2)	0
(5,664)		**(3,924)**	(3,726)	(198)
269	Revenues from third parties	**0**	258	(258)
187	Revenues from related parties	**142**	149	(7)
(5,208)	**Net general expenses**	**(3,782)**	(3,319)	(463)
53,826	**Profit before income taxes**	**56,181**	59,139	(2,958)
647	**Income taxes**	**0**	0	0
54,473	**Profit for the period**	**56,181**	59,139	(2,958)

IFI S.p.A. INTERIM FINANCIAL STATEMENTS
SEPARATE BALANCE SHEET

€ in thousands	9/30/2008	12/31/2007	Change
Non-current assets			
Investments accounted for at cost	**2,242,763**	2,226,878	15,885
Other financial assets	**452**	228	224
Property, plant and equipment and intangible assets	**4**	1	3
Total Non-current assets	**2,243,219**	2,227,107	16,112
Current assets			
Cash and cash equivalents	**205**	166	39
Other financial assets	**1,213**	2,242	(1,029)
Tax receivables	**19,151**	18,970	181
Trade receivables from related parties	**135**	69	66
Other receivables	**82**	247	(165)
Total Current assets	**20,786**	21,694	(908)
Total Assets	**2,264,005**	2,248,801	15,204
Equity			
Capital stock	**163,251**	163,251	0
Capital reserves	**386,347**	386,347	0
Retained earnings and other reserves	**1,366,630**	1,313,173	53,457
Treasury stock	**(70,477)**	(70,477)	0
Profit for the period	**56,181**	54,473	1,708
Total Equity	**1,901,932**	1,846,767	55,165
Non-current liabilities			
Bank debt	**150,000**	100,000	50,000
Deferred tax liabilities	**3,333**	3,333	0
Provisions for employee benefits	**2,227**	2,145	82
Total Non-current liabilities	**155,560**	105,478	50,082
Current liabilities			
Bank debt	**204,786**	294,323	(89,537)
Other financial liabilities	**822**	1,035	(213)
Trade and other payables to related parties	**276**	147	129
Trade payables to third parties	**77**	146	(69)
Tax payables	**138**	159	(21)
Other payables	**414**	746	(332)
Total Current liabilities	**206,513**	296,556	(90,043)
Total Equity and liabilities	**2,264,005**	2,248,801	15,204

IFI S.p.A. INTERIM FINANCIAL STATEMENTS
SEPARATE STATEMENT OF CHANGES IN EQUITY

€ in thousands	Capital stock	Capital reserves	Retained earnings and other reserves	Treasury stock	Profit for the period	Total Equity
Equity at December 31, 2006	**163,251**	**386,347**	**1,096,937**	**(70,477)**	**217,625**	**1,793,683**
Movements among reserves			217,625		(217,625)	0
Fair value changes to cash flow hedge derivatives			(985)			(985)
Profit for the period					59,139	59,139
Net changes during the period	**0**	**0**	**216,640**	**0**	**(158,486)**	**58,154**
Equity at September 30, 2007	**163,251**	**386,347**	**1,313,577**	**(70,477)**	**59,139**	**1,851,837**
Movements among reserves						0
Fair value changes to cash flow hedge derivatives			(330)			(330)
Actuarial gains (losses) recognized directly in equity			(90)			(90)
Dividends statute-barred			16			16
Loss for the period					(4,666)	(4,666)
Net changes during the period	**0**	**0**	**(404)**	**0**	**(4,666)**	**(5,070)**
Equity at December 31, 2007	**163,251**	**386,347**	**1,313,173**	**(70,477)**	**54,473**	**1,846,767**
Movements among reserves			54,473		(54,473)	0
Fair value changes to cash flow hedge derivatives			(1,016)			(1,016)
Profit for the period					56,181	56,181
Net changes during the period	**0**	**0**	**53,457**	**0**	**1,708**	**55,165**
Equity at September 30, 2008	**163,251**	**386,347**	**1,366,630**	**(70,477)**	**56,181**	**1,901,932**

IFI S.p.A. INTERIM FINANCIAL STATEMENTS
STATEMENT OF RECOGNIZED INCOME AND EXPENSE

	9 months to September 30	
€ in thousands	**2008**	2007
Gains (losses) recognized directly in the cash flow hedge reserve	**(1,016)**	(985)
Actuarial gains (losses) recognized directly in equity	**0**	0
Income (expenses) recognized directly in equity	**(1,016)**	(985)
Profit for the period	**56,181**	59,139
Total recognized income and expense	**55,165**	58,154

IFI S.p.A. INTERIM FINANCIAL STATEMENTS
SEPARATE STATEMENT OF CASH FLOWS

	9 months to September 30	
€ in thousands	**2008**	2007
Cash and cash equivalents, at start of period	**166**	59,678
Cash flows from (used in) operating activities		
Profit for the period	**56,181**	59,139
Adjustments for:		
(Gains) on the sale of investments	**0**	(72)
Depreciation of property, plant and equipment	**2**	2
Impairment losses on investments	**50**	0
Total adjustments	**52**	(70)
Change in working capital:		
Change in other financial assets, current and non-current	**805**	670
Change in tax receivables	**(181)**	70
Change in trade receivables from related parties	**(66)**	42
Change in other receivables, current and non-current	**165**	271
Change in other payables, current and non-current	**(332)**	(316)
Change in other financial liabilities, current and non-current	**(213)**	1,378
Change in trade payables to related parties	**129**	43
Change in trade payables to third parties	**(69)**	(45)
Change in tax payables	**(21)**	(169)
Net change in provisions for employee benefits, excluding actuarial differences recognized in equity	**82**	188
Net change in working capital	**299**	2,132
Net cash flows from operating activities	**56,532**	61,201
Cash flows from (used in) investing activities		
Additions to investments, net of dividends recognized as a reduction of the purchase price	**(15,937)**	(263,276)
Sales of investments and other securities	**0**	127
Net change in property, plant and equipment and intangible assets	**(3)**	0
Net cash flows used in investing activities	**(15,940)**	(263,149)
Cash flows from (used in) financing activities		
Net change in bank debt, current and non-current	**(39,537)**	143,464
Fair value changes to cash flow hedge derivatives	**(1,016)**	(985)
Net cash flows from (used in) financing activities	**(40,553)**	142,479
Net increase (decrease) in cash and cash equivalents	**39**	(59,469)
Cash and cash equivalents, at end of period	**205**	209

IFI S.p.A. - NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS AT SEPTEMBER 30, 2008

The **profit** of IFI S.p.A. for the nine months ended September 30, 2008 is € 56.2 million, with a decrease of € 2.9 million compared to the nine months ended September 30, 2007 (€ 59.1 million). The decrease is due to higher dividends collected from IFIL S.p.A. (+€ 4.9 million) offset by higher net financial expenses (-€ 7.3 million) and higher net general expenses (-€ 0.5 million).

Equity amounts to € 1,901.9 million at September 30, 2008 and shows an increase of € 55.2 million compared to December 31, 2007 (€ 1,846.7 million) mainly due to the profit reported for the period.

Net financial position

The composition of the net financial position of IFI S.p.A. is the following:

	9/30/2008			12/31/2007		
€ in thousands	**Current**	**Non-current**	**Total**	Current	Non-current	Total
Other financial assets	**1,213**	**452**	**1,665**	2,242	228	2,470
Cash and cash equivalents	**205**	**0**	**205**	166	0	166
Total financial assets	**1,418**	**452**	**1,870**	2,408	228	2,636
Bank debt	**(204,786)**	**(150,000)**	**(354,786)**	(294,323)	(100,000)	(394,323)
Other financial liabilities	**(822)**	**0**	**(822)**	(1,035)	0	(1,035)
Total financial liabilities	**(205,608)**	**(150,000)**	**(355,608)**	(295,358)	(100,000)	(395,358)
Net financial position of IFI S.p.A.	**(204,190)**	**(149,548)**	**(353,738)**	(292,950)	(99,772)	(392,722)

Net indebtedness at September 30, 2008 amounts to € 353,738 thousand and coincides with the net financial position indicated above.

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

PLAN FOR COMPLIANCE WITH ARTICLES 36 AND 39 OF MARKET REGULATIONS

On November 14, 2008, IFI S.p.A. sent Consob the plan for compliance prepared according to article 39 of the Market Regulation issued by Consob and referring to the "Conditions for the listing of shares of companies with control over companies established and regulated under the law of non-EU countries" discussed under article 36 of the above Market Regulation (introduced pursuant to article 62, paragraph 3-bis of Legislative Decree 58/98, as amended on June 25, 2008 by resolution 16530).
A summary is presented below.

Scope of application
At June 30, 2008, the scope of consolidation of the IFI Group includes, besides IFIL S.p.A. and Juventus Football Club S.p.A., 237 subsidiaries consolidated line-by-line, of which 184 are in the Cushman & Wakefield (C&W) Group, 42 in the Alpitour Group 11 in the so-called "Holdings System".
The subsidiaries established and regulated under the law of non-EU countries (non-EU subsidiaries) number 167, of which 142 are in the C&W Group, 22 in the Alpitour Group and 3 in the Holdings System.

By "non-EU countries" is meant all those countries which are not included in the following list:

Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Republic of Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom.

Article 36, paragraph 1, letter a) of the Market Regulation requires that the financial statements of non-EU subsidiaries, prepared for the purpose of the consolidated financial statements and including at least the balance sheet and income statement, should be made available to the public. Said financial statements should be made available to the public in the manners indicated in part III, title II, chapter II, section V of the Market Regulation adopted by Consob in resolution 11971/1999, as amended.

For purposes of the preparation of the IFI Group consolidated financial statements, the IFI Group only uses the consolidated financial statements of the IFIL Group drawn up on the basis of International Financial Reporting Standards (IFRS) endorsed by the European Community pursuant to Regulation 1606/2002 and audited, pursuant to existing laws on the subject, by Deloitte & Touche S.p.A. (Italy).

The individual financial statements of the non-EU subsidiaries of the C&W and Alpitour Groups and the IFIL Holdings System are therefore neither reported to IFI S.p.A. nor used directly for purposes of the consolidation of the IFI Group. Accordingly, IFI S.p.A. has asked IFIL S.p.A. to send it, by the beginning of April of every year, a copy the financial statements (balance sheet and income statement) of all the non-EU subsidiaries that the same IFIL S.p.A. will make available to the public to comply with the Market Regulation. IFI S.p.A., in turn, will make the financial statements of the non-EU subsidiaries available to the public starting from the day after the meeting of the stockholders that approves the financial statements of each year.
Pursuant to Article 36, paragraph 2 of the Market Regulation, the financial statements of non-EU subsidiaries which are not materially significant, identified in accordance with the provisions of title VI, chapter II of the Market Regulation adopted by Consob in resolution 11971/1999, as amended, can be excluded.

Article 36, paragraph 1, letter b) of the Market Regulation requires that the bylaws and composition and powers of the control bodies should be obtained from the non-EU subsidiaries.

To this end, IFIL S.p.A. has set up a centralized reporting point and the electronic filing of such documentation and has written a procedure to ensure that the documentation is updated on a half-yearly basis, with reference to the financial statements at June 30, and December 31, of each year.

IFI S.p.A. has thus asked IFIL S.p.A. to send it a copy of the documentation relating to the non-EU subsidiaries of the C&W Group, the Alpitour Group and the IFIL Holdings System by November 14, 2008.

Article 36, paragraph 1, letter c) of the Market Regulation requires assurance that the non-EU subsidiaries provide the parent company auditor with the information necessary to perform the annual and interim audit of the parent and use an appropriate administrative and accounting system so that the income statement, balance sheet and financial data necessary for the preparation of the consolidated financial statements are regularly sent to management and the auditor of the parent.

For purposes of the preparation and audit of the annual and half-year consolidated financial statements, annually IFI S.p.A. agrees the timetable for the closing dates with its sole subsidiary, IFIL S.p.A. In turn, IFIL S.p.A. draws up instructions and a timetable for the closings and agrees them with the subsidiaries and associates. These instructions indicate, among other things, the scope of the audit work to be performed on the annual consolidated or individual financial statements or the half-year consolidated or individual financial statements in accordance with the Group Audit Plan agreed with Deloitte & Touche S.p.A., the audit firm charged with the audit.
Deloitte & Touche S.p.A., in turn, issues detailed instructions to the local auditors in their international network or, if necessary, to the other audit firms involved.

With regard to the C&W Group and the Alpitour Group, such activities are conducted by IFIL S.p.A. in collaboration with management and the auditors of the respective parents (Cushman & Wakefield Group Inc. and Alpitour S.p.A.) which draw up instructions for their own groups and, in particular, define the scope of audit work at the individual subsidiaries and associates.

Consistently with the procedures described and the levels of existing managerial responsibility within the IFIL Group, it is believed that in terms of substance, the C&W Group and the Alpitour Group presently use an appropriate administrative and accounting system for regular reporting to IFIL management and Deloitte & Touche S.p.A. of their consolidated data necessary for the preparation and audit of the IFIL Group annual and first-half consolidated financial statements.
In order to document, also from a formal point of view, the tests and communication flows at the lower levels of the control chain, IFIL S.p.A. has requested specific assurances from management of both Groups and asked the local auditors for a copy of the Audit Plan and to notify it without delay of any difficulties in obtaining the data necessary for performing the audit work.

IFI S.p.A. will acquire a copy of such documentation, as well as a copy of the instructions issued by IFIL S.p.A. and Deloitte & Touche S.p.A. and will keep it with the financial statement documentation that will be made available to IFI S.p.A.'s board of statutory auditors.

APPROVAL OF THE QUARTERLY REPORT AT SEPTEMBER 30, 2008 AND AUTHORIZATION FOR PUBLICATION

In its meeting held on November 14, 2008, the board of directors approved the quarterly report at September 30, 2008 and authorized its publication on the same date.

Turin, November 14, 2008

On behalf of the Board of Directors
The Chairman
John Elkann

DECLARATION ACCORDING TO ARTICLE 154-BIS, PARAGRAPH 2 OF THE CONSOLIDATED LAW ON FINANCE

The undersigned, Pierluigi Bernasconi, manager responsible for the preparation of the financial reports of IFI S.p.A., declares, in accordance with article 154-bis, paragraph 2 of the Consolidated Law on Finance, that the accounting disclosure contained in the quarterly report at September 30, 2008 of the IFI Group corresponds to the company's documents, accounting records and entries.

Turin, November 14, 2008

The manager responsible for the preparation of the
financial reports of the company
Pierluigi Bernasconi