

Industrie Zignago Santa Margherita SpA

PRESS RELEASE

BOARD OF DIRECTORS' MEETING OF 21 OCTOBER 2005

In its meeting of today, after examining the communication released on 10 October 2005 by ZI.FI S.r.l. (the "**Offerer**") pursuant to Article 37(5) of the Issuers' Regulation (as defined below) and the draft of the tender offer document filed by the Offerer with CONSOB on the same date pursuant to Article 102 of the *Testo Unico* ("Consolidated Finance Act"), both regarding the public tender offer submitted by the Offerer for the purchase of the remaining ordinary shares of the Issuer pursuant to Article 108 and 109(1)(a) of the *Testo Unico* (as defined below), and having taken into account the conclusions of the financial advisor, Banca IMI, the Board of Directors of Industrie Zignago Santa Margherita S.p.A. (the "**Issuer**") have approved the Issuer's Statement pursuant to Article 103(3) of Italian legislative decree no. 58 of 24 February 1998 (the "**Testo Unico**") and Article 39 of CONSOB regulation no. 11971 of 14 May 1999 (the "**Issuers' Regulation**"), as amended and supplemented.

The statement is to be attached to the tender offer document and made public in accordance with applicable laws and regulations.

For further information:

Roberto Celot

Investor Relations Manager

Telephone: +39 0421 246.583

Fax: +39 0421 246.246

e-mail: r.celot@zignago.com

This press release will also be available on the company's web site: www.zignago.com

Fossalta di Portogruaro, 21 October 2005