

Company **COMPAGNIA ASSICURATRICE UNIPOL - Società per Azioni**

Share capital subscribed ITL **281,728,504,000** Paid-up ITL **281,728,504,000**

Head offices in **BOLOGNA - Via Stalingrado, 45**

Company Register n° 14602/BO

ANNUAL ACCOUNTS

Balance Sheet

1999 Financial Year

(Amounts in ITL)

as at 31 December 1998

	carried forward		80,332,396,627
216	52,924,648,597		
217	603,750,000		
218	0	219	53,528,398,597
		220	2,299,639,000
221	4,091,801,571,536		
222	548,541,152,878		
223	2,383,734,965	224	4,642,726,459,379
225	38,174,501,275		
226	36,521,564,278		
227	2,410,885,491	228	77,106,951,044
		229	0
		230	2,479,650,000
		231	529,564,338,876
		232	5,307,705,436,896
		233	69,721,328,253
		234	7,036,951,175,785
		235	128,363,098,124
		236	0
		237	128,363,098,124
		238	42,795,927,992
		239	108,043,173,916
		240	0
		241	0
		242	150,839,101,908
		243	296,697,374,256
		244	0
		245	1,421,004,975
		246	0
		247	0
		248	0
		249	298,118,379,231
		250	448,957,481,139
	to carry forward		7,694,604,151,675

BALANCE SHEET

ASSETS

as at 31 December 1999

	carried forward		8,485,976,665,413
E. DEBTORS			
I - Debtors arising out of direct insurance operations:			
1. Policyholders			
a) premiums for the year	⁷¹ 257,287,201,893		
b) prior years' premiums	⁷² 10,986,021,691	⁷³ 268,273,223,584	
2. Insurance intermediaries		⁷⁴ 130,489,211,027	
3. Insurance undertakings - amounts receivable		⁷⁵ 23,225,981,373	
4. Policyholders and third parties - amounts recoverable	⁷⁶ 30,437,055,566	⁷⁷ 452,425,471,550	
II - Debtors arising out of reinsurance operations:			
1. Insurance and reinsurance undertakings	⁷⁸ 145,635,234,421		
2. Reinsurance intermediaries	⁷⁹ 8,533,181	⁸⁰ 145,643,767,602	
III - Other debtors		⁸¹ 91,321,791,610	⁸² 689,391,030,762
F. OTHER ASSETS			
I - Tangible assets and stocks			
1. Furnishings, office equipment, internal means of transportation	⁸³ 2,779,579,136		
2. Movable goods in public registers	⁸⁴ 255,511,525		
3. Fixtures, fittings and equipment	⁸⁵ 5,829,877,596		
4. Stocks and sundry goods	⁸⁶ 0	⁸⁷ 8,864,968,257	
II - Cash at bank and in hand			
1. Deposits with credit institutions and post office accounts	⁸⁸ 233,732,947,354		
2. Cheques and cash in hand	⁸⁹ 381,958,773	⁹⁰ 234,114,906,127	
III - Own shares		⁹¹ 13,025,164,117	
IV - Other assets			
1. Deferred reinsurance accounts receivable	⁹² 22,381,609,648		
2. Sundry assets	⁹³ 49,336,322,158	⁹⁴ 71,717,931,806	⁹⁵ 327,722,970,307
G. PREPAYMENTS AND ACCRUED INCOME			
1. Interest		⁹⁶ 70,336,603,120	
2. Rent		⁹⁷ 356,767,208	
3. Other prepayments and accrued income		⁹⁸ 1,315,388,724	⁹⁹ 72,008,759,052
TOTAL ASSETS			¹⁰⁰ 9,575,099,425,534

as at 31 December 1998

	carried forward		7,694,604,151,675
²⁵¹	243,359,771,484		
²⁵²	10,387,131,648	²⁵³	253,746,903,132
		²⁵⁴	116,067,427,454
		²⁵⁵	26,375,916,317
		²⁵⁶	30,464,494,000
		²⁵⁷	426,654,740,903
		²⁵⁸	120,533,923,023
		²⁵⁹	686,060
		²⁶⁰	120,534,609,083
		²⁶¹	103,368,794,851
		²⁶²	650,558,144,837
		²⁶³	3,146,689,880
		²⁶⁴	422,749,724
		²⁶⁵	3,578,849,662
		²⁶⁶	0
		²⁶⁷	7,148,289,266
		²⁶⁸	139,829,323,183
		²⁶⁹	244,144,015
		²⁷⁰	140,073,467,198
		²⁷¹	6,375,499,080
		²⁷²	20,377,596,716
		²⁷³	66,042,747,945
		²⁷⁴	86,420,344,661
		²⁷⁵	240,017,600,205
		²⁷⁶	74,995,067,395
		²⁷⁷	789,785,043
		²⁷⁸	777,522,317
		²⁷⁹	76,562,374,755
		²⁸⁰	8,661,742,271,472

BALANCE SHEET

LIABILITIES

as at 31 December 1999

A. CAPITAL AND RESERVES				
I	- Subscribed share capital or equivalent funds	101	281,728,504,000	
II	- Share premium reserve	102	569,544,276,200	
III	- Revaluation reserves	103	40,082,482,173	
IV	- Legal reserve	104	51,558,886,600	
V	- Statutory reserves	105	0	
VI	- Reserves for own shares and holding company's shares	106	31,732,673,267	
VII	- Other reserves	107	242,998,248,927	
VIII	- Profit (loss) brought forward	108	0	
IX	- Profit (loss) for the financial year	109	76,014,024,896	110 1,293,659,096,063
B. SUBORDINATED LIABILITIES				111 0
C. TECHNICAL PROVISIONS				
I - NON-LIFE INSURANCE BUSINESS				
1.	Provision for unearned premiums	112	747,193,573,147	
2.	Provision for claims outstanding	113	2,218,271,837,534	
3.	Provision for bonuses and rebates	114	3,405,000,000	
4.	Other technical provisions	115	977,676,799	
5.	Equalization provision	116	791,004,458	117 2,970,639,091,938
II - LIFE ASSURANCE BUSINESS				
1.	Mathematical provisions	118	4,383,563,802,176	
2.	Ancillary risks - provision for unearned premiums	119	0	
3.	Provision for amounts payable	120	21,333,858,747	
4.	Provision for bonuses and rebates	121	671,208,753	
5.	Other technical provisions	122	54,430,853,510	123 4,459,999,723,186 124 7,430,638,815,124
D. TECHNICAL PROVISIONS FOR LIFE ASSURANCE POLICIES WHERE INVESTMENT RISK IS BORNE BY POLICYHOLDERS AND PENSION FUND MANAGEMENT PROVISION				
I	- Technical provisions for life assurance policies with benefits linked to unit trusts and market indexes	125	198,168,571,901	
II	- Pension fund management provision	126	7,030,047,322	127 205,198,619,223
	to carry forward			8,929,496,530,410

as at 31 December 1998

	281	257,752,528,000	
	282	504,358,776,200	
	283	40,082,482,173	
	284	48,116,223,442	
	285	0	
	286	25,083,008,230	
	287	234,254,167,954	
	288	0	
	289	58,484,293,926	290 1,168,131,479,925
			291 0
292		732,744,271,561	
293		1,986,886,225,310	
294		2,660,000,000	
295		992,733,385	
296	297	687,513,507 2,723,970,743,763	
298		3,988,576,333,778	
299		0	
300		13,354,342,118	
301		652,816,132	
302	303	50,445,836,921 4,053,029,328,949	304 6,777,000,072,712
	305	128,294,865,111	
	306	0	307 128,294,865,111
to carry forward			8,073,426,417,748

BALANCE SHEET

LIABILITIES

as at 31 December 1999

	carried forward			8,929,496,530,410
E. PROVISIONS FOR OTHER RISKS AND CHARGES				
1.	Provisions for pensions and similar obligations	128	0	
2.	Provisions for taxation	129	6,036,829,240	
3.	Other provisions	130	6,509,054,134	131 12,545,883,374
F. DEPOSITS RECEIVED FROM REINSURERS				
				132 146,566,370,042
G. CREDITORS AND OTHER LIABILITIES				
I - Creditors arising out of direct insurance operations:				
1.	Insurance intermediaries	133	3,819,919,127	
2.	Insurance undertakings - accounts payable	134	8,266,370,607	
3.	Policyholders - deposits and premiums	135	1,744,417,000	
4.	Policyholders - guarantee funds	136	5,441,252,886	137 19,271,959,620
II - Creditors arising out of reinsurance operations:				
1.	Insurance and reinsurance undertakings	138	24,607,534,955	
2.	Reinsurance intermediaries	139	742,297,186	140 25,349,832,141
III - Debenture loans				
		141	0	
IV - Amounts owed to credit institutions				
		142	0	
V - Debts secured by a lien on property				
		143	23,475,920,304	
VI - Sundry borrowings and other financial payables				
		144	8,186,789,323	
VII - Staff leaving indemnity				
		145	43,890,215,259	
VIII - Other creditors:				
1.	Policyholders' tax due	146	39,024,379,728	
2.	Sundry taxes	147	69,712,242,373	
3.	Social security contributions	148	8,726,920,844	
4.	Sundry creditors	149	28,000,694,803	150 145,464,237,748
IX - Other liabilities				
1.	Deferred reinsurance accounts payable	151	47,591,800,847	
2.	Commissions on pending premiums	152	37,960,812,898	
3.	Sundry liabilities	153	114,202,424,686	154 199,755,038,431 155 465,393,992,826
	to carry forward			9,554,002,776,652

as at 31 December 1998

carried forward		8,073,426,417,748
	308	0
	309	13,016,255,240
	310	9,109,605,185
	311	22,125,860,425
	312	143,698,748,615
313	4,288,545,298	
314	5,424,282,815	
315	2,090,081,550	
316	2,700,306,598	317
		14,503,216,261
318	26,058,027,211	
319	783,719,329	320
		26,841,746,540
		321
		0
		322
		108,168
		323
		9,001,199,281
		324
		3,821,628,384
		325
		42,585,528,483
326	36,994,476,272	
327	69,304,698,648	
328	8,255,123,124	
329	20,500,359,177	330
		135,054,657,221
331	42,793,294,904	
332	36,612,863,152	
333	89,850,818,215	334
		169,256,976,271
		335
		401,065,060,609
to carry forward		8,640,316,087,397

BALANCE SHEET

LIABILITIES

as at 31 December 1999

carried forward		9,554,002,776,652
H. ACCRUALS AND DEFERRED INCOME		
1. Interest	156 20,525,661,707	
2. Rent	157 569,912,892	
3. Other accruals and deferred income	158 1,074,283	159 21,096,648,882
TOTAL LIABILITIES		160 9,575,099,425,534

BALANCE SHEET

GUARANTEES, COMMITMENTS AND OTHER MEMORANDUM ACCOUNTS

as at 31 December 1999

GUARANTEES, COMMITMENTS AND OTHER MEMORANDUM ACCOUNTS		
I - Guarantees by the Company		
1. Surety bonds		161 3,844,418,090
2. Endorsements		162 0
3. Other unsecured guarantees		163 15,817,218
4. Guarantees secured by a lien on property		164 0
II - Guarantees by third parties		
1. Surety bonds		165 187,792,954,651
2. Endorsements		166 0
3. Other unsecured guarantees		167 131,800,000
4. Guarantees secured by a lien on property		168 11,175,209,962
III - Guarantees by third parties in favour of the Company		169 17,628,686,481
IV - Commitments		170 3,334,898,880,880
V - Third parties' assets held in deposit		171 181,846,840
VI - Pension fund assets managed on behalf of third parties		172 91,938,912,551
VII - Securities deposited with third parties		173 6,551,232,126,967
VIII - Other memorandum accounts		174 8,612,188,089

as at 31 December 1998

carried forward		8,640,316,087,397
	336	20,773,420,581
	337	647,334,610
	338	5,428,884
	339	21,426,184,075
	340	8,661,742,271,472

as at 31 December 1998

	341	135,350,000
	342	0
	343	15,465,674
	344	0
	345	175,699,299,686
	346	0
	347	15,524,238,356
	348	11,884,329,171
	349	13,561,431,640
	350	3,407,274,953,194
	351	84,552,773,328
	352	0
	353	6,731,600,189,811
	354	8,924,463,189

Company **COMPAGNIA ASSICURATRICE UNIPOL - Società per Azioni**

Share capital subscribed ITL **281,728,504,000** Paid-up ITL **281,728,504,000**

Head offices in **BOLOGNA - Via Stalingrado, 45**

Company Register n° 14602/BO

ANNUAL ACCOUNTS

Profit and Loss Account

1999 Financial Year

(Amounts in ITL)

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1999

I. TECHNICAL ACCOUNT - NON-LIFE INSURANCE BUSINESS		
1. EARNED PREMIUMS, NET OF REINSURANCE:		
a) Gross premiums written	1 2,043,936,507,472	
b) (-) Outward reinsurance premiums	2 190,458,670,081	
c) Change in the provision for unearned gross premiums	3 25,015,723,167	
d) Change in the provision for unearned premiums, reinsurers' share	4 4,943,783,998	5 1,833,405,898,222
2. (+) ALLOCATED INVESTMENT RETURN TRANSFERRED FROM THE NON-TECHNICAL ACCOUNT (ITEM III.6)		6 70,224,879,891
3. OTHER TECHNICAL INCOME, NET OF REINSURANCE		7 5,077,467,568
4. CLAIMS INCURRED, NET OF SUMS RECOVERABLE AND REINSURANCE:		
a) Claims paid		
aa) Gross amount	8 1,437,758,977,073	
bb) (-) reinsurers' share	9 93,959,489,647 10 1,343,799,487,426	
b) Change in the sums recoverable, net of reinsurers' share		
aa) Gross amount	11 39,632,504,287	
bb) (-) reinsurers' share	12 1,446,405,552 13 38,186,098,735	
c) Change in the provision for claims		
aa) Gross amount	14 242,914,354,644	
bb) (-) reinsurers' share	15 21,646,249,299 16 221,268,105,345	17 1,526,881,494,036
5. CHANGES IN OTHER TECHNICAL PROVISIONS, NET OF REINSURANCE		18 -15,056,586
6. BONUSES AND REBATES, NET OF REINSURANCE		19 6,175,930,119
7. OPERATING EXPENSES:		
a) Acquisition commissions	20 277,844,888,292	
b) Other acquisition costs	21 33,428,381,863	
c) Change in deferred acquisition commissions and costs	22 255,618,000	
d) Renewal commissions	23 45,806,152,650	
e) Administrative expenses	24 74,345,161,661	
f) (-) Reinsurance commissions and profit participation	25 68,679,570,979	26 362,489,395,487
8. OTHER TECHNICAL CHARGES, NET OF REINSURANCE		27 4,557,913,132
9. CHANGE IN THE EQUALIZATION PROVISIONS		28 103,490,951
10. BALANCE ON THE TECHNICAL ACCOUNT FOR NON-LIFE INSURANCE BUSINESS (Item III.1)		29 8,515,078,542

for the year ended 31 December 1998

		111	1,900,547,575,582			
		112	180,225,619,882			
		113	48,895,461,289			
		114	4,416,119,880	115	1,675,842,614,291	
				116	76,718,979,477	
				117	1,113,100,481	
	118	1,400,145,777,346				
	119	99,844,567,568	120	1,300,301,209,778		
	121	42,930,672,701				
	122	2,198,529,413	123	40,732,143,288		
	124	174,191,011,752				
	125	6,357,136,778	126	167,833,874,974	127	1,427,402,941,464
				128	24,128,243	
				129	2,660,000,000	
		130	266,822,249,911			
		131	36,882,480,589			
		132	998,220,000			
		133	44,771,827,202			
		134	74,494,037,458			
		135	61,489,266,962	136	360,483,108,198	
				137	5,541,240,087	
				138	89,732,779	
				139	-42,526,456,522	

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1999

II. TECHNICAL ACCOUNT - LIFE ASSURANCE BUSINESS			
1. WRITTEN PREMIUMS, NET OF REINSURANCE:			
a) Gross premiums written	30	708,396,023,787	
b) (-) Outward reinsurance premiums	31	13,984,773,325	32 694,411,250,462
2. INVESTMENT INCOME:			
a) Income from shares and participating interests	33	4,004,413,111	
(of which derived from affiliated undertakings	34	1,780,950,600)	
b) Income from other investments:			
aa) income from land and buildings	35	1,409,211,305	
bb) income from other investments	36	253,237,114,697	37 254,646,326,002
(of which derived from affiliated undertakings	38	2,388,255,625)	
c) Value re-adjustments on investments	39	276,678,404	
d) Realized gains on investments	40	59,538,727,781	
(of which derived from affiliated undertakings	41	0)	42 318,466,145,298
3. INVESTMENT INCOME AND UNREALIZED GAINS ON INVESTMENTS FOR LIFE ASSURANCE POLICIES WHERE INVESTMENT RISK IS BORNE BY POLICYHOLDERS AND FOR PENSION FUNDS			43 7,381,867,463
4. OTHER TECHNICAL INCOME, NET OF REINSURANCE			44 2,770,002,448
5. CLAIMS INCURRED, NET OF REINSURANCE:			
a) Claims paid:			
aa) Gross amount	45	367,624,064,431	
bb) (-) Reinsurers' share	46	36,189,485,878	47 331,434,578,553
b) Change in the provision for claims:			
aa) Gross amount	48	7,929,260,682	
bb) (-) Reinsurers' share	49	296,541,431	50 7,632,719,251
51 339,067,297,804			
6. CHANGE IN THE MATHEMATICAL PROVISIONS AND OTHER TECHNICAL PROVISIONS, NET OF REINSURANCE:			
a) Mathematical provisions, net of reinsurance:			
aa) Gross amount	52	396,301,822,775	
bb) (-) Reinsurers' share	53	-4,569,521,813	54 400,871,344,588
b) Ancillary risks - provision for unearned premiums			
aa) Gross amount	55	0	
bb) (-) Reinsurers' share	56	0	57 0
c) Other technical provisions:			
aa) Gross amount	58	3,985,016,589	
bb) (-) Reinsurers' share	59	0	60 3,985,016,589
d) Technical provisions for life assurance policies where investment risk is borne by policyholders and pension fund management provision			
aa) Gross amount	61	76,903,754,112	
bb) (-) Reinsurers' share	62	0	63 76,903,754,112
64 481,760,115,289			

for the year ended 31 December 1998

		140	681,810,672,791			
		141	15,387,753,765	142	666,422,919,026	
		143	653,162,046			
(of which derived from affiliated undertakings		144	0)			
	145		2,782,353,291			
	146	281,062,589,170	147	283,844,942,461		
(of which derived from affiliated undertakings		148	3,490,638,408)			
		149	2,197,349,339			
		150	35,969,795,627			
(of which derived from affiliated undertakings		151	0)	152	322,665,249,473	
				153	20,337,017,913	
				154	5,600,638,798	
	155	300,802,404,584				
	156	29,253,229,463	157	271,549,175,121		
	158	147,286,255				
	159	-296,180,807	160	443,467,062	161	271,992,642,183
	162	470,011,666,303				
	163	4,441,480,123	164	465,570,186,180		
	165	0				
	166	0	167	0		
	168	8,184,411,186				
	169	0	170	8,184,411,186		
	171	75,676,443,204				
	172	0	173	75,676,443,204	174	549,431,040,570

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1999

7. BONUSES AND REBATES, NET OF REINSURANCE			65	1,113,421,868
8. OPERATING EXPENSES:				
a) Acquisition commissions	66	27,805,789,460		
b) Other acquisition costs	67	12,079,125,699		
c) Change in deferred acquisition commissions and costs	68	945,124,893		
d) Renewal commissions	69	13,474,640,173		
e) Administrative expenses	70	18,926,647,718		
f) (-) Reinsurance commissions and profit participation	71	2,357,082,659	72	68,983,995,498
9. INVESTMENT CHARGES:				
a) Investment management charges, including interest	73	53,583,562,617		
b) Value adjustments on investments	74	13,587,603,878		
c) Realized losses on investments	75	7,085,129,777	76	74,256,296,272
10. INVESTMENT CHARGES AND UNREALIZED LOSSES ON INVESTMENTS FOR LIFE ASSURANCE POLICIES WHERE INVESTMENT RISK IS BORNE BY POLICYHOLDERS AND FOR PENSION FUNDS			77	6,882,913,045
11. OTHER TECHNICAL CHARGES, NET OF REINSURANCE			78	7,282,980,783
12. (-) ALLOCATED INVESTMENT RETURNS TRANSFERRED TO THE NON-TECHNICAL ACCOUNT (item III.4)			79	6,564,349,026
13. BALANCE ON THE TECHNICAL ACCOUNT - LIFE ASSURANCE BUSINESS (Item III.2)			80	37,117,896,086
III. NON-TECHNICAL ACCOUNT				
1. BALANCE ON THE TECHNICAL ACCOUNT - NON-LIFE INSURANCE BUSINESS (item I.10)			81	8,515,078,542
2. BALANCE ON THE TECHNICAL ACCOUNT - LIFE ASSURANCE BUSINESS (item II.13)			82	37,117,896,086
3. INVESTMENT INCOME - NON-LIFE INSURANCE BUSINESS:				
a) Income from shares and participating interests	83	7,829,743,337		
(of which derived from affiliated undertakings	84	1,568,028,709)		
b) Income from other investments:				
aa) income from land and buildings	85	33,824,944,005		
bb) income from other investments	86	75,519,493,106	87	109,344,437,111
(of which derived from affiliated undertakings	88	1,559,460,702)		
c) Value re-adjustments on investments	89	333,787,971		
d) Realized gains on investments	90	30,843,187,302		
(of which derived from affiliated undertakings	91	275,828,788)	92	148,351,155,721

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1999

4. (+) ALLOCATED INVESTMENT RETURNS TRANSFERRED FROM LIFE ASSURANCE TECHNICAL ACCOUNT (item II.12)		93	6,564,349,026
5. INVESTMENT CHARGES - NON-LIFE INSURANCE BUSINESS:			
a) Investment management charges, including interest	94	36,449,084,827	
b) Value adjustments on investments	95	22,129,108,165	
c) Realized losses on investments	96	2,075,940,400	97
6. (-) ALLOCATED INVESTMENT RETURNS TRANSFERRED TO NON-LIFE INSURANCE TECHNICAL ACCOUNT (item I 2)		98	70,224,879,891
7. OTHER INCOME		99	35,501,307,280
8. OTHER CHARGES		100	25,282,426,137
9. BALANCE ON ORDINARY ACTIVITIES		101	79,888,347,235
10. EXTRAORDINARY INCOME		102	52,147,177,543
11. EXTRAORDINARY CHARGES		103	1,449,158,882
12. BALANCE ON EXTRAORDINARY ACTIVITIES		104	50,698,018,661
13. PROFIT BEFORE TAXATION		105	130,586,365,896
14. TAX ON PROFIT		106	54,572,341,000
15. PROFIT (OR LOSS) FOR THE FINANCIAL YEAR		107	76,014,024,896

for the year ended 31 December 1998

		203	36,188,160,547
204	37,257,325,272		
205	15,663,477,502		
206	1,227,646,069	207	54,148,448,843
		208	76,718,979,477
		209	48,786,005,422
		210	38,492,497,421
		211	59,635,665,562
		212	53,403,277,846
		213	2,262,515,482
		214	51,140,762,364
		215	110,776,427,926
		216	52,292,134,000
		217	58,484,293,926

