

BENETTON RAISES ITS HOLDING IN CALZATURIFICIO DI VARESE AND LAUNCHES PUBLIC OFFER FOR THE REMAINING SHARES

Ponzano, January 23, 1996. The Board of Benetton Group S.p.A. has resolved to increase the Group's interest in Calzaturificio di Varese S.p.A. from 63.08% to 85.92%. To accomplish this, Benfin S.p.A. will acquire the 22.84% stake currently held by Edizione Holding S.p.A., the parent company, and will launch a public offer to acquire the remaining 14.08% of capital stock.

Calzaturificio di Varese S.p.A. produces and retails footwear and related items; the company is listed on Milan's OTC market.

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The positioning of Benfin S.p.A. as the subsidiary with potentially total ownership of Calzaturificio di Varese S.p.A. is part of a program, soon to be completed, to rationalize the structure of the Benetton Group. This action focuses Benfin S.p.A. as the sub-holding company with a majority interest in the Group's manufacturing companies: from Galli Filati S.p.A. to Texcontrol S.p.A., and from Manifatture Stefani S.p.A. to Maglificio Fontane S.p.A.

The Board of Benetton Group S.p.A. has recommended a price of lire 330 per share for both the consideration payable to Edizione Holding S.p.A. and the unit price for the public offer. This price was determined with reference to an appraisal of Calzaturificio di Varese S.p.A. performed as of December 31, 1995, by experts unrelated to the Benetton Group who applied valuations techniques that reflect the methodologies generally accepted in Italian and international practice. The Board also took into account the performance of the share price over the last six months of the year.