

Key financial data - highlights

Application of IFRS

The Group's financial statements for 2005 and comparative periods have been drawn up in accordance with the International Financial Reporting Standards (IFRS) applicable at the date of preparation and on the basis of Appendix 3D to the Issuers' Regulations no. 11971 of May 14, 1999, and subsequent amendments and additions. Regarding financial year 2004, the year of first-time adoption of the IFRS, the section "Transition to IFRS" has been prepared (and is included below), which details the procedures followed for the transition, as well as the impact of the adoption of IFRS on the consolidated balance sheet, income statement, and statement of cash flows.

Key operating data

(millions of euro)	2005	%	2004	%	Change	%
Revenues	1,765	100.0	1,704	100.0	61	3.6
Gross operating income	770	43.6	775	45.5	(5)	(0.6)
Contribution margin	643	36.4	654	38.4	(11)	(1.6)
Ordinary operating result (*)	205	11.6	225	13.2	(20)	(8.7)
Operating profit	157	8.9	158	9.3	(1)	(0.4)
Net income for the year attributable to the Parent Company and minority interests	114	6.5	108	6.4	6	5.3
Net income for the year attributable to the Parent Company	112	6.3	109	6.4	3	2.8

(*) Ordinary operating result is indicated for the purposes of evaluating the performance of the company's core business and to aid financial analysts in using their models to analyze the company's results. This information is not required by either IFRS or US GAAP.

Key financial data

(millions of euro)	12.31.2005	12.31.2004
Working capital	688	711
Assets held for sale	8	8
Net capital employed	1,626	1,654
Net financial position	351	441
Total shareholders' equity	1,275	1,213
Free cash flow (normalized)	167 ^(A)	182 ^(B)
Net total investments/(disposals) (excluding purchase and sale of securities)	118	95

(A) Not including 118 million euro for the sale of financial assets.

(B) Not including the payment of substitute taxes of 124.5 million euro, the sale of the sports equipment segment, in the amount of 49 million euro, and the purchase of financial assets, in the amount of 90 million euro.

Financial ratios

<i>(in %)</i>	12.31.2005	12.31.2004
ROE (Net income / Equity)	8.87	9.02
ROI (Operating profit / Net capital employed)	9.67	9.54
EBITDA ((Operating profit + depreciation and amortization + other non-monetary costs) / Revenues)	16.20	18.30
ROS (Operating profit / Revenues)	8.90	9.26
Net income / Revenues	6.34	6.38

Share and market data

	12.31.2005	12.31.2004
Basic earnings per share (euro)	0.62	0.60
Shareholders' equity per share (euro)	6.95	6.64
Price at period end (euro)	9.62	9.74
Screen-based market: high (euro)	10.15	10.18
Screen-based market: low (euro)	7.01	8.33
Market capitalization (thousands of euro)	1,746,596	1,768,383
Average no. of shares outstanding	181,558,811	181,558,811
Number of shares outstanding	181,558,811	181,558,811

Number of personnel

	12.31.2005	12.31.2004
Total employees	7,978	7,424

2005 and 2004 financials by quarter

(millions of euro)	1st quarter	2nd quarter	1st half-year	3rd quarter	Nine months	4th quarter
2005						
Net revenues	383	459	842	446	1,288	477
Gross operating income	169	199	368	191	559	211
Contribution margin	142	166	308	160	468	176
Ordinary operating result (*)	37	58	95	45	140	65
Operating profit	37	58	95	43	138	20
Net income attributable to the Group	27	36	63	26	89	23
Earnings per share (euro)						
- basic earnings per share	0.14	0.20	0.35	0.15	0.50	0.13
2004						
Net revenues	n.a.	n.a.	860	393	1,253	451
Gross operating income	n.a.	n.a.	380	180	560	215
Contribution margin	n.a.	n.a.	320	152	472	182
Ordinary operating result (*)	n.a.	n.a.	116	49	165	60
Operating profit	n.a.	n.a.	102	50	152	6
Net income attributable to the Group	n.a.	n.a.	69	35	104	5
Earnings per share (euro)						
- basic earnings per share	n.a.	n.a.	0.38	0.19	0.56	0.03

(*) Ordinary operating result is indicated for the purposes of evaluating the performance of the Company's core business and to aid financial analysts in using their models to analyze the Company's results. This information is not required by either IFRS or US GAAP.

The data for the first and second quarter of 2004 were not prepared, as they were not required during the transition to IFRS.