

**Auditors' report in accordance with Article 156 of Law Decree no. 58
dated February 24, 1998**

To the Shareholders of Benetton Group S.p.A.

1. We have audited the consolidated financial statements, which comprise the balance sheet, income statement, cash flow statement, statement of changes in shareholders' equity and the related notes of Benetton Group S.p.A. and its subsidiaries (together "Gruppo Benetton") as of December 31, 2005. These consolidated financial statements are the responsibility of the Directors of Benetton Group S.p.A. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The aforementioned consolidated financial statements have been prepared for the first time in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union.
2. We conducted our audit in accordance with the auditing standards and criteria recommended by CONSOB. In accordance with those standards and criteria, the audit has been planned and performed to obtain the necessary assurance about whether the consolidated financial statements are free of material misstatement and, taken as a whole, are reliable. An audit includes examining, on a sample basis, evidence supporting the amounts and disclosures in the financial statements, as well as assessing the appropriateness of the accounting principles used and the reasonableness of the estimates made by the Directors. We believe that our audit provides a reasonable basis for our opinion.

The consolidated financial statements present the prior year corresponding figures prepared in accordance with the same accounting principles. Furthermore, the note "Transition to IFRS" explains the effects of the transition to IFRS as adopted by the European Union and includes the information related to the Reconciliation Schedules required by IFRS 1, which have been approved and published as a section of the semiannual reports as at June 30, 2005, that we have audited, reference is made to our report dated September 22, 2005.

3. In our opinion, the consolidated financial statements of Benetton Group S.p.A. as of December 31, 2005 comply with IFRS as adopted by the European Union; accordingly, they give a true and fair view of the financial position, the results of operations, the changes in shareholders' equity and cash flows of Benetton Group S.p.A. for the year then ended.

Treviso, April 7, 2006

PricewaterhouseCoopers S.p.A.

Signed by Roberto Adami (Partner)

(This report has been translated from the original which was issued in accordance with Italian legislation.

References in this report to the Financial Statement refer to the Financial Statement in original Italian and not to their translation)