

BENETTON GROUP STOCKHOLDERS APPROVE THE PROPOSAL FOR THE MERGER OF CALZATURIFICIO DI VARESE

Ponzano, Italy, 22 October 1997. Benetton Group S.p.A. stockholders approved the proposal for the merger of Calzaturificio di Varese S.p.A. into Benetton Group at an extraordinary meeting held today, chaired by Luciano Benetton. The operation is part of Benetton Group's manufacturing and commercial reorganisation programme. The merger will be carried out on the basis of each company's assets and liabilities as of 30th June 1997.

UNITED COLORS
OF BENETTON.

The 142,292,589 shares of Calzaturificio di Varese owned by Benetton Group S.p.A. will be cancelled. The 2,110,191 shares owned by minority investors will be exchanged at a ratio of one Benetton Group share for every 92 Calzaturificio di Varese shares held, through the issue of 22,937 Benetton Group ordinary shares with a nominal value of 500 lire each, start of entitlement date 1st January 1997.