

UPDATED INFORMATION DOCUMENT

Published on 9 October 2013 and drawn up jointly by Fondiaria-SAI S.p.A. with Premafin Finanziaria S.p.A. – Group Holding Company, Milano Assicurazioni S.p.A. and Unipol Assicurazioni S.p.A., pursuant to Art. 70, paragraph 6, of the Regulations approved by Consob resolution no. 11971 of 14 May 1999, as amended and modified, and subsequently supplemented by the Addendum to the Information Document published on 22 October 2013

MERGER BY INCORPORATION

OF

PREMAFIN FINANZIARIA S.P.A. - HOLDING DI PARTECIPAZIONI, UNIPOL ASSICURAZIONI S.P.A. AND MILANO ASSICURAZIONI S.P.A.

INTO

FONDIARIA-SAI S.P.A.

The Updated Information Document, as subsequently updated, was recognized as equivalent by Consob decision communicated on 24 December 2013 for purposes of Art. 57, paragraph 1, letter d) of the Regulation approved by Consob resolution No. 11971 of 14 May 1999, as subsequently amended and supplemented.

24 December 2013

Disclaimer on the English Translation

This Updated Information Document contains an unofficial and courtesy English language translation (the "Translation") of substantially all of the official Updated Information Document prepared in the Italian language for the purposes of the merger by incorporation of Premafin Finanziaria S.p.A. – Holding di Partecipazioni, Unipol Assicurazioni S.p.A. and Milano Assicurazioni S.p.A. in Fondiaria-Sai S.p.A., which was published on the website their respective websites: www.fondiaria-sai.it, www.premafin.it, www.unipolassicurazioni.it and www.milass.it, on 24 December 2013. The Italian Updated Information Document contains information about Fondiaria-Sai S.p.A., Premafin Finanziaria S.p.A. – Holding di Partecipazioni, Unipol Assicurazioni S.p.A. and Milano Assicurazioni S.p.A. and the merger by incorporation.

This document does not include the translation of the documents listed in the Appendices, which are included in the original Italian version of the Information Document.

The Translation is provided to shareholders of Fondiaria-Sai S.p.A., Premafin Finanziaria S.p.A. – Holding di Partecipazioni, Unipol Assicurazioni S.p.A. and Milano Assicurazioni S.p.A. for information purposes only and for ease of reference and should not be relied upon. In the event of any ambiguity about the meaning of certain translated terms or of any discrepancy between the Italian Updated Information Document and the Translation, the Italian Updated Information Document shall prevail.

In any case, the Translation does not contain - and shall not be interpreted as containing - any recommendation or suggestion, directly or indirectly to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan, security or any issuer in any market or jurisdiction, directly or indirectly connected in any manner with the information provided in the Translation.

Disclaimer

This Updated Information Document has been drawn up pursuant to Italian law and therefore cannot be, wholly or partially, in the original or in copy, disseminated, directly or indirectly, in other jurisdictions and, in particular, Australia, Japan, Canada or the United States of America and/or communicated to an investor in these Countries.

Dissemination of this Updated Information Document in any jurisdiction (with the exception of Italy), including Australia, Japan, Canada or the United States of America, may be subject to special laws and restrictions. All persons who gain possession of this Updated Information Document must verify, before reading it, whether or not such laws and restrictions exist and in all cases comply with them.

Failure to respect these laws and restrictions may constitute a criminal offense in the relevant jurisdiction.

Forecasts and Estimates

This Updated Information Document includes provisional estimates and calculations concerning Fonsai, Milano Assicurazioni, Premafin and Unipol Assicurazioni, including their aggregate business after completing the Merger.

This information, provided solely as an indication, does not represent hard facts and includes financial projections and estimates as well the corresponding key assumptions, statements concerning plans, objectives and expectations with regard to future transactions, products and services and forecasts concerning the financial performance in the coming financial years. Forecasts and estimated data are, in general, identified by expressions such as “we expect”, “we believe”, “it is possible”, “it is forecasted”.

Although the Companies Participating in the Merger consider these forecasts and estimates to be reasonable, investors and holders of Fonsai, Milano Assicurazioni, Premafin and Unipol Assicurazioni shares are warned that these expectations may not, be confirmed, wholly or partially, as a result of risk factors which are often difficult to anticipate and which are, as a general rule, beyond the control of Fonsai, Milano Assicurazioni, Premafin and Unipol Assicurazioni, and may lead to results and developments that are substantially different from those explicitly or implicitly described or calculated in the forecasts and estimates in question.

With the exception of the cases provided for by the applicable laws, neither Fonsai, nor Milano Assicurazioni, nor Premafin, nor Unipol Assicurazioni shall be bound by any obligation with regard to the later updating of these estimates and forecasts.

Persons responsible for the Updated Information Document

Fonsai, Milano Assicurazioni, Premafin and Unipol Assicurazioni hereby accept responsibility, each within its specific sphere of competence, for the completeness and veracity of the data and details contained in the Updated Information Document.

Statement of Responsibility

Fonsai, Milano Assicurazioni, Premafin and Unipol Assicurazioni hereby certify – each in relation to its own sphere of competence – that, having taken all reasonable diligence in this matter, the information contained in the Updated Information Document is, to the best of their knowledge, an accurate reflection of the true situation and that there are no omissions that would alter its sense.

SUMMARY OF PRO FORMA FIGURES AND OF DATA PER SHARE AT 30 SEPTEMBER 2013 AND 31 DECEMBER 2012

The consolidated financial statements for the Unipol Assicurazioni Group, the consolidated financial statements for the Premafin Group, and the Pro Forma consolidated financial statements for the UnipolSai Group at 30 September 2013 and 31 December 2012 are given below.

As these presentations are based on hypotheses, should the Merger be concretely implemented on the reference figures given to prepare the Pro Forma figures, rather than on the effective date, not all the historical figures would necessarily be identical to the Pro Forma figures. Furthermore, they do not reflect prospective figures and are not intended to represent a budget for the UnipolSai Group as they have been prepared in such a way as to indicate only those effects of the merger which can be isolated or measured objectively.

The following figures have been extracted from Pro Forma figures set out in Chapter 5 of the Updated Information Document and must be read in the light of the information of the hypotheses and criteria used for the drafting of the Pro Forma figures and the other information contained therein.

(Amounts in millions of Euro)	Nine months ended 30 September 2013		
	Historical figures Unipol Assicurazioni Group	Historical figures Premafin Group	Consolidated Pro Forma UnipolSai Group
NET PREMIUMS	4,160.2	7,111.6	11,271.9
NET INCOME (LOSS)	195.6	313.9	603.3
of which attributable to the Group	195.6	52.4	566.4
of which attributable to minority interests	0	261.6	36.9
TOTAL ASSETS	24,277.2	39,422.4	64,533.1
EQUITY	2,049.1	2,688.2	5,499.1
of which attributable to the Group	2,049.1	245.4	5,166.7
of which attributable to minority interests	0	2,442.8	332.4
PRO FORMA NET PROFIT PER SHARE			
(value in Euro)			
Ordinary shares			0.21
Savings shares A			19.50
Savings shares B			0.24

(Amounts in millions of Euro)	Period ended 31 December 2012		
	Historical figures Unipol Assicurazioni Group	Historical figures Preamafin Group	Consolidated Pro Forma UnipolSai Group
NET PREMIUMS	5,569.5	9,967.2	15,535.6
CONSOLIDATED NET INCOME (LOSS)	244.8	(882.2)	468.9
of which attributable to the Group	244.8	(283.6)	446.2
of which attributable to minority interests	0	(598.6)	22.7
TOTAL ASSETS	23,773.2	40,479.2	65,074.9
EQUITY	1,909.8	2,395.7	4,907.0
of which attributable to the Group	1,909.8	187.6	4,550.3
of which attributable to minority interests	0	2,208.1	356.7
PRO FORMA NET PROFIT PER SHARE			
(value in Euro)			
Ordinary shares			0.16
Savings shares A			19.50
Savings shares B			0.19

DEFINITIONS AND GLOSSARY

Some of the expressions used in the Updated Information Document are defined and illustrated in this “**Definitions and Glossary**” section.

Being understood that definitions given for the word in the singular apply also to the plural and vice versa, in the Updated Information Document the following expressions have the meaning specified next to each of them:

Accident Class	Insurance class of the Non-Life business which includes business injuries and occupational diseases, fixed pecuniary benefits, temporary indemnity, combined forms, injury to passengers, as defined in Article 2, paragraph 3, n. 1 of the Code of Private Insurance.
Addendum	The addendum to the Information Document, as required by Consob pursuant to Art. 114, paragraph 5, of the Consolidated Financial Act, published on 22 October 2013.
Adjusted Solvency Margin	The insurance companies with a registered office in the Italian Republic and which are controlling companies or shareholders of at least one insurance or reinsurance company verifying correct solvency in accordance with the provisions established by IVASS in Regulation no. 18 of 12 March 2008. Similarly, in accordance with these provisions, the insurance or reinsurance companies with a registered office in the Italian Republic and which are controlled by an insurance holding, insurance or reinsurance company with registered office in a third country, verify the solvency of the controlling company.
AGCM Order	Order no. 23678 of 19 June 2012, case C11524, adopted by <i>Autorità Garante della Concorrenza e del Mercato</i> .
ANIA	Associazione Nazionale tra le Imprese Assicuratrici (National Association of Insurance Companies).
Appraisal Value	Estimate of the value of an insurance company operating in life assurance, or the life agency of an insurance group, based on actuarial techniques, also incorporating the estimated value of the new production: it is given by the sum of <i>Embedded Value</i> and <i>Goodwill</i> .
Asset Liability Management (ALM)	Risk management technique applied to insurance and banking companies in order to obtain a suitable return on investment through the integrated management of assets and liabilities. It is based on the vulnerability of the assets and liabilities in respect of variations in market conditions.
Authorized Intermediaries	The authorized intermediaries participating in the Monte Titoli centralized management system.
AGCM	The Autorità garante della Concorrenza and del Mercato (Italian Antitrust Authority) instituted by Law no. 287 of 10 October 1990.

Available for Sale or AFS	Available for sale.
Bancassurance	Selling insurance products through banks.
<i>Bancassurance sector</i>	Sector in which the Fondiaria SAI Group operates both in Non-Life Insurance, by means of the joint venture agreement (Incontra Assicurazioni S.p.A.) signed by Fondiaria-SAI with Capitalia (as of the Date of the Updated Information Document UniCredit Group), and in Life insurance, through the partnership agreements between Fonsai Group and, respectively, Banco Popolare Group through the Popolare Vita S.p.A. insurance vehicle, Banca Intermobiliare S.p.A. through the BIM Vita S.p.A. insurance vehicle.
Banking sector	Sector in which Fondiaria SAI Group operates through the subsidiary BancaSai S.p.A.
Bankruptcy Act	Royal Decree 16 March 1942, no. 267, as amended and modified.
Bonus/Malus	Refers to a premium system used for Third Party Liability insurance. The bonus/malus system rewards good drivers. The lower the risk category of the insured, the lower the premium. According to this system, the driver is given a bonus i.e. a lower risk category and a correspondingly lower premium if there are no claims during the policy period. Conversely, if the driver is found liable, even partially, for accidents, risk category and premium will be increased (malus).
Borsa Italiana (Italian Stock Exchange)	Borsa Italiana S.p.A., with offices in Milan, Piazza degli Affari no. 6.
Class I	Insurance class of the Life business which includes insurances on the length of human life as defined in Article 2, paragraph 1, of the Code of Private Insurance.
Class III	Insurance class of the Life business which includes the insurances referred to in classes I and II, the main benefits of which are directly linked to the value of units of a UCITS (undertakings for collective investment in transferable securities) or the value of the assets in an internal fund or else to an index or other reference values, as defined in Article 2, paragraph 1, of the Code of Private Insurance.
Class IV	Insurance class of the Life business which includes health insurance and insurance against the risk of dependency that are covered by long-term health insurance contracts not subject to cancellation, against the risk of serious disability resulting from accident or sickness or longevity, as defined in Article 2, paragraph 1, of the Code of Private Insurance.
Class Other Damage to Property	Insurance class of the Non-Life business as defined in Article 2, paragraph 3, no. 9 of the Code of Private

Insurance, which includes all damage to property (other than property included in the motor class, railway rolling stock class, aircraft class, sea, lake, river and canal vessels class, goods in transit class) due to hail or frost, and any other event, such as theft, other than those mentioned in the Fire class and natural forces class.

Class V

Insurance class of the Life business which includes contracts through which the insurance company commits to pay, a fixed amount at the end of a predefined term, not related to the duration of human life, against payment of single or periodic premiums, as defined in Article 2, paragraph 1, of the Code of Private Insurance.

Class VI

Insurance class of the Life business which includes management of collective pension funds activities established to effect payments in case of death or survival or in the event of discontinuance or curtailment of work activity, as defined in Article 2, paragraph 1, of the Code of Private Insurance.

Code of Private Insurance

Legislative Decree of 7 September 2005, no. 209, as amended, modified and supplemented.

Combined Ratio

Ratio which measures the technical quality of indemnity insurance management and combines the Loss Ratio, Expense Ratio and OTI Ratio.

Companies Participating in the Merger

Fondiaria-SAI, Milano Assicurazioni, Premafin and Unipol Assicurazioni.

Company Resulting from the Merger or UnipolSai

The company resulting from the Merger from the date of effect for accounting purposes of the Merger, which shall be entitled “UnipolSai Assicurazioni S.p.A.”.

Consob

Commissione Nazionale per la Società and la Borsa (Italian Companies and Stock Exchange Commission) located in Roma, Via G.B. Martini no. 3.

Consolidated Financial Act or TUF

Legislative Decree no. 58 of 24 February 1998, as amended and modified.

Date of the Updated Information Document

Date of publication of the Updated Information Document.

Deposit Accounting

Accounting treatment of investment contracts without discretionary participative elements. This category of contracts is comprised of products backed by specific assets, *index-linked* or unit-linked type, classified as financial products and those deriving from the open fund management. Based on this method, regulated by IAS 39 and also referenced by IFRS 4, the premiums are removed from the income statement and left open in the balance sheet; service contracts are entered in other earnings as services rendered. Variations in the technical provisions are not reflected in the income statement and the payments made

	represent a reduction recognized in the financial statements.
Direct gross premiums written	Premiums underwritten directly by the company issuing the insurance policy.
Non-Motor Classes	Term commonly used to indicate Non-Life classes other than the Motor classes.
<i>Embedded Value</i>	Estimate of the intrinsic value of an insurance company operating in the life assurance field or the life agency of an insurance group based on actuarial techniques and determined as the overall amount of the adjusted Share Equity (obtained by making the adjustments to the accounting share equity necessary to align the underlying assets with market value) and of the technical value of the portfolio (VIF), excluding Goodwill.
Exchange of Correspondence concerning the Key Values of the Merger	Exchange of correspondence between UGF, also on behalf of Unipol Assicurazioni, Premafin, Fonsai and Milano Assicurazioni mainly in the period between 23 rd May and 13 June, 2012, carrying out a preliminary discussion– on the basis of the financial and economic data available at that moment in time and with the support of the respective advisors – of the following percentages of holdings of ordinary shares of the Acquiring Company post-Merger: (i) UGF: 61.00%; (ii) other Fonsai shareholders (other than Premafin): 27.45%; (iii) other Milano Assicurazioni shareholders (other than Fonsai): 10.70%; (iv) other Premafin shareholders (different from UGF): 0.85%.
<i>Expense ratio</i>	Ratio between management costs for the period (including acquisition costs, administration costs and other technical fees) and net premiums for the period.
Extraordinary General Shareholders' Meetings	Jointly, the Extraordinary General Meeting of Milano Assicurazioni held on 26 October 2013, on second call, the Extraordinary General Meeting of Premafin held on 25 October 2013, the Extraordinary General Meeting of Fonsai held on 25 October 2013, on second call, and the Extraordinary General Meeting of Unipol Assicurazioni held on 25 October 2013.
<i>Fair Value</i>	Measurement criteria used in international accounting circles and defined by IAS 32 and IAS 39 International Accounting Standards as “Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction.”
Financing Banks	Unicredit S.p.A., Mediobanca – Banca di Credito Finanziario S.p.A., Banco Popolare – S.c., Banca Popolare di Milano S.c.a.r.l., Cassa di Risparmio di Parma and Piacenza S.p.A., Cassa di Risparmio di Firenze S.p.A., GE Capital Interbanca S.p.A., which on 13 June 2012 signed with Premafin, as part of the Restructuring Plan, a

restructuring agreement to redefine the terms and conditions for Premafin financial indebtedness.

Finsoe

Finsoe S.p.A., with registered offices in Bologna, Piazza Costituzione no. 2/2.

Fire Class

Insurance class of the Non-Life business which includes all damages to property (other than property included in the land vehicles class, railway class, aircraft class, sea, lake, river and canal vessels class, goods in transit class) due to: fire, explosion, storm, natural forces other than storm, nuclear energy, land subsidence, as defined in Article 2, paragraph 3, no. 8 of the Code of Private Insurance.

Fondiaria-SAI or Fonsai or Acquiring Company

Fondiaria-SAI S.p.A., with registered offices in Torino, Corso Galileo Galilei no. 12.

Fonsai Capital Increase

The paid increase in share capital for a maximum overall amount of Euro 1,100 million including share premiums, through the issue of new ordinary shares and Category “B” savings shares with normal enjoyment of the related rights, offered as an option, respectively, to shareholders owning ordinary shares and shareholders being the owners/bearers of Category “A” savings shares, pursuant to Article 2441, first paragraph, of the Italian Civil Code, as resolved by the Fonsai Extraordinary General Meeting on 19 March 2012. On 27 June 2012 the Fonsai Extraordinary General Meeting, convened as a precautionary measure and also pursuant to article 2377, eighth paragraph, of the Italian Civil Code, in order to rectify any possible defects in the resolutions passed on 19 March 2012. The latter meeting resolved to confirm all resolutions passed in the Extraordinary part of the meeting held on 19 March 2012, in particular, with regard to the share Capital Increase for the maximum overall amount of Euro 1,100 million. On 13 September 2012, the share increase had been fully completed.

Fonsai Group

The group of companies formed by Fondiaria-SAI and by the companies it controls pursuant to Art. 93 of the Consolidated Financial Act.

General Liability Class

Insurance class of the Non-Life business which includes any liability other than motor vehicle third party liability, aircraft, and sea, lake, river and canal vessels, as defined in Article 2, paragraph 3, no. 13 of the Code of Private Insurance.

Goodwill

Represents the capacity of an insurance company operating in Life Assurance or the Life section of an insurance group to acquire potential new contracts. Within the context of determining the *Appraisal Value* it is generally determined by applying a technical multiplier of one year of new business value: The choice of the multiplier, typically varies depending on the function of the distribution channels used by the company being valued, the type of clients served and

the perception of the risks related to the future sales.

IAS/IFRS

All the ‘*International Financial Reporting Standards*’ (IFRS) adopted by the European Union, all the ‘*International Accounting Standards*’ (IAS), all the interpretations of the ‘*International Financial Reporting Interpretations Committee*’ (IFRIC), formerly known as the ‘*Standing Interpretations Committee*’ (SIC).

Impairment Test

Evaluation procedure used to quantify the recoverable value of the asset in order to determine possible decreases in value.

Incorporated Companies

Jointly, Premafin, Unipol Assicurazioni, and Milano Assicurazioni.

Index linked

Contracts with services linked to the performance of a market index in most cases related to shares.

Individual Solvency Margin

Insurance companies, as governed by IVASS Regulation no. 19 of 14 March 2008, must have a solvency margin no lower than the required solvency margin. The available solvency margin represents the minimum capital levels that an insurance company must have in order to meet its commitments towards the insured, with the function of general guarantee of the solvency of the company. The required solvency margin is calculated on the basis of a formula that varies depending on the type of insurance activity undertaken. In Non-Life Insurance it corresponds to the highest of two calculation results undertaken, one based on premiums underwritten, the other on average losses, given the percentage of risk retention. In Life Insurance, the margin is calculated on the basis of technical provisions, insured amounts payable on death and percentage of risk retention.

Information Document

The information document on the Merger, prepared pursuant to Art. 70, paragraph 6, of the Issuers’ Regulations, drafted by Fonsai jointly with Premafin, Milano Assicurazioni and Unipol Assicurazioni, published on 9 October 2013 and subsequently updated through the Addendum published on 22 October 2013

Insurance Companies Participating in the Merger

Fondiarria-SAI, Milano Assicurazioni and Unipol Assicurazioni.

Insurance division

The whole insurance sector and the bancassurance sector of Fonsai Group.

Insurance sector

Sector in which the Fondiarria SAI Group operates as a Non-Life and Life insurer, mainly through the multiline insurance companies Fondiarria-SAI, Milano Assicurazioni, and DDOR Novi Sad A.d.o. and the companies specialized by channel and/or class Dialogo Assicurazioni S.p.A., Liguria Assicurazioni S.p.A., and SIAT - Società Italiana Assicurazioni e Riassicurazioni per Azioni (Non-life), and

Liguria Vita S.p.A. (Life).

Interest Rate Swap

Swap agreement (agreement which covers the exchange of cash flow for a specified period of time) through which two parties agree to exchange, for a period of time specified in the agreement, payments calculated on the basis of different and predefined interest rates, applied to a notional capital. Consequently, no capital is exchanged between the parties but only the flows corresponding to the difference between the two interest rates (generally one fixed rate and one variable rate).

Investment Agreement

The agreement signed on 29 January 2012 between UGF and Premafin, as subsequently amended and supplemented, concerning the mutual obligations with regard to carrying out the achievement of the Integration Plan by Merger forming the context for the expected merger.

Issuers' Regulations

Issuers' Regulation, adopted by Consob by Resolution no. 11971 on 14 May 1999, as amended and modified.

IVASS (Italian Insurance Supervisory Authority)

Istituto per la Vigilanza sulle Assicurazioni (Italian Insurance Supervisory Authority) with registered offices in Rome, Via del Quirinale, 21. On 1 January 2013 IVASS was entrusted with all the powers, functions and responsibilities of ISVAP.

IVASS Regulation No. 43/1012

Regulation on the implementation of the provisions relating to valuation of debt securities issued or guaranteed by European Union States introduced by Legislative Decree No. 216 of 29 December 2011, converted into Law No. 14 of 24 February 2012, which amended Legislative Decree No. 185 of 29 November 2008, containing urgent measures to support households, work, employment and enterprises, converted into Law No. 2 of 28 January 2009; regulation adopted by IVASS on 12 July 2012. This Regulation, for the purpose of verifying the solvency of the parent company - only for debt securities issued or guaranteed by European Union States intended to remain permanently in the assets of the insurance enterprise and which are classified in the consolidated financial statements of the parent company under "*financial assets available for sale*" (AFS) - allows companies to take into account the possible greater value, net of the part attributable to policyholders and allocated to insurance liabilities, recorded in the individual financial statements of the insurance company which holds the securities and included in the consolidation, instead of the book value of the consolidated financial statements of the parent company, a value that is affected by fluctuations in the financial markets.

IVASS Regulation concerning Mergers

IVASS regulation no. 14 of 18 February 2008 concerning the definition of the procedure for approving amendments to Articles of Associations and changes to the business object,

	authorization of portfolio transfers, mergers and demergers.
IVASS Letter to the Market dated 15 March 2013	Letter to the market of IVASS issued on 15 March 2013 containing recommendations and explanations relating to investment policies, use of derivatives and structured finance; in particular, it draws the insurance companies' attention (i) on adopting sound and prudent policies when using derivatives and structured instruments, with specific reference to those issued by Special Purpose Vehicles (SPV), and (ii) on implementing a continuous monitoring and a consistent reduction of the risks inherent in such instruments.
Joint Business Plan	The joint business plan, for the period 2013-2015, approved by the Boards of Directors of the Company Participating in the Merger on 20 December 2012.
Land Vehicles Class	Insurance class of the Non-Life business which includes all damages to land motor vehicles, and land vehicles other than motor vehicles (excluding railway rolling stock), as defined in Article 2, paragraph 3, no. 3 of the Code of Private Insurance.
Life Class	Insurance activity carried out by an insurance company regarding the assumption and management of the risks set forth in Article 2, paragraph 1 of the Code of Private Insurance.
Loss ratio	The loss ratio is calculated as come ratio between net loss adjustment expenses and net premiums for the period. It may be calculated in relation to the direct or net of reinsurance.
Merger or Operation	The Merger operation to incorporate Premafin, Unipol Assicurazioni and Milano Assicurazioni in Fondiaria-SAI.
Merger Plan	The Merger Plan by incorporation of Premafin, Unipol Assicurazioni and, possibly, Milano Assicurazioni in Fondiaria-SAI, approved pursuant to Art. 2501-ter of the Italian Civil Code, by the respective Boards of Directors of the Companies Participating in the Merger on 20 December 2012.
Milano Assicurazioni	Milano Assicurazioni S.p.A., with registered offices in Milan, Via Senigallia n. 18/2.
Milano Assicurazioni Group	The group of companies formed by Milano Assicurazioni and by the companies it controls pursuant to Art. 93 of the Consolidated Financial Act.
Milano Assicurazioni Special Shareholders' Meeting	The Special General Meeting of the holders of savings shares of Milano Assicurazioni, which pursuant to Art. 146, paragraph 1, letter b), of the Consolidated Financial Act, and Art. 2376 of the Italian Civil Code, decided on the Merger

on 28 October 2013, on second call.

Monte Titoli	Monte Titoli S.p.A., with registered offices in Milan, Piazza degli Affari no. 6.
Motor Class	Collectively, the Motor Vehicle Third Party Liability and Land Vehicles classes.
Motor Vehicle Third Party Liability Class	Insurance class of the Non-Life business which includes all liability arising from the use of motor vehicles operating on land (including carrier's liability), as defined in Article 2, paragraph 3, no. 10 of the Code of Private Insurance.
MTA	The Mercato Telematico Azionario organized and managed by Borsa Italiana.
Non-life class	Insurance activity carried out by an insurance company regarding the assumption and management of the risks set forth in Article 2, paragraph 3 of the Code of Private Insurance.
Non-Motor Class or Non-Life Class	Collectively, the Accidents and Sickness classes, ships class, aircraft and goods in transit class, fire class and Other Damage to Property class, general Third Party Liability, Credit, miscellaneous financial loss, legal expenses, and assistance, as defined in Article 2, paragraph 3 of the Code of Private Insurance.
OICR	Organismi di Investimento Collettivo del Risparmio including, for example, common investment funds.
“Other Business” Sector	Sector in which the Fondiaria SAI Group operates through BancaSai, providing traditional banking services, portfolio management services and other services (including personal credit and consumer credit, provided through the controlled company Finitalia S.p.A.). Furthermore, the other activities sector includes the companies in the Fondiaria SAI Group operating in the hotel and health fields as well as in diversified branches with regard to insurance or real estate.
OTI Ratio	Indicator measuring part of the efficiency of the business model, as regards the ratio of losses to premiums for the period and to the incidence of general costs on premiums for the period, through the ratio between other net technical items (other income and other technical charges) and the premiums for the period net of reinsurance.
Premafin	Premafin Finanziaria S.p.A.– Holding di Partecipazioni, with registered offices in Bologna, Via Stalingrado n. 37.
Premafin Capital Increase	The paid increase in share capital for a maximum overall amount of Euro 400 million, resolved by the Premafin Extraordinary General Meeting on 12 June 2012, reserved (i) for UGF or (ii) other insurance companies and/or institutional investors, or companies controlled by such

entities, Italian or foreign, solely in the event that it has been ascertained that one or more of the conditions precedent stipulated in the Investment Agreement cannot be met (or cannot be considered as met under said Investment Agreement) and, therefore in all cases, with exclusion of the option right, pursuant to Art. 2441, fifth paragraph, of the Italian Civil Code, and fully subscribed by UGF on 19 July 2012.

Premafin Group

The group of companies formed by Premafin and by the companies it controls pursuant to Art. 93 of the Consolidated Financial Act.

PricewaterhouseCoopers

Auditing firm PricewaterhouseCoopers S.p.A., with registered offices in Milan, Via Monte Rosa no. 91.

Purchase Price Allocation or PPA

The remeasurement of the initial carrying value of assets and liabilities of the Premafin Group, as carried out by the Unipol Group in accordance with IFRS 3, based on the fair value at the date of acquisition of control over the Premafin Group by UGF.

Rating

Forecast valuation of the credit worthiness at maturity of an issuer of financial instruments.

Real estate division

The whole of the Immobiliare Lombarda, Immobiliare Fondiaria-SAI and Immobiliare Milano Assicurazioni and other smaller companies in which Fonsai Group has holdings directly or indirectly, as well as Tikal R.E. Fund and Athens R.E. Fund Closed End Real Estate Funds.

Real Estate business

Sector in which the Fondiaria SAI Group operates through Fondiaria-SAI, Milano Assicurazioni, Immobiliare Fondiaria-SAI S.r.l., Immobiliare Milano Assicurazioni S.r.l. and other minor companies, as well as through the Closed End Real Estate Funds Tikal R.E. Fund and Athens R.E. Fund.

Reconta Ernst & Young

Auditing firm Reconta Ernst & Young S.p.A., with offices in Rome, via Po n. 32.

Redistributed shares

The Fonsai shares held by the companies to be incorporated which will be reallocated by redistributing them through share swaps, without the shares ever being included in the assets of the companies to be incorporated, as indicated in the Merger Plan.

Regulations on Transactions with Related Parties

Regulations on transactions with related parties adopted by Consob by Resolution no. 17221 of 12 March 2010, as amended and modified.

Reinsurance

The insurance service which an insurance company provides to another company (so-called outward reinsurance) or has provided by another company (so-called inward reinsurance).

Related Parties	Related parties as defined in the procedure adopted by Fonsai, Milano Assicurazioni and Premafin respectively pursuant to the Regulations on transactions with related parties, available on the respective websites.
Reports on the Merger	The Reports pursuant to Art. 2501- <i>quinquies</i> of the Italian Civil Code and to Art. 70, paragraph 2 of the Issuers' Issuers' Regulation by the Boards of Directors of Fondiaria-SAI, Premafin, Unipol Assicurazioni and Milano Assicurazioni, on 20 December 2012.
<i>Reserve ratio</i>	The reserve ratio is calculated as a ratio between the Gross Technical Provisions and gross premiums entered into the accounts.
Restructuring Plan	Restructuring Plan approved by the Premafin Board of Directors on 30 March and 17 May 2012, whose legal adequacy was certified on 16 April and 18 May 2012 by the expert Mr. Ezio Maria Simonelli, supported by Prof. Stefano Caselli, for the purposes of re-balancing debt position and the financial situation of Premafin, pursuant to Art. 67 paragraph 3, let. d) of the Legge Fallimentare, which includes, amongst other things, the recapitalization of Premafin and the redefinition of the terms and conditions of the loans received by this from the Financing Banks.
<i>Shadow Accounting</i>	Technique set forth in IFRS 4, which allows for the accounting in the technical provisions of insurance contracts or investment contracts with discretionary profit sharing, of the unrealized capital losses and/or capital gains on the assets as if they had been realized, in order to eliminate or reduce the effects of the asymmetric valuation. This adjustment is recorded in equity or Income Statement depending on whether the capital losses or capital gains refers to activity valued on the Fair Value through equity or Income Statement. Any net capital loss is recognized in the reserve against deferred financial liabilities to those insured only after the guaranteed minimum has been met; otherwise it is entirely charged to the company. The quantification of capital losses is carried out with a financial prospective technique consistent with the provisions of the IVASS Regulation no. 21, Chapter I, of the 28 March 2008. Through shadow accounting it is possible to reduce the mismatch between Life Insurance Technical Provisions and related assets and shall therefore be essentially considered as being representative of the economic substance of the operations in question.
Share Exchange Ratios	The share exchange rates related to the Merger approved on 20 December 2012 by the Boards of Directors of the Companies Participating in the Merger.
Sickness Class	Insurance class of the Non-Life business which includes fixed pecuniary benefits, temporary indemnity, combined forms, as defined in Article 2, paragraph 3, no. 2 of the Code

of Private Insurance.

Solvency Capital Requirement

Indicator of adequacy of the quantitative requirements in the insurance sector; pursuant to Art. 101, comma 3, of the Directive 2009/138/EC of the European Parliament and Council of 25 November 2009, corresponds to the value at risk of own funds of the insurance or reinsurance company, subject to a 99.5% confidence level on a one year period. The Solvency Capital Requirement is calibrated to take into account all quantifiable risks to which the insurance or reinsurance company is exposed. The Solvency Capital Requirement covers at least the following risks:

- a) underwriting risk for non-life insurance;
- b) underwriting risk for life insurance;
- c) underwriting risk for health insurance;
- d) market risk;
- e) credit risk;
- f) operation risk (including legal risk but not strategic and reputation risk).

Solvency I

Directive 2002/13/EC of 5 March 2002 (implemented in Italy with Legislative Decree. no. 307 of 3 November 2003), through which insurance companies should “constantly” have a sufficient solvency margin. This Directive sets solvency requirements. In particular it indicates three categories of items that can be used to satisfy solvency margin requirements, namely: (i) maximum security items; (ii) items that can be used with some restrictions; (iii) items that can be used only with authorization of the supervising authorities.

Solvency II

Directive 2009/138/EC with the objective of reforming the whole prudential supervision system of insurance companies by modifying the quantitative criteria for calculating the solvency margin, in addition to reviewing all the rules safeguarding stability of insurance companies.

Strategic and Industrial Guidelines 2012 June

The strategic and industrial guidelines for the merger approved by the UGF Board of Directors on 5 June 2012 and presented to the financial community on 22 June 2012.

Technical Provisions

Insurance liability, whose minimum mandatory levels varies according to the class and type of risk insured, which insurance companies should create by setting aside part of the collected premiums, to guarantee coverage of the risks insured over time.

UGF

Unipol Group Finanziario S.p.A., with registered offices in Bologna, Via Stalingrado no. 45.

UGF Capital Increase

The UGF capital increase by payment in tranches for a maximum overall amount of Euro 1,100 million including

share premiums, by the issue of new ordinary shares and new preference shares, offered respectively as options to shareholders of ordinary and preference shares pursuant to Article 2441, first paragraph, of the Italian Civil Code, as resolved by the UGF Board of Directors on 21 June 2012, by virtue of the delegation entrusted to it, pursuant to article 2443 of the Italian Civil Code, by the UGF Extraordinary General Meeting on 19 March 2012 and effected in full on 13 September 2012.

Unipol Assicurazioni

Unipol Assicurazioni S.p.A., with registered offices in Bologna, Via Stalingrado no. 45.

Unipol Assicurazioni Group

Unipol Assicurazioni and the companies it controls pursuant to Art. 2359, paragraph 1, of the Italian Civil Code.

Unipol Group

UGF and by the companies it controls de jure pursuant to Art. 93 of the Consolidated Financial Act.

UnipolSai Group

The Company Resulting from the Merger and the companies it controls pursuant to Art. 93 of the Consolidated Financial Act.

Updated Information Document

The Updated Information Document as subsequently updated and submitted to Consob in accordance with the provisions of Art. 57, paragraph 4, of the Issuers' Regulations for the purpose of issue of the judgment of equivalence under Article 57, paragraph 1, letter d) of the Issuers' Regulations.

***Value in Force* or VIF**

For Life insurance, this is the current value of the profit flows generated by the insurance policies in the portfolio.

***Value of Business Acquired* or VOBA**

For the Non-Life insurance, this is the current value of the profit flows generated by the insurance policies in the portfolio.

FOREWORD

The Updated Information Document published on 9 October 2013, prepared by Fonsai jointly with Premafin, Milano Assicurazioni and Unipol Assicurazioni, pursuant to Art. 70, paragraph 6, of the Issuers' Regulation, and subsequently amended by the Addendum to the Information Document, published on 22 October 2013 illustrates the Merger by incorporation of Premafin, Unipol Assicurazioni and Milano Assicurazioni, in Fonsai, operation which represents an integral part of a larger integration project between the Unipol Group and the Group Premafin/Fonsai with the aim of safeguarding the current and future solvency of Premafin and Fondiaria-SAI and to create, in the same time, a leading national operator in the insurance sector capable of competing seriously with the main national and European competitors and generating value for all the shareholders of the companies involved (the **"Project of Integration by Merger"**).

The Updated Information Document has been set out pursuant to Art. 57, paragraph 4, of the Issuers' Regulation, for the purpose of issuing the judgment of equivalence pursuant to Article 57, paragraph 1, letter d), of the Issuers' Regulation.

The control structure of the Companies Participating in the Merger is organized as follows:

- UGF, parent company of the Unipol Insurance Group, directs and coordinates activities pursuant to articles 2497 et seq. of the Italian Civil Code on all the Companies Participating in the Merger, and directly control Premafin and Unipol Assicurazioni, pursuant to and in accordance with Art. 2359, paragraph 1, no. 1, of the Italian Civil Code, and control indirectly Fonsai and Milano Assicurazioni;
- Premafin shall directly control Fonsai pursuant to and in accordance with Art. 2359, paragraph 1, no. 2, of the Italian Civil Code;
- Fonsai shall directly control Milano Assicurazioni pursuant to and in accordance with Art. 2359, paragraph 1, no. 1, of the Italian Civil Code.

On 20 December 2012, as notified to the public, the Boards of Directors of the Companies Participating in the Merger approved the Merger Plan, pursuant to and in accordance with Art. 2501-ter of the Italian Civil Code, included the post-Merger Articles of Association of the Acquiring Company attached herein and the Reports concerning the Merger pursuant to and in accordance with Art. 2501-quinquies of the Italian Civil Code.

On the same date, the UGF Board of Directors agreed upon the financial terms of the Merger and expressed a favorable opinion of the advantages that the completion of the Transaction would bring to UGF and its shareholders to the merger as well as of the suitability and fairness of its conditions.

The Boards of Directors of UGF, Fonsai, Premafin, and Milano Assicurazioni approved the Merger, in the manner indicated above, after receiving the favorable opinion of their respective independent Director committees set up pursuant to the Regulations on transactions with related parties.

Furthermore, on 27 December 2012, UGF, Fonsai, Premafin, and Milano Assicurazioni published the relevant Updated Information Documents on the Merger, with an additional note published the 10 January 2013, and prepared at the request of Consob pursuant to Art. 114, paragraph 5, of TUF, drawn up pursuant to and in accordance with Art. 5 of the Regulations on transactions with related parties, the Merger qualifying as a significant operation with related parties pursuant to the aforementioned Regulations.

The Merger Plan, reports concerning the Merger and the Updated Information Document referred to in the previous paragraph are available on the websites of the aforementioned companies.

On 9 October 2013, the Updated Information Document was made available to the public at the head offices of the Companies Participating in the Merger and published on the websites of the Companies Participating in the Merger and of UGF at the following addresses: www.fondiaria-sai.it, www.milass.it, www.premafin.it, www.unipolassicurazioni.it and www.unipol.it.

On 22 October 2013, the Addendum to the Information Document, prepared by the Companies Participating in the Merger at the request of Consob pursuant to Article 114, paragraph 5, of the Consolidated Financial Act, was made available to the public in the same manner as on the occasion of the publication of the Information Document.

The Merger was approved by resolutions adopted by the following meetings of the Companies Participating in the Merger and, more specifically, by the extraordinary shareholders' meetings of Fonsai, Premafin and Unipol

Assicurazioni on 25 October 2013, by the extraordinary shareholders' meeting of Milano Assicurazioni on 26 October 2013, as well as by the Special Meeting of Milano Assicurazioni of 28 October 2013, which, as under its jurisdiction, approved the aforesaid resolution adopted by the extraordinary shareholders' meeting of the same company.

With effect from the filing of the aforementioned shareholders' resolutions with the competent Companies Registers, which occurred on 31 October 2013 and was communicated to the market on the same date, both the period of fifteen days for persons entitled thereto to exercise the right of withdrawal and the period of sixty days as provided for by Article 2503 of the Italian Civil Code for creditors to oppose to the Merger have begun.

The signing of the Merger deed is expected to take place, if the necessary conditions are met, by the end of financial year 2013.

On 24 December 2013, the Information Document was made available to the public at the registered office of the Companies Participating in the Merger and published on the website of the same Companies Participating in the Merger and of UGF at the following addresses: www.fondiarria-sai.it, www.milass.it, www.premafin.it, www.unipolassicurazioni.it and www.unipol.it.

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1 Risk Factors

In order to correctly assess the proposed Merger, the recipients of the Updated Information Document are requested to evaluate the specific risk factors or uncertainties deriving from the Merger and concerning the Companies Participating in the Merger and business sectors in which they operate.

The risk factors or uncertainties described hereafter must be read together with the information contained in the Updated Information Document.

References to the Sections, Chapters and Paragraphs refer to the sections, chapters and paragraphs of the Updated Information Document.

1.1 Risks related to the Merger

1.1.1 *Risks arising from the failure to complete the Merger*

Debt and Adjusted Solvency Margin of Premafin

If completion of the Merger were not attained, the Premafin Group would be unable - unless recapitalization intervenes, to be carried out including by using part of the funds arising from the UGF Capital Increase, or through other extraordinary transactions - to achieve the economic goals and adjusted solvency targets that the Company resulting from the Merger may pursue in accordance with the provisions of the Joint Business Plan (see Chapter 6 - Paragraph 2, of the Updated Information Document). In fact, it is assumed that such goals and targets can be adequately supported by benefiting as a result of the Merger from the contribution of the excess capital of the merged company Unipol Assicurazioni (also following the capital increase of Euro 600 million – See: Chapter 2, Paragraph 2.1.1 of the Updated Information Document).

With regard to Premafin, it should be noted that, if the Merger is not completed, the stipulations set forth by the Restructuring Agreement related to the occurrence of Stage 2 of the Restructuring Plan would not become effective (see Chapter 2, Paragraph 2.1.2. of the Updated Information Document, also with reference to the definitions in this Paragraph). The above stipulations were also conditional upon completion of the Merger by 31 December 2013. It should be noted that an agreement between Premafin and the Financing Banks (with the exclusion of GE Capital), designed to amend the aforementioned precondition, was concluded on 18 December 2013. It prudentially sets 1 February 2014, instead of 31 December 2013, as the term by which the same precondition must occur.

In view of the foregoing, should the Merger fail to be completed, the provisions of the Restructuring Agreement related to the so-called Stage 1 of the Restructuring Plan, currently in force, would remain at any rate effective and therefore: (i) Premafin debts to the Financing Banks would continue to be governed by the terms and conditions currently in force (ii) Premafin debt to the Financing Banks would not be partially converted, for Euro 201.8 million, in the Convertible Loan.

The failure to issue, underwrite and fully convert the Convertible, would result in:

- failure to reduce the debt of the Unipol Group, as a whole, for Euro 201.8 million;
- failure to strengthen capital of the Premafin Group for the same amount with respect to the forecast for the post-Merger position with a corresponding reduction in the items forming the Adjusted Solvency Margin of the same Group.

Failure to comply with the requirements of applicable legislation, also in consideration of non-completion of the Merger, could result in the need for recapitalization in order to adequately support the financial requirements and consolidated correct solvency targets of Premafin.

Moreover, the Amended Pre-Merger Financing Agreement provides for a number of commitments, including the maintenance of an Adjusted Solvency Margin of Premafin above the threshold of 100%. Failure to comply with these commitments, also in consideration of non-completion of the Merger, could, under certain conditions, or if a remedy cannot be brought within the appropriate period prescribed for that purpose by the Financing Banks, lead to the assignment to the agent bank of the right to (a) withdraw, (b) declare Premafin as

forfeiting the benefit of the term and/or (c) declare the agreement terminated as of right pursuant to Art. 1456 of the Italian Civil Code, thus determining for Premafin the onset of compulsory early repayment of the residual loan within 20 working days. In particular, with reference to the Adjusted Solvency Margin of Premafin, the early repayment obligation may exist if the same is reduced to below the threshold of 100% for two consecutive notices, as provided for by the rules of the industry, as from the recording thereof on 31 December 2012. In such cases, the exposure has to be repaid within three months, unless otherwise agreed by the Financing Banks. It was also agreed between the parties that - should Premafin restore the solvency margin at a level equal to or greater than 100% due to transactions initiated by the end of the financial year to which the solvency margin relates, but completed in the six months following the end of the financial year during which the solvency margin has fallen below the threshold of 100%, the relevant event in question will be deemed as not occurred. In this regard, it should be noted that, following the approval of the 2012 consolidated financial statements, the company gave notice to the Financing Banks of the Adjusted Solvency Margin as recorded for financial year 2012, which amounted to 89.9%. At present, the Adjusted Solvency Margin of Premafin, calculated on the basis of data as at 30 September 2013, is above the 100% threshold and, therefore, above the regulatory threshold.

On the other hand, assuming completion of the Merger effective after 1 February 2014, a number of commitments would be difficult to enforce and/or no longer applicable and, therefore, some stipulations of the Amended Pre-Merger Financing Agreement should necessarily be covered by amending agreements in order to bring them back to the formulation provided for in the Amended Post-Merger Financing Agreement, which took into account the changes of the debtor resulting from the Merger.

In this regard, it should be noted that (i) maintaining the ratio of net financial debt, after subtracting intercompany loans permitted under the financing agreement, and shareholders' equity calculated on financial statement data (the "Financial Ratio") not exceeding 1.20, plus an allowed negative variance of 10%, a commitment not provided for in the Amended Post-Merger Financing Agreement, because - if applied to UnipolSai - it would require appropriate amendments to take account of burdensome debts and financial commitments of the company, keeping in mind that "*net financial debt*" under the contract means the sum of the "*burdensome debts*" and "*financial commitments*" (where "*burdensome debts*" means interest-bearing debts of a financial nature in any form after deducting the following assets as long as they are freely available: bank deposits and cash at hand, government securities, repurchase agreements, obligations of primary listed and widely-traded issuers not having stock content and other investments in financial assets with similar characteristics and durability and/or liquidity; "*financial commitments*" means the guarantees and commitments of any kind which will or may give rise to an outflow of money for the benefit of third parties - such as, by way of example and without limitation, guarantees, financial obligations, endorsements of financial securities, commitments for the purchase and delivery even if only at the request of the counterparty, lease commitments, guarantees of recourse on overdue receivables, derivative contracts - excluding guarantees secured by assets pledged as collateral of "*burdensome debts*" or held as collateral for "*financial commitments*" and after deducting the "*financial commitments*" of a similar nature provided by UGF in favor of the company. In regard of financial commitments consisting of derivative contracts, they will be calculated with reference to the potential cash outlay required for the termination of the economic risk (the so-called mark-to-market transaction) or for the obligation to repay sums of money;

(ii) UGF maintaining a stake in Premafin not less than two-thirds of the shares entitled to vote, a commitment amended in the Amended Post-Merger Financing Agreement as a commitment by UGF to maintain a stake in the Company Resulting from the Merger not less than the controlling interest within the meaning of the Private Insurance Code, would no longer be applicable and should be amended; (iii) all stipulations relating to the pledge on 1,160,670 Fonsai ordinary shares would no longer be applicable; (iv) the commitments inherent in the negative pledge described in Paragraph 4.1.1 hereunder and no longer required by the Amended Post-Merger Financing Agreement, when applied to UnipolSai, would require appropriate modifications to take into account the characteristics of the Company arising from the Merger.

See Chapter 2, Paragraph 2.1.2, of the Updated Information Document.

Further aspects related to non-completion of the Merger

Should the Merger not be completed, the forecasted synergies expected for the completion of the company's simplification process would not be fully achieved, whereas its completion would enable UGF to take direct control of the Company Resulting from the Merger with the resulting complexity in terms of reorganizing the post-Merger group also in relation to the new corporate governance, higher corporate levels, to the timing of receiving dividends distributed by the controlled companies by the UGF parent company.

Lastly, it should be noted that other possible consequences could result from the failure to complete the Merger procedure, or a considerable delay in its completion (e.g. such as to require the beginning of a completely new procedure):

- (aa) the synergies expected from the Operation, as stated above, might not be fully achieved or the related costs might increase, with substantial negative effects on the economic and/or financial position of the Company Resulting from the Merger;
- (bb) the exemptions granted by the Consob and the other authorizations given by IVASS and/or Banca d'Italia might expire or be revoked, wholly or partially, with the resulting necessity to restart, if possible, the proceedings arising from the Operation; and
- (cc) the Divestment Procedure required by AGCM could be concluded before the effective date of the Merger, with the resulting impact on the composition of the economic and financial position of the Companies Participating in the Merger involved in the equity Divestment Procedure proceedings.

See Chapter 2, Paragraph 2.2 of the Updated Information Document for the reasons, aims, and management objectives of the Merger.

1.1.2 Risks arising from the failure to fully implement the Joint Business Plan following the Merger

On 20 December 2012, the Boards of Directors of the Companies Participating in the Merger approved the Joint Business Plan, containing the strategic guidelines and the economic and financial objectives of the Company Resulting from the Merger.

In consideration of the subjective, hypothetical and discretionary nature of the assumptions of the Joint Business Plan, should one or more of the assumptions not occur or only happen partially, the pre-determined objectives may not be achieved, in whole or in part, thus meaning that the results of the Company Resulting from the Merger may differ, possibly in a significant manner, with regard to what is set out in the Joint Business Plan, with potential negative consequences in relation to the financial, economic situation and/or assets of the Company Resulting from the Merger.

The provisional data contained in the Joint Business Plan are based on future events, subject to uncertainty, and beyond the control of the Directors of the Companies Participating in the Merger; as a result of the uncertain nature arising from the performance of any future event, the gap between final values and budgeted values may be significant. Due to the uncertainty characterizing provisional data, investors are warned not to base their own investment decisions solely on the information set out herein.

It should be noted that all the Companies Participating in the Merger were involved in drafting the Joint Business Plan, with the support of a leading independent business consultant, on the basis of the updated business guidelines of the Project of Integration by Merger notified to the market on 22 June 2012.

The drafting of the Joint Business Plan is, among other things, based on (i) assumptions of a general and hypothetical and discretionary nature and (ii) on a series of estimates and hypotheses of a discretionary nature relating to the performance of specific actions to be implemented between 2013-2015, i.e. concerning future events which the Directors may only partially influence and which may not occur or could vary during the period of the Joint Business Plan. Lastly, it should be noted that the report of the auditing firm Reconta Ernst & Young concerning the provisional data contained in the Joint Business Plan is attached to this Updated Information Document.

At the Date of the Updated Information Document, also taking note of the above-mentioned positive operating results achieved by the Unipol Assicurazioni Group and Premafin Group in the first nine months of 2013, there were no significant deviations from the plan as prepared, which may materially and negatively affect the implementation schedule as provided for by the Joint Business Plan and the achievement of its objectives.

It cannot be ruled out that the timing currently planned for implementation of the actions of the Joint Business Plan may suffer a delay and may not be fully realized within the time period 2013-2015, resulting in a possible partial achievement, or non-achievement, of targets.

On the other hand, it is believed that the non-implementation of the Joint Business Plan does not significantly affect the risk profile associated with the financial structure of the Company Resulting from the Merger.

See Chapter 2, Paragraph 2.2 and Chapter 6, Paragraph 6.4 of the Updated Information Document.

1.1.3 Risks arising from the failure to achieve the forecasted synergies resulting from the Merger

The Merger presents the risks generally related with operations involving the integration of a group of companies and therefore the difficulties concerning the coordination of the management and personnel, the integration of the information systems, existing structures and services/departments and those of the non-incorporate companies, as well as the loss of customers and key personnel for the Companies Participating in the Merger.

Despite the aforementioned risks, the Company Resulting from the Merger may benefit from synergies generated, from, amongst other things, the sharing and consolidation of some areas and processes currently compliant with the industry best practices. Failure to achieve said synergies, wholly or partially, could therefore result in consequences in terms of the lost opportunity to make cost-savings from the expected synergies, with consequent impact on the economic and/or financial position of the Company Resulting from the Merger.

The main areas of impact of the synergies can be divided up into: (i) “Operating Costs”, (ii) “Cost of Claims and Reinsurance” and (iii) “Earnings and Finance”.

The Joint Business Plan, in respect of 2015 and therefore at the end of the plan timeframe, estimated the economic impact of the synergies related to the integration amounts to be approximately Euro 350 million on the 2015 gross profits.

In particular, with reference to the three impact areas described above the savings deriving from the synergies are the following:

- “Operating Costs”: around Euro 180 million;
- “Cost of Claims and Reinsurance”: the synergies amount to approximately Euro 100 million in terms of managing claims and reinsurance;
- “Earnings and Finance”: the synergies are estimated at approximately Euro 70 million and are based on sharing internal best practices in terms of productivity and optimizing financial management.

Bringing about said synergies will depend, amongst other things, on the ability to efficiently integrate the various entities, in order to maintain their current agency networks and customer portfolios and increase productivity while reducing costs at the same time.

The process of bringing about the synergies will involve the integration costs related to the 2013 – 2015 three-year period which has an accumulated impact on the income statement estimated at approximately Euro 302 million. These costs are mainly allocated to the first financial year of the three-year period of the Joint Business Plan due to the need to implement the most expensive measures in order to achieve the synergies in 2015 and were almost entirely expensed in the income statement of the Joint Business Plan.

See Chapter 2, Paragraph 2.2, Chapter 6, Paragraph 6.4.8 of the Updated Information Document.

1.1.4 Risks arising from the impact of the Merger on sales

The Merger is aimed, amongst other things, to create an insurance pole formed by the Italian market leaders in Non-Life Class and in particular, in Motor Class, with one of the broadest and most widespread distribution networks in the country. As a result of the integration process there could be an impact on the current network of agencies and/or on the current premium income of the Company Resulting from the Merger.

In particular, it should be noted that the Merger could involve the necessity to take further action, if any, in order to streamline the product range, improve the organization and distribution of the network and the agency structures, review and coordinate product distribution policies in addition to, generally speaking, bearing increased costs. At the Date of the Updated Information Document, such actions and costs were not identified and estimated and therefore they were not included among integration costs considered as part of the Joint Business Plan (equal to approximately Euro 302 million).

The foregoing may require financial measures to support the integration process of information systems and structures, as well as redefinition of the terms and conditions for the mode of payment of the financial components as agreed to date in the agency mandates. Moreover, in this context, as a result of the conditions stipulated in the contracts in place, the impossibility of reviewing the terms and conditions of such contracts with the various agents' representatives in the short term in an effort to streamline them may not be excluded, thus resulting in inefficiencies in essentially operating terms but also having a direct impact on costs.

With regard to actions aimed at a better organization of the agency network, also for the purpose of a more effective and efficient distribution over the territory also in terms of presence, due to the geographic concentration effect that would inevitably exist in some areas of the Country, as well as at the implementation of common commercial strategies, these may require different timing, costs and procedures of action from those originally planned, with possible, also significant, financial impacts on the economic and financial position of the Fonsai Group and/or Company Resulting from the Merger, which are not fully predictable. Such actions would however be implemented through the use of indemnity/reimbursement instruments already regulated by industry legislation to minimize conflicts, also in terms of litigation, with the agency network.

Moreover, it should be noted, still on the subject of the agency network, that the possible persistence of the conditions of uncertainty that have characterized the business situation of the Fonsai/Premafin Group - and in any case the uncertainties related to the integration with the Unipol Group and its impacts on the distribution networks - could, during the initial phase of integration, result in a reduction in premiums and/or an increase in the number of general agents, with consequent negative effects on the economic and financial position of the Company Resulting from the Merger.

See Chapter 2, Paragraph 2.2, of the Updated Information Document.

1.1.5 Risks arising from failure to comply with regulatory capital requirements

The Insurance Companies Participating in the Merger operate in a regulated and monitored industry and are subject to compliance with minimum capital requirements laid down in the relevant legislation in force (the so-called Solvency I, calculated at the individual and consolidated level, i.e. the Individual Solvency Margin and Adjusted Solvency Margin).

Given the persistence of a situation of considerable volatility in financial markets, the negative trend in real estate markets and uncertainty about the evolution of the global macroeconomic environment, it cannot be ruled out that the negative development of these factors could lead to a perspective reduction of the individual and group regulatory capital of the Company Resulting from the Merger. Moreover, against possible regulatory changes relating to the insurance companies imposing more stringent regulatory capital requirements than the existing or foreseeable ones (even in the light of the future introduction of European Solvency II legislation concerning the solvency of insurance companies), it cannot be excluded that the regulatory capital of the Company Resulting from the Merger will in perspective become inadequate to the minimum capital requirements under the applicable pro tempore reference legislation or to the achievement of the minimum target of 120% .

In this regard, the management audits of the correct solvency of the Fonsai Group, for Fonsai as at 30 September 2013, showed a coverage ratio of the constituent elements which stood at about 1.3 times the minimum required (1.09 times at 31 December 2012) which is not affected by the effects of the application of IFRS 5 in relation to the portfolio of insurance contracts to be disposed of in accordance with the measure imposed by AGCM on 19 June 2012. The management audits of the correct solvency of the Milano Assicurazioni Group, as at 30 September 2013, showed a coverage ratio of the constituent elements which amounted to about 1.45 times the minimum required (1.16 times as at 31 December 2012). It should be noted that, in the calculation of the correct solvency of the Fonsai Group and Milano Assicurazioni Group as at 30 September 2013, the option provided for in IVASS Regulation No. 43/2012 was not exercised.

The management audits of the individual solvency of Unipol Assicurazioni - not obliged to comply with the correct solvency calculation in accordance with applicable laws and regulations - as at 30 September 2013, showed a coverage ratio of 1.7 times the minimum required (1.6 times at 31 December 2012). It should be noted that, in the calculation of the individual solvency of Unipol Assicurazioni shown above, the option provided for in IVASS Regulation No. 43/2012 was not exercised.

The solvency of the Acquiring Company, upon completion of the Merger, will receive:

- the contribution of Unipol Assicurazioni, whose current surplus capital will be further increased as a result of the approved capital increase of Euro 600 million, which in accordance with the provisions of the Merger Plan, will be subscribed by UGF before the date of signing of the Merger Deed (see Paragraphs 2.1.1, 2.1.2 and 6.4.5) ;
- the contribution of the Convertible Loan of Euro 201.8 million maturing on 31 December 2015 (see Paragraph 2.1.2) .

Regarding the impact of the Measures prescribed by the AGCM Order, consisting in writing off the amount in perspective owed by the Companies Participating in the Merger to Mediobanca, as also highlighted in Paragraph 1.1.6, it should be noted that, with reference to data of the Joint Business Plan represented in Chapter 6, “Forecast Data”, the Adjusted Solvency Margin of UnipolSai, even in the case of full repayment of such exposure, would however amount to a level higher than the solvency margin required by the applicable law in force.

Moreover, with reference to the effects of the withdrawal right legitimately exercised by the shareholders of Premafin, it should be noted that, as stated in Paragraph 6.4.5 hereunder, the same were judged as not significant in relation to the solvency targets set by the Joint Business Plan.

Finally, please note that on 20 June 2012, IVASS authorized Finsoe, through UGF, to take a controlling interest in the share capital of Premafin and insurance companies under its direct and indirect control. In relation to the Unipol Group, the prescription of the Financial Regulator becomes important as it intends, under a Solvency II regime, to maintain a solvency requirement of the Company Resulting from the Merger higher than the Solvency Capital Requirement and at least equal to 120% thereof for the years of application of Solvency II within the scope of the Joint Business Plan.

See Chapter 4 of the Updated Information Document

1.1.6 Risks arising from the possibility of revocation and/or expiration of authorizations by the Supervisory Authority in the insurance and banking sector

Upon issuing authorizations for the implementation of the Integration Plan and, therefore, (a) UGF’s takeover of Premafin and its group and (b) the Merger, IVASS and the other competent Supervisory Authorities set prescriptions and conditions in regard of their respective measures, as stated below. Failure to comply therewith could become relevant in view of the possible enforcement of suspensive or revocation measures of the authorizations they issued.

In particular, the following should be noted:

(I) on 20 June 2012, IVASS authorized Finsoe, through UGF, to take a controlling share in Premafin and in the insurance companies that this controls, directly or indirectly. Furthermore, the Authority has ordered that Finsoe and UGF, in their capacity respectively as company heading the Unipol conglomerate and company heading the insurance group post-merger: (a) considering the solvency situation of Fonsai Group, in order to ensure a break with the previous management structure of the companies in aforementioned group, Finsoe and UGF shall refrain from proposing and/or voting in the companies that shall be bought with regard to appointing directors linked to the then primary shareholder by family relationships, autonomous and not-autonomous work relationships or other relationships of a financial and professional nature; (b) concerning the dual role envisaged for the Chief Executive Officer of UGF and of the Company Resulting from the Merger, even taking in consideration the defenses proposed by the companies in order to avoid an excessive concentration of power, to ensure functional governance given the complex nature and structure of the Company Resulting from the Merger, Finsoe and UGF shall grant that, no more than 18 months from the effective date of the Merger, two different Chief Executive Officers, for UGF and for the Company Resulting from the Merger, respectively, shall be appointed; (c) given the considerable fluctuations of the financial markets and the potentially unfavorable performance of the technical management, as a precautionary measure, Finsoe and UGF shall undertake, identify and maintain during the application of the Solvency II regime a solvency level for the Company Resulting from the Merger superior to the Solvency Capital Requirement and at least equal to 120% of the same, for the years of application of Solvency II regime with effects on the Business Plan.

(II) on 20 June 2012, the Banca d'Italia, has granted UGF and Finsoe the authorization pursuant to Art.19 of TUB (Consolidated Financial Act) to acquire a controlling stake, indirectly, in BancaSai S.p.A. and the authorization, pursuant to Art. 15 of the TUB, to acquire indirectly control over Sai Mercati Mobiliari Sim S.p.A., Sai Investments SGR S.p.A., as well as a qualified shareholding in the capital of Hines Italia SGR S.p.A.. Moreover, Banca d'Italia has reserved the right to evaluate at a later date the forthcoming intervention of streamlining and restructuring of the banking Sector envisaged in the Project of Integration by Merger and indicated the need to define, as quickly as possible, the role of the banking and financial businesses within the context of the overall strategy of the conglomerate resulting from the Merger, ensuring, at the same time, the continuation of financial support to these companies;

In this regard, Unipol Banca S.p.A. ("**Unipol Banca**") has initiated a process to define the strategic and operational guidelines for the integration with BancaSai as part of a wider project to define the strategic role of the banking sector in the financial conglomerate headed by Finsoe, in particular:

- with reference to the integration of Unipol Banca and BancaSai, the guidelines for streamlining the banking sector will mainly focus on the managerial departments, while the banking distribution networks appear properly sized to the development lines of the conglomerate, as they do not particularly overlap because the existing network of BancaSai only has four physical branches;
- with regard to the strategically identified option for the banking sector for the development of the conglomerate, it has been planned to (i) increase the level of cross-selling between the UnipolSai agency network with the commercial structure of bank branches, in view of an integrated management of financial and insurance services offered to retail customers and small businesses, (ii) extend financing services on insurance products, already partially realized.

It is estimated that the implementation of these lines of action will not require significant investments, which, in any case, will be funded through resources generated by operating activities.

Finally, with regard to the performance of Unipol Banca, it should be noted that, based on the financial results for 2013, against the prudential provisioning policies on credit risk, to be defined by taking into account the macroeconomic scenario and the recent recommendations by the banking Supervisory Authority, the adoption of possible measures to strengthen the capital ratios will be evaluated. Therefore, the possibility cannot be ruled out that the Company Resulting from the Merger will be called upon to make investments in relation to the above mentioned capital strengthening in Unipol Banca. However, it should be noted that the Acquiring Company intends to conclude the expected put and call option contract on the investment, which represents 32.26% of the share capital of the bank, which as a result of the Merger will be acquired by UnipolSai, a contract whose clauses, in conformity with the practices for similar operations, will, in the case of capitalization operations, stipulate appropriate adjustment mechanisms for the exercise price of the options themselves.

(III) the following authorizations were also released (a) by the competent Authority for fair trading and for the Serbian market, the authorization to acquire control of DDOR Novi Sad Ado, DDOR Auto Frusvo and DDOR Re, (b) by Narodna banka Srbije, the authorization to acquire a qualified holding in DDOR Novi Sad Ado and DDOR Re, (c) by Narodna banka Srbije, the authorization to acquire a qualified holding in DDOR Garant, (d) by the Central Bank of Ireland, the authorization to acquire a qualified holding in Lawrence Re Ireland Limited and in Lawrence Life Assurance Company Limited.

(IV) with specific regard to the merger, on 25 July 2013, IVASS gave its own authorization to the Merger pursuant to and in accordance with Art. 201 et seq. of the Code of Private Insurance and Art. 23 et seq. of the IVASS Regulations concerning Mergers, having verified the existence, both in the case Milano Assicurazioni participates in the Merger and in the case it does not, of the conditions for authorization, in terms of sound and prudent management and of assets being available to maintain technical provisions and solvency margins for the Company Resulting from the Merger. Nevertheless, the Authority has required the Acquiring Company to take initiatives on the issues of corporate governance and dividend distribution criteria, to strengthen procedures and controls in some areas, including structured securities investments and reserve risk (the “**Corrective Measures**”). The following is a breakdown of the Corrective Measures that IVASS identified as necessary to be put in place.

a) *Corporate governance*: without prejudice to the aforementioned requirements as illustrated in the measure authorizing the acquisition of control of the Premafin-Fonsai Group of 20 June 2012, the Company Resulting from the Merger was requested:

- (i) to extend the number of members of the Executive Committee, to be chosen even from among independent directors, and a system of delegation aimed at balancing the powers of the various governance bodies, together with the adoption of an effective information and control system over the delegated powers;
- (ii) the establishment of a nomination committee, whose composition should be in line with the current regulations for listed companies as well as with the provisions of the codes of conduct drawn up by the management companies of regulated markets or by trade associations.

b) *Profit distribution policies and reinsurance policies*: in this respect, it is required that:

- (i) the remuneration of the capital of the Company Resulting from the Merger by distributing dividends to shareholders should be, from time to time, determined by taking into account the actual economic performance in order to ensure the achievement of the solvency levels provided for by the Joint Business Plan, and
- (ii) also with regard to the concentration on the national territory of the portfolio acquired from the Unipol Insurance Group, in view of better containing exposure to technical risks arising from the activities being carried out, for prudential purposes, the reinsurance policies to be adopted by the Company Resulting from the Merger should tend to increase the risks transferred outside the same Group.

c) *Assets covering technical provisions*: in the procedures and controls relating to the management of technical investments and commitments, with reference to assets covering technical provisions, UnipolSai is required to:

- (i) strengthen preventive analyses regarding the suitability and eligibility of the assets and verifications concerning the continuation of the assumptions underlying their classification;
- (ii) strengthen controls for the valuation of structured securities and real estate portfolio - also in order to improve the reliability and transparency of the valuation of such assets - as well as for the traceability of line controls and second-tier controls;
- (iii) impose limits and conditions for assets in regard of which it is not possible to obtain market prices or reliable and independent valuations;
- (iv) prepare a thorough and systematic analysis of the liquidity profiles especially with reference to the significant volume of structured financial products;
- (v) promptly take advantage of any market opportunities in order to simplify and lighten the area of structured securities;
- (vi) assess the necessary corrective actions in regard of Milano Assicurazioni, in case it does not participate in the Merger, in order to ensure proper and adequate coverage of technical provisions.

d) *Reserve risk*: UnipolSai is required to:

- (i) strengthen its control tools by formalizing the procedures being adopted in an organic and complete manner in order to ensure an adequate level of traceability of actions and a clear definition of the departments' different levels of responsibility through (aa) intensification and extension of audits of the structures operating within the claims function; (bb) enhancement of actions in regard of control functions of the second and third level, ensuring a rapid transition to the new unified information system to improve the tools supporting the management of claims; (cc) enhancement of line controls;
- (ii) strengthen the regulatory framework in the context of operating initiatives to reposition and re-launch the general third party liability business of the Fonsai and Milano Assicurazioni portfolios;
- (iii) intensify training action directed to the settlement network, by also providing awareness-raising actions in order to strengthen the activities intended to monitor the areas that revealed issues with new and effective prevention and control actions.

Without prejudice to the fact that the Acquiring Company will implement the Corrective Measures referred to in the preceding letters a) and b) after completing the Merger, it should be noted that, with reference to the remaining Corrective Measures, certain initial steps functional to meeting the requirements contained in such Measures have already been outlined as part of the planned activities for the strengthening of the system of internal controls that the Unipol Group will carry out after completion of the Merger. In particular:

- with reference to Corrective Measures that relate to assets covering technical provisions (the “**Assets**”), among other things, the following has been planned:
 - (i) a review of the Group's investment policies and the strengthening of internal organizational procedures for a clearer and more precise definition of the roles involved in the operating processes that relate to the management of the Assets, the timing of their execution and the criteria for the classification of the same Assets;
 - (ii) the strengthening of second-level control activities for the periodic verification of the continuation of eligibility requirements for the coverage of the Assets and the classification assigned thereto, as well as a direct responsibility of the Compliance and Risk Management Functions as to the correct classification of structured securities held as Assets;
 - (iii) the introduction in the above investment policies of further controls for the limitation of Assets represented by structured securities, with particular reference to those that may be valued with internal models for which there are no mark-to-market valuations, without prejudice to the objective of progressive reduction of such aggregate and continuation of ongoing activities - some of which have already taken place during financial year 2012 -, and, even in ways that ensure traceability, the refining of internal pricing models used for the valuation of complex securities adjusted to financial market dynamics and to the occurrence or consolidation of critical situations;
 - (iv) the adoption of internal rules of operation for the adaptation and standardization of processes and related controls of real property Assets and for the regulation of the annual valuation of the same by firms specialized in such field (the “**Appraisers**”) ;
 - (v) the strengthening of second-level controls over the processes related to the management of the real property Assets by, among other things, establishing a new Real Estate Risk Function within Risk Management, which will be entrusted with independent control functions of values assigned by the Appraisers to real property Assets and the definition of the relevant parameters for determining such values;
- with reference to Corrective Measures that relate to reserve risk, among other things, the following has been planned:
 - (i) strengthening of the system of internal controls relating to operational management processes of claims and reserve activities through the review and implementation of the Group's internal procedural rules, directives and policies, such as to make the definition of roles, tasks and responsibilities of the parties involved more timely and transparent, and the activities and checks performed on all levels more traceable;
 - (ii) intensification of activities to implement a new unified information system at Group level for the management of claims, even as a support to the activities described in subparagraph (i);
 - (iii) an adequate level of training of settlement departments.

(V) By decision of 30 October 2013, the Bank of Italy authorized Fonsai, pursuant to Article 19 of the Banking Law, to acquire a significant stake in Unipol Banca, accounting for 32.26% of its share capital, due to the acquisition of Unipol Assicurazioni.

(VI) On 5 December 2013, the Central Bank of Ireland communicated its approval to the purchase, by the Acquiring Company as a result of the Merger, of an indirect and qualified shareholding in Unipol Fondi Ltd.

See Chapter 2, Paragraph 2.1.2, of the Updated Information Document.

1.1.7 Risks arising from the failure to comply with the decisions issued by the Autorità Garante della Concorrenza e del Mercato

With the AGCM decision, the acquisition of the control of Fonsai Group by UGF – completed on 19 July 2012 by subscribing and paying-up the Premafin Capital Increase – has been authorized, being conditional to the compliance, of certain measures required pursuant to Article 6, paragraph 2, of Law 287/90 (the “**Measure/s**”). If the Measures are not complied with, in whole or in part, the Competition Authority may impose fines of an amount not less than one percent and not more than ten per cent of the turnover of the business activities subject to concentration (Art. 19, first paragraph, Law 287/1990), with consequent effects on the economic and financial position of the Company Resulting from the Merger.

The following is a summary of the above Measures and an update on the status of implementation of the same.

- a) Termination of the shareholders’ agreement between UniCredit S.p.A. (“**Unicredit**”) and Premafin relating to Fonsai shares and adoption of the steps required for the resignations of the Fonsai Directors appointed by Unicredit in Fonsai Board of Directors Meeting. Unicredit and Premafin, complying with the Measures, on 9 July 2012, have terminated the investment agreement of 22nd March 2011 and the shareholders’ agreement of 8 July 2011 signed by the parties; the members of the Board of Directors of Fonsai designated by Unicredit by virtue of the aforementioned shareholders’ agreement resigned.
- b) Transfer by Fonsai of the entire holding detained in Assicurazioni Generali S.p.A., corresponding to about 1%. Fonsai, in compliance with the Measure, transferred its entire holding in Assicurazioni Generali S.p.A. through (i) the exercise by Fonsai, together with Milano Assicurazioni and the respective banking counterparts, of put and call options with same strike (forward sale) and (ii) direct sale on the market. During the transfer, Fonsai abstained from exercising the administrative rights, including voting rights, regarding the holding in question.
- c) Transfer by UGF of all the shares held by the Premafin/Fonsai Group in Mediobanca – Banca di Credito Finanziario S.p.A. (“**Mediobanca**”) and, in the course of the aforementioned transfer, signing an agreement for an escrow account with an escrow agent approved by the AGCM; in the time necessary to find and appoint the escrow agent, refraining from (i) exercising all administrative rights, including voting rights, from its holdings in Mediobanca as well as (ii) designating its own representatives to the Mediobanca Board of Directors and on the Governing Board of the shareholders’ agreement of the latter.

In compliance with the Measure, UGF, Fonsai, and Milano Assicurazioni appointed Equita SIM S.p.A. to find parties interested in Incorporating their shareholding in Mediobanca. UGF, together with Fonsai, Milano Assicurazioni and Fonsai International S.A., has given BNP Paribas Securities Services Sca. (“**BNP Paribas**”) an irrevocable power of attorney to act as custodian of the shares held by Fonsai in Mediobanca and has opened an escrow account in which said shares have been deposited, giving BNP Paribas specific instructions, permanent and irrevocable, to abstain from attending the Mediobanca shareholder’s meeting and from exercising the related voting rights.

In reference to the aforesaid obligation to transfer their shareholding in Mediobanca on 17 September 2013, following an express request by Fonsai, also on behalf of Milano Assicurazioni and Fonsai International S.A., the meeting of the shareholders’ agreement has authorized early release from the agreement of the shareholding held by the Premafin/Fonsai Group in consideration of its later use according to the Measures.

As for the second part of the Measure in question, UGF, Fonsai, Milano Assicurazioni, and Fonsai International S.A. did not exercise any administrative rights nor appoint its own representative to the

Mediobanca Board of Directors or the Governing Board of the shareholders' agreement of the latter to replace the former representatives of the Fonsai Group no longer in charge.

On 9 October 2013, Fonsai, Milano Assicurazioni and Finsai International S.A. (the “**Sellers**”) finalized the sale of 23,114,386 Mediobanca ordinary shares, equal to 2.68% of the share capital (the “**Shares Sold**”) through an “accelerated book-building” procedure (the “**Sale Transaction**”) directed exclusively to qualified investors in Italy, as defined in Article 34-ter, paragraph 1, letter b, of the Issuers' Regulation, and to foreign institutional investors. The consideration for the sale of the Shares amounted to approximately Euro 135.2 million.

The Sale Transaction is part of the sale of the entire stake held by the Sellers in the share capital of Mediobanca, equal to a total number of 33,019,886 shares (3.83% of share capital), in compliance with the Measures laid out by the Competition Authority. The additional 9,905,500 Mediobanca shares held by Fonsai, equal to 1.15% of the share capital, were not included in the Sale Transaction as under forward sales contracts previously signed, which provided for “put” options and “call options” with the same strike. The latter may be exercised at the maturity dates set for the period between 16 October 2013 and 14 November 2013. The aforementioned contracts were all settled at their maturity dates by physical delivery of the securities themselves (the so-called “physical delivery” method), resulting in the collection of an amount of approximately Euro 50.5 million.

- d) In compliance with the ban imposed by the Measures, UGF did not enter into shareholders' agreements concerning Fonsai shares with Mediobanca and Unicredit. Similarly, Finsoe, as the parent company of UGF, did not enter into shareholders' agreements with regard to the UGF shares with Mediobanca and Unicredit.
- e) At the Date of the Updated Information Document, in compliance with the ban imposed by the Measures, no one related, directly or indirectly, to Mediobanca, Unicredit, or Assicurazioni Generali S.p.A., by employment or any other kind of relations, was appointed to the Board of Directors, Board of Auditors or any other administrative body of companies of the Unipol Group.
- f) Reduction by UGF of the current debt of Unipol Assicurazioni, Fonsai, and Milano Assicurazioni to Mediobanca, and future elimination; implementation by UGF, Fonsai, and Milano Assicurazioni of suitable arrangements to ensure that Mediobanca will not obtain strategic and commercial information beyond those strictly necessary to protect its own credit. Fonsai and Milano Assicurazioni complied with the Measure in question also giving a specific mandate to Equita SIM S.p.A. whose activity is still ongoing as of the Date of the Updated Information Document.
- g) Unipol Group – with the assistance of an internationally recognized independent advisor approved by AGCM – shall Divest itself of the following assets: (i) the whole of the shares held by Milano Assicurazioni in Liguria Assicurazioni S.p.A. and Liguria Vita S.p.A. and (ii) one or more business units including, among the others, trademarks “Milano Assicurazioni” and “Sasa” and the corporate assets of Milano Assicurazioni concerning the production and distribution of insurance products through their sales divisions, allowing that as a result of said assignments, Unipol Group transfers to third parties premiums valued, as at 31 December 2012, at Euro 1.7 billion, being understood that, following the Divestiture, its own market share at national and provincial level shall be below 30% in both life and liability class on the basis of IVASS data (or grants the assignment of the entire share acquired as a result of the acquisition of control of the Premafin Group if the 30% share was already held before the consolidation) (“**Divestiture**”).

In order to proceed to identify the scope of the assets object of Divestment and to be able to start the Divestment procedure, Unipol Group made use of the services of KPMG Advisory S.p.A.

The Divestment Procedure is carried out in a competitive context and leading Italian and foreign business operators and financial investors who have expressed interest have been invited to take part.

In compliance with the Measures sub g) above, on 8 May 2013, the respective Boards of Directors of Milano Assicurazioni and of the controlling company Fonsai authorized the continuation of the transfer procedure, also approving the scope of the Divestiture, making the effects of this decision conditional on authorization by the UGF Board of Directors, which was granted on 9 May 2013.

In this regard, it should be noted that, on 19 December 2013, UGF received an offer, subject to the fulfillment of various conditions, for the acquisition of the insurance business and of certain assets included in the scope of the Divestiture; such offer, which was disclosed to the AGCM, also in view of its complexity and composite structure, will be the subject of necessary analysis by the relevant corporate departments for the purposes of the determinations pertaining to the decision-making bodies of the companies involved.

However, at the Date of the Updated Information Document, it is impossible to estimate the effective timing for the completion of Divestment nor the total consideration which could be realized from the Divestiture. If the negotiations with the parties which have submitted expressions of interest should continue, negotiations with the same are expected to start on contractual documentation. At present it is not possible to predict the deadline for completion of the negotiations mentioned above.

See Chapter 2, Paragraph 2.1.2, of the Updated Information Document.

1.1.8 Risks arising from obsolescence of the Share Exchange Ratios

On 20 December 2012, the Boards of Directors of the Companies Participating in the Merger set the share exchange rate at 0.050 ordinary Fonsai shares for each ordinary Premafin share, 1.497 ordinary Fonsai shares for each ordinary Unipol Assicurazioni share, and 0.339 ordinary Fonsai shares for each ordinary Milano Assicurazioni share and 0.549 Fonsai “B” savings shares for each Milano Assicurazioni savings share.

In this regard, it is noted that the boards of directors of the Companies Participating in the Merger, for the purpose of preparing the Information Document and in view of the Extraordinary Shareholders’ Meetings, with the assistance of an advisor jointly appointed for this purpose, undertook the verification pursuant to Article 2501-*quinquies*, paragraph 3, of the Italian Civil Code, stating that as from 30 September 2012 (reference date of the financial statements of the Companies Participating in the Merger drawn up pursuant to Article 2501-*quater* of the Italian Civil Code) until 24 October 2013, no relevant changes were made to the same Companies’ assets and liabilities, as no significant change was found in the assumptions underlying the Exchange Ratios.

Although the Companies Participating in the Merger believe that, as at the Date of the Updated Information Document, the Exchange Ratios are still fair in light of the methods used for their determination, it is possible that, following the occurrence of circumstances beyond the control of the Companies Participating in the Merger and not foreseeable at the Date of the Updated Information Document, the implicit values taken into account in making valuations may undergo changes such that at the date of signing of the Merger deed the Exchange Ratios are no longer fair and, therefore, it becomes necessary to restart and/or supplement the corporate procedures and regulations in preparation for the Merger.

See Chapter 2, Paragraph 2.1.2.11, of the Updated Information Document.

1.1.9 Risks arising from possible litigation resulting from the failure to recognize the right of withdrawal from the company of some shareholders of Premafin

It should be remembered that, on 25 June 2012, Premafin and UGF made public that they had agreed to restrict the right of withdrawal in the context of the Merger, so that this right could not be exercised by the “former majority shareholders” of Premafin. This clarification proved necessary on one hand in order to take into account what had been requested by Consob through notification no. 12042821 of 22 May 2012 and relative considerations set out in notification no. 12044042 of 24 May 2012 and, on the other hand, to the extent that the “former majority shareholders” of Premafin, having concurred to the Project of Integration by Merger– which includes, as an essential stage, the Merger – have also concurred to the Merger, and consequently do not have a right to withdraw pursuant to and in accordance with Art. 2437 of the Italian Civil Code. Reference is made to the content of the supplementary agreements to the Investment Agreement, duly made public. Despite the market communications made by Premafin and UGF mentioned above, certain “former majority shareholders” of Premafin sent to the latter a communication in which they expressed their intention to withdraw from Premafin as a result of the Merger.

More precisely, it should be noted that the “former majority shareholders” who exercised their right of withdrawal are: (i) Ms. Giulia Maria Ligresti, for a total of 68,611 ordinary shares, (ii) Hike Securities S.A., (iii) Canoe Securities S.A., and (iv) Limbo S.A. (the latter three, each for a total of 42,464,101 ordinary shares held in trust by Compagnia Fiduciaria Nazionale S.p.A.), (v) Sinergia Holding di Partecipazioni S.p.A., in liquidation and subject to bankruptcy proceedings, for a total of 41,975,580 ordinary shares, (vi) Immobiliare Costruzioni IM.CO. S.p.A., in liquidation and subject to bankruptcy proceedings, for a total of 41,014,983 ordinary shares, and (vii) the following companies belonging to The Heritage Trust: Scheib Anstalt (for a total of 1,565,500 ordinary shares), Anif Anstalt (for a total of 4,014,745 ordinary shares), Wifer Anstalt (for a total of 1,480,781 ordinary shares), Ulero Anstalt (for a total of 7,057,470), Darlis Anstalt (for a total of 1,226,920 ordinary shares), Hubbard Corp. (for a total of 3,223,361 ordinary shares), Towntop Invest (for a total of 7,392,316 ordinary shares), Thornton Group S.A. (for a total of 6,780,859 ordinary shares), Regional Control, Inc. (for a total of 4,400,000 ordinary shares), Nolera Anstalt (for a total of 6,375,000 ordinary shares). For more information, see Chapter 2, Paragraph 2.1.3, of the Updated Information Document.

In line with what was communicated to the market on several occasions, Premafin, on 25 November 2013, flatly objected to such communications by sending to the aforementioned “former majority shareholders” special letters of reply, with a copy to UGF, in which it demonstrated to the same that they are not entitled to a right of withdrawal, since, firstly, they directly or through entities that may be traced back to them “*contributed – even quite significantly and essentially - through multiple, direct and indirect, activities and conducts to the resolutions passed by Premafin Finanziaria S.p.A. Holding di Partecipazioni in connection with the merger by incorporation into Fondiaria-Sai S.p.A.*”, and, secondly, by reason of several formal errors concerning the exercise of the right of withdrawal.

Moreover, at the Date of the Updated Information Document, special summons from Premafin and UGF before the Court of Bologna were being notified to the aforementioned “former majority shareholders”, seeking acceptance by the Court that such persons were not entitled to the right of withdrawal for the reasons briefly indicated above.

As a result of all the foregoing, the Premafin shares subject to withdrawal by the aforesaid “former majority shareholders” are not subject to option and pre-emption offer pursuant to and in accordance with Art. 2437-*quater* of the Italian Civil Code.

At the Date of the Updated Information Document, although there was more than convincing evidence to believe that the “former majority shareholders” of Premafin were not entitled to a right of withdrawal, the outcome of the litigation initiated by Premafin and UGF cannot be anticipated.

See Chapter 2, Paragraph 2.1.2.7 of the Updated Information Document.

1.1.10 Risks arising from regulations on creditor opposition

Pursuant to Art. 2503 of the Italian Civil Code, the Merger may only be completed after a period of sixty days following the last of the registrations specified by Art. 2502-*bis* of the Italian Civil Code, unless there is the consent of the creditors of the Companies Participating in the Merger before the registration pursuant to Art. 2501-*ter*, paragraph 3, of the Italian Civil Code (i.e. as from 31 October 2013), or the fulfillment of the other formalities pursuant to Article 2503, first paragraph, of the Italian Civil Code. If none of these cases occur, the aforementioned creditors may, within the period of sixty days, notify their opposition to the Merger. In the light of the foregoing, in case of opposition to the Merger from the creditors for which the above requirements have not been met there might be delays in the schedule of the preliminaries for the completion of the Merger. It should be mentioned at any rate that, even in the case of opposition, if the above requirements have not been met, the court, should it deem the danger of harm for creditors unjustified or should the borrowing company have given adequate guarantees, can order that the Merger take place irrespective of the opposition, pursuant to Art. 2503 of the Italian Civil Code.

It should also be noted that on the effective date of the Merger, the Company Resulting from the Merger shall take over the position of debtor of the two loans issued by Unipol Assicurazioni (on 13 June 2001 and 25 July 2003 respectively), and that – pursuant to the laws and regulations applicable to said debenture loans – the approval of the Merger by the Meeting of the debenture holders shall not be required, notwithstanding the

individual rights of the debenture holders to invoke the right of opposition pursuant to Art. 2503-bis of the Italian Civil Code.

See Chapter 2, Paragraph 2.1.2, of the Updated Information Document.

1.1.11 Risks arising from distributing dividends

After the completion of the Merger, as well as following the related issue and conversion of the Convertible Loan, the number of shares representative of the ordinary share capital and of the Fonsai category B savings shares in circulation will be increased; therefore, in the presence of profits of the Acquiring Company, and in any case in full compliance with the Articles of Association provisions of the subject matter, to said increase in the number of UnipolSai shares could correspond a reduction of the dividend for share, with possible negative consequences on the future profitability of the shareholders of the Companies Participating in the Merger.

Moreover, it should be noted that, among the Corrective Measures required by IVASS with the decision to authorize the Merger on 25 July 2013, pursuant to and in accordance with Articles 201 and et seq. of the Code of Private Insurance and Articles 23 et seq. of the IVASS Regulations on Mergers, the Authority, among other things, requested that the return on capital of the Company Resulting from the Merger by means of the distribution of dividends to shareholders should be determined, from time to time, by taking into account its actual financial performance in order to ensure the achievement of the solvency levels set forth in the Joint Business Plan. Therefore, at the Date of the Updated Information Document, it cannot be ruled out that in the future, in order to fulfill the content of the above prescription, the Company Resulting from the Merger may not distribute, or partially limit the distribution of, dividends.

See Chapter 1, paragraph 1.1.6, and Chapter 2, Paragraph 2.1.2.4 and 2.1.3 of the Updated Information Document.

1.1.12 Risks arising from the Pro Forma figures contained in the Updated Information Document

The Updated Information Document contains the Pro Forma consolidated balance sheet as at 31 December 2012 and 30 September 2013, the Pro Forma consolidated income statement and cash flow statement for the financial year ended 31 December 2012 and for the nine-month period ending 30 September 2013 (the “**Pro Forma Consolidated Statements**”) as well as the explanatory notes, prepared solely to retroactively reflect the significant effects of the Merger as if it had occurred during the period referred to in the aforementioned Pro Forma figures.

The information contained in the Pro Forma Consolidated Statements represents a simulation of the potential consequences if the Merger will be effective at such dates and is provided solely for illustration purposes. In particular, as the Pro Forma Consolidated Statements are designed to reflect in a retrospective view the significant consequences of further transactions, notwithstanding the need to respect commonly accepted rules and the use of reasonable assumptions, provided by the necessary certificates, there are limits arising from the very nature of the Pro Forma figures. Therefore, there is a risk that, should the Merger take place on the dates used as a reference for the layout of the Pro Forma Consolidated Statements, the results obtained would not necessarily be the same as those represented in the Pro Forma Consolidated Statements.

It should be noted that the Pro Forma Consolidated Statements do not take into account the divestiture requested by the AGCM as a condition for granting the authorization with regard to UGF Incorporating control of Fonsai Group, which would entail, among others, the Divestment of agency networks and the reduction of the overall premiums collected, with regard to those which the Acquiring Company would receive from the Merger. (See paragraph 1.1.7. of the Updated Information Document). It is specified in the notes to the Pro Forma Consolidated Statements that these effects have not been included given that the requested divestitures do not depend on the Merger and, furthermore, at the Date of the Updated Information Document, there is significant uncertainty on the timing of the Divestment and the overall consideration that may stem from the Divestiture. Following the divestitures requested by the AGCM, the economic and financial indicators and/or

assets of the Company Resulting from the Merger will differ from what is indicated in the Pro Forma Consolidated Statements.

It should be noted that the Pro Forma information does not reflect provisional figures and is not intended to represent a forecast of the future results of the Company Resulting from the Merger and therefore must not be used in this the sense. Investors are invited not to base their own investment decisions solely on the information set out herein.

Lastly, in consideration of the various aims of the Pro Forma information with regard to historic figures and a variety of different methods used to calculate the effects of the Merger with reference to the Pro Forma Consolidated Statements, the latter need to be read and interpreted only for illustration purposes and without seeking accounting links between them.

See Chapter 5 of the Updated Information Document.

1.1.13 Risks arising from potential conflicts of interest relating to the Transaction

At the Date of the Updated Information Document, the control structure of the Companies Participating in the Merger was as follows:

- UGF, leader of the Unipol Insurance Group, exercises management and coordination pursuant to Articles 2497 et seq. of the Italian Civil Code on all the Companies Participating in the Merger and directly controls Premafin and Unipol Assicurazioni, pursuant to and in accordance with Art. 2359, paragraph 1, No. 1, of the Italian Civil Code, as well as, Fonsai and Milano Assicurazioni indirectly;
- Premafin directly controls Fonsai pursuant to and in accordance with Art. 2359, paragraph 1, No. 2, of the Italian Civil Code;
- Fonsai directly controls Milano Assicurazioni pursuant to and in accordance with Art. 2359, paragraph 1, No. 1, of the Italian Civil Code.

In view of the aforementioned investment relationships and of the significant size of the Operation, UGF Fonsai, Premafin and Milano Assicurazioni, each as under their jurisdiction, submitted the activities relating to the determination of the Exchange Ratios and of the additional legal and economic elements of the Merger to the rules governing transactions with related parties of greater importance, as referred to in the Regulations on transactions with related parties and in the procedure for transactions with related parties adopted by each of the aforementioned companies.

As part of these procedures for transactions with related parties, the committees for related parties set up by Fonsai, Milano Assicurazioni, Premafin and UGF, as under their jurisdiction, respectively, on 19 December 2012 for UGF, Fonsai and Milano Assicurazioni, and on 20 December 2012 for Premafin, expressed a favorable opinion in regard of these companies' in completing the Operation and the financial advantage and substantial correctness of the relevant terms and conditions.

For more information, please refer to the information documents on the Merger - supplemented with a note posted on 10 January 2013, prepared at the request of Consob pursuant to Art. 114, paragraph 5, of the TUF – drawn up by UGF, Fonsai, Premafin and Milano Assicurazioni pursuant to and in accordance with Art. 5 of the Regulations on transactions with related parties and Chapter 2, Paragraph 2.1.3 of the Updated Information Document.

1.2 Risks related to the Companies Participating in the Merger

A) RISK FACTORS RELATED TO THE COMPANIES PARTICIPATING IN THE MERGER , TO THE LINE OF BUSINESS AND TO THE MARKETS IN WHICH THEY OPERATE

1.2.1 Risks arising from Life and Non-Life insurance activities and from the other activities of the Companies Participating in the Merger

The Companies Participating in the Merger operate in the insurance and financial market. The risk factors illustrated hereafter are mainly related to the performance and the structure of these markets in addition to the legislation applicable to the insurance and financial business.

Risks arising from concentration of the insurance industry in the Italian market

The insurance business of the Insurance Companies Participating in the Merger is almost exclusively concentrated in Italy. These circumstances will not change even as the Merger is completed. It follows that conditions on the national reference market may impact, possibly in a significant manner, the level of profitability of the insurance business.

Please note that both in the nine-month period ended 30 September 2013 and in the financial year ended 31 December 2012, more than 99% of the total of direct gross Premiums written by the Fonsai Group was related to its insurance business in Italy. As far as Unipol Assicurazioni and Milano Assicurazioni Group are concerned the whole of the direct gross Premiums written (including the income, marginal, obtained under the rules on the freedom to provide services) originate in Italy in both periods in question.

See Chapter 4 of the Updated Information Document.

Risks arising from the concentration of insurance activity in Motor Class

The premium income in the Non-Life class of Insurance Companies Participating in the Merger is mainly concentrated in motor vehicle insurance.

Because of this concentration, the frequency and the average cost of claims for motor vehicle insurance may have a significant impact on the productivity of the Company Resulting from the Merger. In particular, the negative performance of these factors, also for effect of developments in the economic background (as a result of, e.g., changes in the price of spare parts and/or fuel) and/or legislative (such as extending the scope of damages to persons deemed liable to compensation) could have a negative impact on the financial position and assets and productivity of the Company Resulting from the Merger.

Given the considerable role played by the Insurance Companies Participating in the Merger in the motor vehicle insurance sector, a negative performance of the car market (e.g. a decrease in the number of new cars sold, which was indeed the case during the current financial year) could also have negative consequences on the motor vehicle insurance sector and, more generally, on the economic and financial position of the Company Resulting from the Merger.

It should be noted that, for the Fonsai Group, during the nine-month period ended 30 September 2013, approximately 66% of total Non-life premiums were related to premium income in the MV classes. For Unipol Assicurazioni, the percentage of MV premiums over total Non-life business as at 30 September 2013 was approximately 62.5%, while for the Milano Assicurazioni Group it amounted to approximately 70%.

See Chapter 4 of the Updated Information Document.

Risks arising from the concentration of the Life insurance premiums through the banking channel

The Companies Participating in the Merger distribute their own Life insurance products also through banking channels.

For the financial year ended 30 December 2012, the banking network contributed approximately 67% to the consolidated Life insurance income of the Fonsai Group and this was mainly due to the outstanding distribution agreements between Popolare Vita and its Irish subsidiary Lawrence Life (insurance company controlled, directly and indirectly, by the Acquiring Company) and the credit group Banco Popolare. In 2012 life insurance income of Milano Assicurazioni was mainly realized through group channels. These distribution agreements,

insisting on a banking network external to the group headed by the Acquiring Company, do not ensure that the latter controls the commercial and distributive policies of the network and do not ensure sure sales volumes. On 30 September 2013, the percentage of premiums attributable to the banking channel of the Fonsai Group through the banking channel was approximately 70%.

The Life premiums in 2012 of Milano Assicurazioni were mainly realized through the Fonsai Group channels. Conversely, Unipol Assicurazioni placed its Life insurance products mainly through its own commercial network and, to a lesser extent, through the subsidiary Unipol Banca (1.6% as at 31 December 2012 and approximately 6.7% as at 30 September 2013) and, marginally, through independent networks of financial advisors headed by Simgest S.p.A. and Credit Suisse Italy (less than 1% as at 31 December 2012 and approximately 1.4% as at 30 September 2013).

Given all this, in the case that the sales volumes of life insurance policies realized through the banking network headed by Banco Popolare should contract significantly, this would bring about a reduction of the consolidated Life premium income of the Company Resulting from the Merger, with potentially negative effects on the relative economic and financial position.

See Chapter 4 of the Updated Information Document.

Risks arising from the formation of technical provisions

The Insurance Companies Participating in the Merger must set aside amounts to technical provisions to ensure coverage of the risks insured and the ability to comply with the obligations undertaken *vis-à-vis* the insured. The size of these Provisions must be evaluated on the basis of the classes, Life and Non-life, of the risks insured and of the obligations undertaken.

Any shortfall in the level of technical provisions in the Life and Non-Life sectors could lead to negative consequences on the economic and financial position of the Company Resulting from the Merger.

With special reference to recognized provisions for outstanding Motor Vehicle Third Party Liability claims reported in the financial statement, it should be noted that these are the result of a complex technical evaluation in multiple stages, with a first analysis of the individual open positions by the claim settlement office, followed by a verification and, if necessary, adjustment to the final cost carried out by the management of the company, through the application of statistical and actuarial methods.

The above-mentioned multi-stage process of evaluation of provisions for outstanding Motor Vehicle Third Party Liability claims is based upon many parameters and multiple variables, correlated and specific to the time of evaluation, therefore cannot be re-evaluated at a later time (“ora per allora”). Among these – as an example and not exhaustive - we mention the following: the initial and later valuations of the claim settlement network, the average cost of settled claims for duration of claims closed, the ratio of the claims closed with no follow-up and reopened claims, the hold of the initial reserve, the case law trends in the field of claims, general and industry inflation rate, the different weight attributed to the statistical and actuarial methodologies developed by the profession. From all the foregoing, it follows that, by definition, provisions for outstanding claims cannot be accurately measured but can only be estimated, on the basis of the information available at the time when the estimate was made, in order reasonably to assess its fairness.

In relation to the technical provisions for the Life insurance business, there is a financial risk arising from the performance of assets in which these are invested, since some Life insurance policies provide for a guaranteed minimum revaluation. In this case, a reduction of the return of the assets in which the mathematical provisions for these life assurance policies are invested could involve losses in the event of this return being lower than the guaranteed minimum with negative effects on the economic and financial position and assets of the Company Resulting from the Merger.

As at 30 September 2013, the policies of the Life Business that provide for a guaranteed minimum revaluation are, in terms of mathematical provisions, 97.1% for the Unipol Assicurazioni Group, 72.2% for the Fonsai Group and 93.1% for the Milano Assicurazioni Group.

See Chapter 4 of the Updated Information Document.

Risks arising from competition and increased competitiveness

The Companies Participating in the Merger operate in major areas of insurance and financial intermediation. They are therefore subject to the typical risks arising from competition in their respective business areas and face the usual risks arising from carrying out insurance activities and banking activities in the Italian market reality.

In this regard, it should be noted that the Italian insurance market has, in recent years, undergone considerable changes mainly due to the introduction of rules for the implementation of European Community provisions that allowed insurance companies to operate freely within the European Union. The development of an integrated European market and, at the same time, the reduction of regulatory restrictions have stimulated the development of new distribution systems, which, at least in part, replaced or supplemented the activities previously carried out by insurance intermediaries such as agents. Moreover, the changes in regulations have, in general, increased the competitive pressure among insurance companies in the Italian market. The ongoing consolidation of the insurance sector could lead to a widespread reduction in premiums charged within the market, which, in turn, would have as its main effect the thinning of the current operating margins, partly as a result of the possible loss of customers. Such competitive pressure could also lead to changes in the insurance conditions applied, the exit from certain lines of business, supply reduction or reduction in prices and, as a result thereof, operating margins, with consequent negative effects on the economic and financial position of the Company Resulting from the Merger.

See Chapters 4 and 6 of the Updated Information Document.

Risks arising from cyclical nature of the insurance sector

The insurance sector tends to be cyclical in nature and has historically been the subject of significant fluctuations in terms of profits mainly due to unpredictable and uncertain events, many of which are beyond the control of insurance companies such as competition, the frequency and the severity of natural disasters and catastrophes, general economic conditions and other factors. The effects of this specific cyclical phenomenon, changes in consumer expectations on the level of insurance premiums, the frequency and the size of claims for compensation or of surrender or of the other factors that can affect the insurance sector, could therefore have a negative effect on the economic and/or financial position of the Company Resulting from the Merger.

See Chapter 4 of the Updated Information Document.

Risks arising from fraud

The insurance business is exposed to risks generated by false claims and inaccurate representations of events and the damage following accidents suffered or caused by insured persons. The Companies Participating in the Merger have developed a corporate structure for this purpose designed to prevent, report and fight insurance fraud and other types of speculative behavior liable to harm the companies, a corporate structure based on specific internal procedures aimed at taking, if necessary, the most suitable legal action and, in general, to work towards compliance and protection of the principles of legality and, when compensating harm, the fair compensation.

Nonetheless, the business of the Companies Participating in the Merger is exposed to risks resulting from false claims or inaccurate declarations of events and the harm suffered following accidents suffered by clients or third parties, which can result in a rise in the number of claims and their average cost, and consequently, a reduction in the profitability of the insurance Companies Participating in the Merger, with the related possible negative effect on the economic and/or financial position of the Company Resulting from the Merger.

See Chapter 4 of the Updated Information Document.

Risks arising from claims for compensation

The results of the insurance industry depend to a large extent on the relationship between the number of claims received and the estimated number of claims in particular in the event of the latter forecast having been used to fix the prices of products and to determine the extension of cover for technical clauses and claims for damages. The insurance Companies Participating in the Merger use their own experience and information with respect to their sector, including that used to fix product prices and their actuarial price, in order to develop forecasts concerning the profits from future policies. Nevertheless, the effective future claims for compensation could prove to be significantly higher than the forecasts used to calculate product prices, with the possible negative effect on the economic and/or financial position of the Company Resulting from the Merger.

See Chapter 4 of the Updated Information Document.

Risks arising from pricing

The operating result and the financial situation of the Insurance Companies Participating in the Merger considerably depends on the ability to select and take on risks during the course of insurance activities and on the ability to set the premium level suited to the different types of risks covered.

In this regard, it must be noted that the inadequate nature of the information and pricing methods might result in inappropriate pricing with regard to the size of the risks assumed, thus having a negative impact on operating results and on the economic and/or financial position of the Company Resulting from the Merger.

The ability to set the premium level may be negatively impacted, with harmful consequences on the profitability of the insurance company, by various factors, for example, the incomplete nature or erroneous analysis of the available figures, the uncertain nature of the estimates, in particular those linked to the forecast of the number and the amount of the cases of compensation which must be covered by the prices, the application of inappropriate pricing formulas and methods, developments with regard to the law or case law, as well as changes in course of practices and case law on liability liquidation.

The Insurance Companies Participating in the Merger draw on their own experience and information concerning the sector in which they operate to develop forecasts concerning benefits resulting from future policies. Notwithstanding this, it is impossible to exclude the possibility of future compensation requests being significantly higher, both in number and in their amount, with regard to the forecasts used for the purposes of calculating product prices, determining negative consequences on the economic and/or financial position of the Company Resulting from the Merger.

In this regard, it should be noted that Art. 8 of the Decree Law of 13 December 2013 entitled “*Urgent measures for starting the Plan “Destination Italy” for the containment of gas and electricity prices, for the reduction in MV third party liability premiums, internationalization, development and digitization of businesses, as well as measures for the realization of public works and EXPO 2015*”, being converted into law as at the Date of the Updated Information Document, with specific reference to MV third party liability, introduced certain forms of discount on premiums for policyholders upon the fulfillment of the following conditions :

- Installation in vehicles of electronic recording devices (the so-called “black box”);
- Conclusion of insurance contracts that provide for compensation for material damage in the form specified through the use of body shops and/or workshops affiliated to the contracting companies.

The expenses related to the grant to the policyholders of the above forms of discount are borne in full by the insurance companies, which could, in turn, benefit from a possible reduction in charges relating to claims.

See Chapter 4 of the Updated Information Document.

Specific risks related to managing Life insurance of the Insurance Companies Participating in the Merger

Life expectancy

The premiums related to the Life insurance contracts are calculated on the basis of statistical and actuarial projections on the life expectancy of the population. Should these statistics prove to be unreliable, the value of the technical provisions of the Insurance Companies Participating in the Merger in relation to life assurance and pension products could increase in relation to expectations, producing negative effects on the economic and/or financial position and assets of the Company Resulting from the Merger.

Pandemics

The assumptions on mortality used in determining the price of the products offered are based on information obtained from statistics and information from the market. These assumptions reflect the best estimates, for each year, made by the Insurance Companies Participating in the Merger. In any case, a global epidemic could cause the mortality rate to rise above the normally specified rate and result in the payment of a higher number of compensation claims than anticipated.

Such events are valued in relation to the possible forms of financial cover which can be used such as reinsurance contracts. However, using financial cover and reinsurance contracts might not prove sufficient to ensure that the whole liability of the Insurance Companies Participating in the Merger is covered in the event of a pandemic, producing negative effects on the economic and/or financial position of the Company Resulting from the Merger.

See Chapter 4 of the Updated Information Document.

Risks concerning the suitability of resources to comply with the obligations arising from supplementary pension products

The Insurance Companies Participating in the Merger determine the technical provisions arising from the supplementary pension products offered to their clients taking into consideration, among other factors, forecasts of: (i) mortality rates; (ii) labor turnover rates in work activities; (iii) invalidity rates; (iv) early retirement rates; (v) discount rates; (vi) long-term interest rates on investments; (vii) wage increases and (viii) future pension increases. These parameters might differ from the effective figures also as a result of changes to economic conditions linked to higher or lower life expectancy of the policy holders. Any possible differences may therefore impact on the size of the pensions or the estimated pension costs for the coming years, thus rendering inadequate the technical provisions for the supplementary pension products of the Company Resulting from the Merger.

See Chapter 4 of the Updated Information Document.

Risks arising from possible disasters

The Insurance Companies Participating in the Merger during normal trading, assume risks of different types, to limit the financial impact of disasters, they rely on reinsurance, spreading the risk between carefully chosen reinsurance companies ensuring reliability and financial solidity.

The reinsurance covers in respect of disasters in force on the Date of the Updated Information Document all the Insurance Companies Participating in the Merger for each event and foresees excesses and overall maximum sums relating to the number and type of event, with proportional distribution mechanisms relating to the cost of the excess and the upper cover limit between the insurance companies concerned, based on the harm suffered.

Therefore, in the event of natural disasters occurring such as earthquakes, explosions, floods, fire and acts of terrorism, which cause damage the cost of which exceeds the overall maximum sums specified by the reinsurance program of the Insurance Companies Participating in the Merger could have a negative impact on the economic and financial position of the Insurance Company Resulting from the Merger.

Lastly, it should be noted that, according to initial estimates, the recent natural disasters that occurred in some areas of our country (especially the flood in Sardinia) should not result in significant impacts in terms of loss

ratio on the Insurance Companies Participating in the Merger, given the scarcity of risk coverage involved in the territories concerned.

See Chapter 4 of the Updated Information Document.

Risks arising from insolvency of the reinsurance counterparts and concentration of the reinsurance markets

The Companies Participating in the Merger adopt a strategy to protect themselves in respect of specific risks taken in the management of the Non-Life and Life insurance business by means of reinsurance treaties, which involve exposure *vis-à-vis* the reinsurance professional chosen as counterparts. Ongoing reinsurance contracts specify that the reinsurance companies assume a part of the costs and charges resulting from compensation claims against a percentage of the policy premium, while the direct liability to those insured and/or damaged third parties or their beneficiaries remains with the Insurance Companies Participating in the Merger. Therefore although the Insurance Companies Participating in the Merger, in order to limit as much as possible the counterpart risk place their reinsurance plans with major reinsurance professional, chosen for their high level of financial solidity as rated by the main rating companies, avoiding excessive concentration on individual counterparts, it cannot be excluded that the possible insolvency of the re insurers may produce negative effects on the economic and/or financial position and assets of the Company Resulting from the Merger.

In addition, the reinsurance market has become highly concentrated as recent mergers and acquisitions have reduced the number of the major providers of reinsurance products. The availability and cost of reinsurance depend on the overall market conditions and can vary significantly. Therefore, it cannot be excluded that the possible increase of the costs of the reinsurance may reflect on the economic and/or financial position of the Company Resulting from the Merger.

In particular, with reference to the Unipol Assicurazioni Group, for the year 2013, the main reinsurance treaties with reference to the Non-Life Business were entered into with 34 reinsurance companies as counterparts having adequate financial solidity (with credit rating issued by Standard & Poor's ranging from "AA+" to "BBB+"), to which a share of total reinsured risks between a minimum of 0.50% and a maximum of 15.00% was allocated. With reference to the Life Business, again for the year 2013, the main reinsurance treaties were entered into with 7 reinsurance companies as counterparts having adequate financial solidity (with credit rating issued by Standard & Poor's ranging from "AA+" to "A-"), to which a share of total reinsured risks between a minimum of 10.00% and a maximum of 15.00% was allocated.

In particular, with reference to FonSai Assicurazioni, for the year 2013, the main reinsurance treaties with reference to the Non-Life Business were entered into 47 reinsurance companies as counterparts having adequate financial solidity (with credit rating issued by Standard & Poor's ranging from "AA+" and "BBB+"), to which a share of total reinsured risks between a minimum of 1.00% and a maximum of 15.00% was allocated. With reference to the Life Business, again for the year 2013, the main reinsurance treaties were entered into with 16 reinsurance companies as counterparts having adequate financial solidity (with credit rating issued by Standard & Poor's ranging from "AA+" and "BBB+"), to which a share of total reinsured risks between a minimum of 3.00% and a maximum of 15.00% was allocated.

See Chapter 4 of the Updated Information Document.

Risks arising from the performance of the real estate market

Fonsai also operates in the Real Estate Sector which represents a secondary activity in relation to insurance, its core business, with a portfolio mainly of retail and hotels property owned through direct and indirect investments.

The feasibility, timing, profitability and therefore the success of projects in the Real Estate Sector depends on a large number of factors including the availability of sources of finance (such as access to sufficient sources of finance with particular reference to bank loans and/or the financial means of the project partners etc.), administrative aspects (such as obtaining the necessary authorizations from the competent Authorities), unexpected events on building sites (e.g. delays related to unforeseen problems concerning geology, the environment, climate, projects, third-party claims or action), supplies (e.g. trends in terms of the cost of raw

materials and lead-times) and the state of the real estate market during the marketing stage (such as e.g., the dynamics of the supply and demand of substitutes also according to the macroeconomic context, developments in terms of viability and means of transport, the dynamics of prices, the ease of obtaining credit and the level of interest rates).

Given that the main factors described above are liable to change over time and not completely predictable during the stage of evaluation/investment or disinvestment decision, it cannot be excluded that the feasibility and/or profitability of such projects may change in terms of time and/or conditions, compared to the original forecasts, with subsequent potentially negative effects on the economic and/or financial position of the Fonsai Group and of the Company Resulting from the Merger.

Today, the Real Estate Business is negatively impacted by (i) a highly stagnant market both in Italy and in Europe and (ii) a series of macroeconomic variables, including the balance of supply and demand, linked, in turn, to a set of variables including the overall conditions of the economy, interest rate levels, inflation, the tax system, liquidity in the market, the widespread difficulty experienced by potential investors to obtain credit and alternative investments offering greater remuneration.

Within the context of investments in Real Estate, the Fonsai Group participates, as a shareholder/lender, in real estate development projects mainly concerning the residential and offices markets, essentially focused on large urban areas in Italy.

It should be noted that the real estate portfolio of the Fonsai Group as at 30 September 2013, in terms of real estate investments (including those classified among assets held for disposal of a value of Euro 181.6 million) and tangible assets of a real property nature amounted to Euro 2,447 million (Euro 2,508 million at the end of 2012, of which Euro 3 million relating to assets held for disposal).

The corresponding values for Milano Assicurazioni Group amounted to Euro 630.4 million as at 30 September 2013 (including approximately Euro 162.3 million being part of the corporate assets on disposal pursuant to the AGCM Order) and Euro 648 million as at 31 December 2012.

The Unipol Assicurazioni Group's real estate in terms of investment in real properties and tangible assets, as at 30 September 2013, amounted to Euro 1,004.8 million (Euro 988.5 million at 31 December 2012).

Investment property, including land and buildings classified as tangible assets, which will be held by the Company Resulting from the Merger will have an estimated incidence of 7.5% of total investment activities.

Real Estate Projects of the Fonsai Group

With reference to the state of development of major real estate projects in the Fonsai Group's portfolio, please note the following.

Porta Nuova Area

Investment activities continued, through some Fonsai Group companies, in joint ventures with the U.S. group HINES for the real estate development project in the area called "Porta Nuova" located in Milan, a project divided into three distinct and independent *sub*-projects (Porta Nuova Garibaldi, Porta Nuova Varesine and Porta Nuova Isola), which are carried out by means of three different real estate closed-end funds (the "**Funds**") managed by Hines SGR S.p.A. ("**Hines**"). The project will, with the redevelopment of over 290 thousand square meters of brown field sites, reconnect the urban fabric of three Milan neighborhoods which have been separated for over thirty years. In particular, 90% of the Porta Nuova Garibaldi project was completed, while the completion of the works for the two projects Porta Nuova Varesine and Porta Nuova Isola is expected within early 2014 and commercialization finalized by 2015.

Given the update received from Hines, the exit from the investment in Porta Nuova by the Fonsai Group has been planned, as at the Date of the Updated Information Document, by the end of 2015.

The Fonsai Group has carried out an independent analysis on investment both under normal conditions and by applying the stress hypothesis that envisages a decrease in sales revenue and an increase in residual costs of realization. The analysis, based on the documentation and information provided in the appraisals included in the statements of the Funds as at 31 December 2012 and 30 June 2013 and performed with the objective of verifying the possibility of recovering the invested capital both under normal conditions and in conditions of

stress, as at the Date of the Updated Information Document and to the best knowledge of the Fonsai Group, showed no critical situations which may affect the return on investment as a whole.

Given the decreasing margins in recent quarters, possible critical issues on specific aspects however should not be ruled out.

Melchiorre Gioia Area

In regard of the area of Milan located in Via Melchiorre Gioia, corner of Via Don Sturzo, owned by the Fonsai Group, situated inside the area of urban redevelopment called the “Porta Nuova”, the preliminary design is underway for the realization a new multi-purpose building.

Castello Area

Lastly, as regards the Castello Area, about 170 acres located on the northern outskirts of Florence - whose detailed plan envisaged residential and office buildings as well as a portion of “public buildings” that would house offices of public institutions - a variant of the detailed plan of this initiative is currently being studied in order to align the initial design to the current real estate market demand, as well as to take into account the implications of the introduction, in recent months, of zoning regulations as a result of the adoption of the Territorial Plan by the Region Tuscany.

With regard to these two new real estate projects, given the early stage thereof, it is not possible, as at the Date of the Updated Information Document, to exclude the existence of related risks that might generate negative impacts on the Company Resulting from the Merger.

Disposals provided for in the Joint Business Plan

With regard to the disposal of real property assets, please be informed that, as at the Date of the Updated Information Document, the sales transactions subject to finalized contractual agreements (final contracts, irrevocable proposals accepted or preliminary contracts) have entailed fees amounting to more than Euro 66 million (of which over Euro 36 million in relation to final contracts to be concluded by 2013); these activities are substantially in line with the provisions of the Joint Business Plan, despite the continuation of a difficult market environment.

See Chapter 6, Paragraph 6.4.7, of the Updated Information Document.

Risks arising from companies operating in sectors other than insurance and real estate

The Companies Participating in the Merger also operate directly in sectors other than insurance (which remains their core business) and real estate, through investments arising from the lines of business of the controlled companies operating in the hotel, health, farming and banking industries.

With reference to the so-called non-core companies of the Fonsai Group, it should be noted that the same reported losses for the period covered by the financial information contained in the Updated Information Document. In particular, at 30 September 2013, the hotel sector recorded a loss of approximately Euro 9.1 million (loss of Euro 36.0 million at 31 December 2012, loss of Euro 23.3 million at 31 December 2011 and loss of Euro 52.1 million at 31 December 2010), the healthcare sector reported a loss of approximately Euro 2.6 million (loss of Euro 14.5 million at 31 December 2012, loss of Euro 13.6 million at 31 December 2011 and loss of Euro 6.0 million at 31 December 2010) and the agricultural sector reported a loss of approximately Euro 6.5 million (a result in substantial balance at 31 December 2012, loss of Euro 0.9 million at 31 December 2011 and profit of Euro 28.4 million at 31 December 2010).

The results of the hotel industry were still influenced by the continuing weakness in demand both in the tourism sector in the strict sense and as part of the accommodation for conference and business purposes (i.e. business travel), as a result of the current economic crisis, as well as of the particular location of some facilities that do not receive a steady inflow of customers, either for tourism and/or business. These phenomena materialized in a significant drop in attendance, in a decline in the rate of room occupancy and, therefore, in a reduction in revenue, which, despite the streamlining and restructuring of operating costs implemented in the last two financial years, had a negative impact on the profitability of the sector.

The healthcare industry, in turn, suffered from negative dynamic effects on the private healthcare sector and a further gradual reduction in agreements being entered into with the national health service. In particular, the activity was affected by the uncertainty that was created over the last few financial years (and which continued in 2013) in relation to the evolution of the agreement with the ASL 10 (i.e. healthcare unit) of the Tuscany Region, the full implementation of which would have allowed the development of activities in line with the forecasts of the plan, thus being able to absorb the large investments made in the past aimed at the creation of an oncology center of excellence in terms of technology and quality of health services provided.

The result of the agricultural activities, while benefiting, in 2010, from the realization of significant gains and greater attention to the dynamics of costs in 2011 and 2012, was, in 2013, negatively impacted by certain adjustments and write-downs that were made primarily with respect to receivables, inventory and tangible assets.

Therefore, it should be noted that the Company Resulting from the Merger is exposed to economic risks and specific risks for these areas in terms of the negative performance of economic results of its subsidiaries, with the consequent need for financial support and/or capital by the Company Resulting from the Merger, as well as to possible fluctuations in the value of investment property held by the departments dedicated to the performance of such activities.

See Chapter 4 of the Updated Information Document.

Risks arising from the interest rate and inflation rate

With regard to the insurance business and its specific nature, the risk related to interest rates represents a significant risk with regard to:

- a) ordinary profitability of bond investments is affected positively in a scenario of rising interest rates, considering the possibility of obtaining always higher income, in line with the level of risk taken, from the investment of the premiums collected and the fluctuation payments from the existing portfolio;
- b) conversely, an increase in interest rates has a negative effect on the market value of fixed-income securities, whose value is inversely correlated to the performance of interest rates. It thus ensues that a rise in interest rates has a negative impact on both the equity position of the companies, through a worsening of the solvency ratios, and on overall portfolio profitability as a result of the devaluations of fixed-income securities;
- c) a large percentage of the life policies offered to the clients of the Insurance Companies Participating in the Merger offers a guaranteed minimum return. A fall in the yield of investments in financial instruments could lead to losses on the part of the insurance companies headed by the Insurance Companies Participating in the Merger if the effective yield is lower than the guaranteed return;
- d) an increase in interest rates could also induce the client to look for/choose investment opportunities characterized by greater profitability than the policies offered by the Insurance Companies Participating in the Merger which leads to a raise in surrender levels.

It should also be noted that a sudden increase in the inflation rate could have a negative impact on the equity position of the Insurance Companies Participating in the Merger, reducing the value of fixed-rate assets.

With reference to the financial debt of Premafin (object of the Restructuring Plan), whose costs is linked to the level of the Euribor rate, an increase in interest rates causes an increase in the financial charges with negative effects on the economic and/or financial position of the Company Resulting from the Merger.

In relation to hedging policies adopted for risks associated with interest rates relating to the securities portfolio of the Unipol Assicurazioni Group, at 30 September 2013, strategies were implemented to mitigate such risks by entering into derivative contracts, for a notional amount of Euro 2,254 million, corresponding to approximately 14% of the investments in bonds held in the portfolio, thus leading to a reduction of the

sensitivity of bond prices to rises in interest rates estimated at approximately Euro 1.33 million for each basis point change in the yield curve of Euro Swap interest rates.

There was no interest rate risk hedging for the portfolio of Fonsai assets.

With reference to the liability component, represented by loans granted to the Unipol Assicurazioni Group and to the Fonsai Group, as shown below, it should be noted that cash flow hedges were realized for a total nominal value of Euro 1,050 million through interest rate swaps of the *payer* type with maturities between 2015 and 2018.

<i>Figures in thousands of Euros</i>		Company					
Method	Figures	Fonsai Milano Group	% of total	Unipol Assicurazioni Group	% of total	Grand total	% of total
IRS - cash flow hedge	Nominal value	650,000	62%	400,000	40%	1,050,000	51%

Finally, as regards the operations of the BancaSai Group and Unipol Banca, owned by Unipol Assicurazioni, it should be noted that a reduction in interest rates would have a negative effect on the spread between lending and deposit rates, resulting in deterioration in net interest income.

- (i) With regard to the BancaSai Group, there are two hedging transactions of outstanding loans for an aggregate notional amount of Euro 25 million;
- (ii) With reference, however, to Unipol Banca, again at 30 September 2013, hedges on issued bond loans were carried out for the purpose of reducing the interest rate risk through transactions in derivative instruments, for a total notional amount of Euro 402 million, corresponding to 18.1% of the bond loans themselves. Such hedging transactions, at 30 September 2013, showed sensitivity to the increase of 1 basis point in the interest yield curve amounting to Euro 22,000.

Therefore, the occurrence of the events described could adversely affect the operating results and economic and/or financial position of the Company Resulting from the Merger.

See Chapter 4 of the Updated Information Document.

Credit Risk

A substantial component of the investment portfolio of the Companies Participating in the Merger consists of debt securities issued by companies in the financial sector and the industrial sector.

Although the investment policy adopted by the Companies Participating in the Merger is guided by criteria of diversification and investment in companies characterized by high creditworthiness and with a geographically diversified business, the default of one or more issuers of financial instruments in the portfolio can worsen the economic and/or financial position and assets of the Company Resulting from the Merger

In particular, given the specific nature of the European financial market, where financial and banking institutes are primary issuers, the Company Resulting from the Merger may be particularly exposed to the risk of worsening of the creditworthiness of the banking sector.

The difficult economic situation could lead to a possible increase in adjustments to impaired loans and cost of credit, with possible negative impacts on income.

As at 30 September 2013, the exposure of the Premafin Group to issuers belonging to the financial sector amounted to approximately Euro 1,650 million, equal to 5.5% of the investments, while exposure to issuers belonging to the industrial sector amounted to Euro 1,601 million, equal to 5.3% of the investments; with respect to such exposure, no risk hedging actions were implemented.

At the same date, the exposure of the Unipol Assicurazioni Group amounted to approximately Euro 4,403 million, accounting for 20.7% of investments in respect of issuers belonging to the financial sector, while the exposure to issuers belonging to the industrial sector amounted to approximately Euro 329 million, accounting for 1.6% of investments. At 30 September 2013, the Unipol Assicurazioni Group did not undertake specific credit risk hedging activities, also because of the significant reduction in the sector carried out in recent years, dropping from 32.7% in 2011 to the current 22.3%, together to a significant reduction of concentration risk on individual issuers.

With reference to BancaSai, it should be noted that the gross bad loans as at 30 September 2013 amounted to Euro 96.3 million, or 12.8% of total loans. During the first nine months of 2013, BancaSai considered it fit to increase its level of provisions on loans with further adjustments of Euro 6.2 million, bringing the percentage of non-performing loan hedging to 58.3% at 30 September 2013 (69.4% of impaired loans).

With reference to the Unipol Banca Group, it should be noted that the gross bad loans at 30 September 2013 amounted to Euro 1,646.5 million, equal to 15.7% of total gross loans. The persistence of the macroeconomic crisis meant that Unipol Banca deemed it necessary, in the first nine months of 2013, to increase the level of its provisions on loans with additional adjustment provisions amounting to Euro 238.6 million, bringing the percentage of non-performing loan hedging to 24.5% at 30 September 2013. With respect to a portion of such portfolio, the bank entered into a contract of indemnity under which it transferred to UGF its credit risk, net of relevant adjustment provisions; as a result thereof, for the purposes of determining the actual degree of non-performing loan hedging, investors must take into account the joint effect of adjustment provisions set aside and the amount of provisions that UGF had allocated up to 30 September 2013, amounting to Euro 200.2 million. The amount of write-downs on loans for the first nine months of 2013, including Euro 100 million written down by UGF, by virtue of the said contract of indemnity, was equal to approximately Euro 338.6 million. Overall, at 30 September 2013, non-performing loan hedging rose to 30.9%, while the percentage of hedging of adjustments on bad loans was equal to 43.8%.

With regard to risk mitigation techniques, both BancaSai and the Unipol Banca Group take advantage of the support of traditional forms of collateral accepted by the legal framework (mortgage, pledge, and sureties), also attempting, where possible, to enable the use of CONFIDI guarantees. For the purpose of credit risk mitigation, mortgage guarantees are particularly relevant: mortgage loans account for about 51% for BancaSai and about 60% for the Unipol Banca Group of gross loans to customers.

Finally, with reference to the recapitalization policies of these direct and indirect investee companies in the banking sector, it should be noted that the assumptions of the Joint Business Plan do not provide for measures to strengthen the equity of such companies. However, as it cannot be ruled out that the Company Resulting from the Merger could be required to make investments in relation to the abovementioned recapitalization purposes in Unipol Banca, it should be noted that the Acquiring Company intends to conclude the expected put and call option contract on the investment, which represents 32.26% of the share capital of the bank, which as a result of the Merger, will be acquired by UnipolSai, a contract whose clauses, in accordance with the practice for similar operations, will, in the case of capitalization operations, stipulate appropriate mechanisms for the adjustment of the exercise price of the options themselves.

In regard of BancaSai, against the good levels recorded for both capitalization and rates of non-performing loan hedging, no recapitalization is being planned. In this regard, it should be noted that on 19 April 2012, the Bank of Italy - after noting persistent critical elements, on the basis of supervisory reports and Central Credit data for 2011, in the exposure to credit and financial risks associated with a further increase in loan adjustments compared to 2010, as well as in the income production process of the bank - had called for the company representatives of BancaSai to:

- pursue actions aimed at balancing technical data by taking all the necessary measures from both the organizational and management standpoint;
- pay close attention, in this area, to the adequacy of the overall structure of the governance and control systems, the accurate measurement of exposure to the risk profiles and proper valuation of capital coverage, also in view of future developments.

In June 2012, the directors of BancaSai in office at the time confirmed their commitment to pursuing the guidelines already defined in the 2012 operational plan previously approved, aimed at rebalancing banking data and aimed primarily at:

- recovery of income balance through the improvement of operating income, particularly in the services component, and cost containment ;
- gradual reduction in loans and careful monitoring of the risk profile of the existing portfolio.

These guidelines were developed, as proposed by the same bank, with a view to strategic planning in the medium term, as strategic and operational guidelines for the integration of BancaSai with Unipol Banca, approved by the governing bodies as part of a wider project to define the strategic role of the banking sector in the financial conglomerate headed by Finsoe (See Paragraph 1.1.6 of the Updated Information Document).

See Chapter 2, Paragraph 2.1.2, Chapter 4 and Chapter 6, Paragraph 6.4.7, of the Updated Information Document.

Asset Liability Management risk

The Companies Participating in the Merger plan their own investments in such a manner that the returns and their duration correspond to the commitments undertaken with regard to their own clients and the holders of the issued liabilities. Any gaps between the due dates of said investments and the related returns with regard to the due date of the undertakings may have a negative impact on the operating results and on the position economic and/or financial of the Company Resulting from the Merger.

Even in the light of Regulation No IVASS. 36 of 31 January 2011, it is expected that the companies define, on the basis of the size, nature and complexity of the activity, the investment policies of all the assets consistent with the risk profile of the liabilities held, in such a way as to ensure the continued availability of suitable and sufficient assets to meet its liabilities. Commitments relating to the minimum guarantees present in the life insurance policies in addition to any differences between the due dates of these investments compared to the due dates of the commitments, it could cause negative consequences on the economic and financial position of the Company Resulting from the Merger.

Furthermore, in the event of a liquidity crisis linked to the sector in which these companies operate, the conversion into cash of the financial instruments readily converted into liquid assets might not be sufficient to enable them to meet its own commitments.

Therefore, in the event of the Companies Participating in the Merger needing to disinvest the financial instruments held in the portfolio which cannot be readily converted into liquid assets it might be forced to sell at an unfavorable price with possible negative effects on its solvency in addition to the economic and financial situation of the Company Resulting from the Merger.

See Chapter 4 of the Updated Information Document.

Exchange Rate Risk

With regards to exchange rate risk, from a management point of view, as at the Date of the Updated Information Document, the Companies Participating in the Merger do not have a significant exposure to currencies other than the Euro. In fact, the major part of the investments in financial instruments is entitled and/or refundable in Euro which represents both the functional foreign currency and the accounting foreign currency. With regard to

the financial instruments entitled in foreign currencies other than the Euro, the Companies Participating in the Merger invest mainly in U.S. Dollars, Swiss Francs, British Pounds and Japanese Yens, activating systematically full or partial hedging of the exchange rate which does not present a direct correlation with the liabilities, in order to maintain a residual exchange rate risk. In particular there is a substantial balance between assets entitled in foreign currency and correlate liabilities, in turn denominate in the same foreign currency, since most of these investments are meant to cover commitments vis-à-vis Life class insured (notably they are separate portfolios in foreign currency).

Vice versa, from an industrial point of view investment in the DDOR Novi Sad Ado insurance company, operating in Serbia, presents an exposure to the Serbian currency which could generate a negative impact on the economic and/or financial position of the Company Resulting from the Merger.

See Chapter 4 of the Updated Information Document.

Operating risks

The Companies Participating in the Merger, like all the operators in the financial sector, are exposed to the various types of operating risk, intended as the risk of unexpected losses resulting from the unsuitability or the unsatisfactory application of company procedures, by errors or lack of human resources and internal systems, internal or external fraud, unauthorized activities on the capital markets, by interruption and/or malfunctioning of services and systems (including related to the IT system) errors, omissions and delays in performing the services offered, by deficiencies in the setup and/or maintenance of the Documentation related to the operation, by client complaints, by a product distribution not compliant with the rules for the provision of investment services, sanctions resulting breaches of normative, by breach of contract, natural disasters, as well as the failure to comply with the procedures related to identifying, monitoring and managing risks. These risks also include those of a legal nature while strategic and reputation risk are excluded.

Although the Companies Participating in the Merger have adopted procedures and structured systems to monitor and reduce the operating risks, it is impossible to exclude the possibility that these measures reveal insufficient to face all the types of risks which could appear and that one or more of them could occur in future, also following the Merger and/or also due to unpredictable events, entirely or partially beyond their control (including, for example, the non-performance of suppliers regarding their contractual obligations, fraud, cheat or losses resulting from employees' misconduct and/or the breach of control procedures, the attack of computer viruses or malfunctioning of electrical and/or telecommunication services, possible terrorist attacks). Should one or more of these events occur, they could have a negative impact on the business of the Companies Participating in the Merger and, consequently, on therefore, on the economic and financial position of the Company Resulting from the Merger.

See Chapter 4 of the Updated Information Document.

Risks arising from developments in the legal and regulatory framework

The Company Resulting from the Merger will essentially operate in highly regulated and supervised sectors. The issue of new legal and regulatory provisions, in addition to any changes, at EU, national and/or local level, of the regulations, also fiscal, currently in force, in addition to the possible legal proceedings resulting from the breach of legal and regulatory provisions, could have negative effects on the reputation and on the activity of the Company Resulting from the Merger as well as on its economic and/or financial position.

Any changes in respect of legislation or regulations concerning the Company Resulting from the Merger, including in particular Solvency II, or with regard to the interpretation of the provisions applicable in the sectors in which the Company will be operating, could have a negative impact on the types of products, on the costs of the liquidation of claims, on the distribution channels, on the capital adequacy of the Company Resulting from the Merger and, consequently, therefore on the relative financial adequacy.

With specific reference to Solvency II, it should be noted that the new prudential regime will strengthen the system of internal controls and management of risks assumed by insurance companies. As the process of completing and defining the implementing rules of Directive 2009/138/EC of the European Parliament and

European Council of 25 November 2009 (Solvency II Directive) is still in progress, the introduction of new regulations and/or changes in the relevant interpretations of the provisions as currently issued and published (note that on 14 November 2013, an agreement was reached between the European Commission, Parliament and Council on the text of the proposal of the so-called Omnibus II Directive, 2011/0006 (COD), the Directive amending and implementing the Solvency II Directive) could, among other things, bring changes to the absorbed capital associated with the product portfolio, with the cost of settling claims and/or distribution channels; any higher capital requirements could have an impact on the current and future economic and/or financial position of the Company Resulting from the Merger.

Moreover, it should be noted that Art. 2 of Legislative Decree No. 133 of 30 November 2013, being converted into law as at the Date of the Updated Information Document and the decree of the Ministry of Economy and Finance of 30 November 2013 (published in the Official Gazette No. 282 of 2 December 2013), with particular reference to banks, credit and financial institutions as referred to in Legislative Decree No. 87 of 27 January 1992, and companies and entities carrying out insurance business activities, provided for (i) an increase to 130 per cent of the IRES and IRAP tax advance payment for the tax period in progress at 31 December 2013 (also considering the increase imposed earlier by Art. 11, paragraph 20, of Legislative Decree No. 76/2013) and (ii) the introduction of an additional 8.5 percentage points of the IRES rate applicable to the taxable income for the same tax period (thus raising the overall tax rate to 36 percent).

See Chapter 4 of the Updated Information Document.

1.2.2 Risks connected to special clauses contained in certain financing agreements and bond loans stipulated by the Companies Participating in the Merger

At the Date of the Updated Information Document, the Companies Participating in the Merger were involved in, among other things, a number of long-term financing agreements and bond issues containing, depending on the cases, the obligation of negative pledges, “event of default” clauses, “cross default” clauses and other early repayment clauses.

If the cash flows generated by the Company Resulting from the Merger were not sufficient to meet the uncertainties arising from its financial debt, or if lenders were to ask early repayment of the loans according to the terms and the conditions agreed, also as a result of the failure to respect the negative pledge uncertainties, event of default and cross default clauses, there could be a negative impact on the economic and/or financial position of the Company Resulting from the Merger.

With regard to the clauses contained in the financing agreements in place, please note the following:

- With regard to the two subordinated hybrid financing agreements with indefinite maturity for a total overall amount of Euro 400 million, signed in February 2008 by Mediobanca and Unipol Assicurazioni, the main conditions are summarized as follows:
 - Each loan must be repaid in the event of Unipol Assicurazioni being subject to a proceeding of voluntary or compulsory winding-up, in compliance, depending on the case, with (a) a resolution adopted by the shareholders’ meeting of Unipol Assicurazioni, (b) any provision in the Unipol Assicurazioni Articles of Association, or (c) any applicable law or decision of any court or administrative Authority;
 - each loan specifies obligations to not to lend money to third parties, give advances, grant credit or guarantees to any person, with the exception (a) of those deriving from the Group’s cash pooling systems; (b) of the guarantees outstanding at the time when the moment in which the financing agreement was signed; and (c) of the loans, advances, credit and guarantees part of ordinary business activity, or, in the case that they do not fall in the ordinary business activity of the beneficiary, whose value does not exceed a given amount.
- Fonsai and Milano Assicurazioni, have five outstanding subordinated loans, for an overall outstanding amount, as at 30 September 2013, of Euro 1,042.3 million (on 31 December 2012 for Euro 1,048.1 million), net of the amortization of the cost of said loans (for a value of Euro 1,050 million). These contracts include, amongst other things, (i) limits to the distribution of dividends in the event that the share capital of the beneficiary is lower than the minimum share capital provided by the applicable legislation,

(ii) limits to the distribution of dividends in the event of Fonsai or Milano Assicurazioni recording losses which can lead to the solvency margin of the beneficiary companies falling below the level requested by the applicable legislation.

In the event of early repayment of such loans, the Adjusted Solvency Margin of UnipolSai in the period 2013-2015 would stand at a level that exceeds the solvency margin required by applicable law.

In June 2013, the European Parliament and Council adopted (EU) Regulation No. 575/2013, on prudential requirements for credit institutions and investment firms (“**CRR**”), and the Directive 2013/36/EU on access to the activity by credit institutions and prudential supervision of credit institutions and investment firms (“**CRD IV**”), thereby implementing the rules defined by the Basel Committee on Banking Supervision in December 2010 (“**Basel III**”) across the EU. These rules, among other things, provide that banks must deduct an amount, from their capital calculated for supervisory purposes, depending on the number of equity instruments held issued by financial entities, including insurance companies, and computed by such entities in their regulatory capital.

It should be noted that the Company Resulting from the Merger has outstanding subordinated loans granted by banking institutions subject to the regulations mentioned above for a total amount of Euro 1,450 million.

If, following the entry into force of these regulations, the lender incurs additional costs or charges, the same may require the application of the clause, found in all financing agreements referred to above, which provides for the beneficiary’s payment for such costs or expenses arising as a result of regulatory changes, upon presentation of proper evidence and it being understood that the lender undertakes to do everything reasonably possible to limit the above costs or charges, which may have an impact on the economic and/or financial position of the Company Resulting from the Merger.

Regarding other financial agreements agreed by banks to Immobiliare Fondiaria-SAI, and to SAI Investimenti SGR in name and on behalf of Tikal R.E. Fund, the main covenants thereby established concern, among other things, “cross default” clauses and “change of control” clauses.

It should be noted that as of the Date of the Updated Information Document no events included in the main covenants of the above-mentioned financing agreements had actually occurred.

Furthermore, it should be noted that with regard to the two subordinated bond loans of Unipol Assicurazioni for the nominal value of Euro 300 million each, named “Unipol Assicurazioni 7% Fixed/Floating Rate subordinated callable notes due 2021” and “Unipol Assicurazioni 5.66% Fixed/Floating Rate subordinated callable notes due 2023”, default clauses are included, on the basis of which, if any of the above-mentioned events were to occur (such as the opening of insolvency procedures or the winding-up of the issuer), the loans in question would immediately become payable.

As far as Premafin is concerned, the Restructuring Agreement signed on 13 June 2012, as amended on 18 December 2013, with its Financing Banks– the details, in addition to the following definitions can be found in the following paragraph 2.1.2 – specifies that, on the so-called Stage 2 of the Restructuring Plan, and at any rate provided that the Merger has become effective by 1 February 2013, in partial replacement of the loan currently outstanding (the Amended Pre-Merger Financing Agreement), two new loans will come into force:

- (i) the Amended Post-Merger Financing Agreement;
- (ii) the GE Capital Agreement

The two loans provide a series of commitments the more substantial of which consist of (i) maintaining a Adjusted Solvency Margin of the Company Resulting from the Merger above the 100% threshold (ii) maintaining, by UGF, a shareholding in the Company Resulting from the Merger no lower than the controlling interest pursuant to the Code of Private Insurance.

Failure to respect the above-mentioned undertakings may, under certain conditions, result in an obligation of early reimbursement of the amount outstanding of such loans.

Furthermore, it should be noted that the Restructuring Agreement establishes that, when Stage 2 takes place, the issuing, by the Company Resulting from the Merger, of the Convertible Loan of Euro 201.8 million with the due date fixed for 31 December 2015, underwritten:

- for approximately Euro 134.3 million by Financing Banks (with the exception of GE Capital Interbanca S.p.A.) by means of partial compensation on the Amended Post-Merger Financing Agreement;
- for approximately Euro 67.5 million by UGF, resources intended to repay a similar amount of the Amended Post-Merger Financing Agreement.

Following the conversion in shares of the Convertible, there will be a dilution on the share capital of the Company Resulting from the Merger. On the Date of the Updated Information Document, such effect cannot however be estimated in quantitative terms since it is a function of the conversion price, unknown at that date. It should be mentioned notably that, for effect of the conversion, the new shares of the Company Resulting from the Merger will take part in the distribution of the profits of the same with possible effects on the distribution of said profits to the holders of ordinary and savings shares of UnipolSai. In order to avoid such dilution, within the context of the Exchange of Correspondence concerning the Key Values of the Merger, UGF, also on behalf of Unipol Assicurazioni, Premafin, Fonsai and Milano Assicurazioni have agreed to start negotiations with the financing banks to the fine of possibility of give pre-emptive rights to the shareholders of UnipolSai on the Convertible, with a guarantee at any rate that any remainder would be underwritten by the financing banks and of UGF themselves in the proportion in which they would participate to said Convertible.

On completion of the aforesaid discussions, UGF and the financing banks, after carefully assessing the situation stated that the offer of an option on the Convertible (financial instrument originally reserved to qualified investors) to all the shareholders of UnipolSai would present various technical problems, deriving (i) from the minimum cut-off of the financial instruments on offer (currently set at Euro 100,000) (ii) from the method of determining the Conversion Price and the connected pricing mechanism; (iii) from the expiry date set for 31 December 2015, i.e. at a very close date to scheduled issuing date; and (iv) by the problems of including in the Convertible rules the conditions of the current loans with the financing banks.

Said elements, at least as of the Date of the Updated Information Document, lead one to confirm that the Convertible will be subscribed to solely by the financing banks (with the exception of GE Capital Interbanca S.p.A.) and by UGF.

See Chapter 2, Paragraph 2.1.2, and Chapter 4 of the Updated Information Document.

1.2.3 Risks arising from the rating assigned to the Company Resulting from the Merger

The risk connected with an issuer's capacity to fulfill its obligations, including those arising following the issue of financial instruments, is defined by reference to the credit ratings assigned by independent rating agencies.

Such ratings and the related research may assist investors in the analysis of credit risks connected to the investment in financial instruments. The lower the rating assigned on the related scale, the higher the risk, assessed by the rating agency, that the loans will not be fulfilled or will not be fulfilled in their entirety or in time. A suspension, down-grade or a withdrawal of a rating assigned previously might have a negative influence on the market price of debt securities and/or other financial instruments issued by the issuer and, in general, the cost of financial transactions generally.

At the Date of the Updated Information Document, the long term counterparty credit rating assigned to the Acquiring Company by the Standard & Poor's rating agency was BBB with a negative outlook. So far as the Merged Companies was concerned, the long term counterparty credit rating assigned by the Standard & Poor's rating agency to Unipol Assicurazioni and Milano Assicurazioni was BBB with negative outlook. The insurance financial strength rating assigned by Moody's rating agency to Unipol Assicurazioni is Baa2 with negative outlook. With regard to Premafin, the company has no rating assigned to it.

At the Date of the Updated Information Document, the long-term counterparty credit rating assigned by the rating agency Standard & Poor's to Unipol Banca was "BB-", with a negative outlook, and the foreign currency long-term bank deposit rating assigned by the rating agency Moody's was "Ba2", with a negative outlook.

It should be noted that the rating agency Moody's determines the foreign currency long-term bank deposit rating of Unipol Banca from the standalone bank financial strength rating. At the Date of the Updated

Information Document, the standalone bank financial strength rating of Unipol Banca assigned by Moody's was equal to "E/caa1", with a negative outlook.

Moreover, at the Date of the Updated Information Document, the long-term counterparty credit rating assigned to UGF by the rating agency Standard & Poor's was "BB+" with a negative outlook and the long-term issuer rating assigned to UGF by the rating agency Moody's was "Ba2" with a negative outlook.

In this regard, it should be noted that a worsening economic and/or financial position of UGF could lead to a downgrade of the rating of the Acquiring Company, and/or of the Merged Companies and/or of the Company Resulting from the Merger.

Furthermore, the non-implementation of the Integration Plan, of which the Merger is an essential part, could lead to a downgrade of the rating of the Acquiring Company and/or Merged Companies, as the failure to achieve the expected synergies arising out of the Merger could have a negative impact on the economic and/or financial position of the Acquiring Company and/or of the Merged Companies.

In this regard, as reported recently in the communications dated 4 and 12 July 2013, the rating agency Standard & Poor's, considering that the Merger Integration Plan presents significant implementation risks, noted the possibility of a rating downgrade if the following events occurred in the next two years: (i) strengthening of provisions higher than expected; (ii) capital requirements not in line with those expected; (iii) retained earnings lower than Euro 200 million; (iv) combined ratio lower than expected; (v) significant extraordinary costs; (vi) high dividend payouts; (vii) further financial support to the subsidiary Unipol Banca; (viii) worsening of the economic and financial situation in Italy. Furthermore, in the case of non-implementation of the Merger Integration Plan, Standard & Poor's could, among other things, review the status, within the Unipol Group, of the companies Fondiaria-Sai and Milano Assicurazioni from core to not strategically important. This change could result in a possible downgrade of the two companies' rating.

In the opinion of the rating agency Moody's, as reported in the Credit Research of 30 October 2012, the Merger Integration Plan presents "high" risks and the agency could decide to downgrade the rating if the following circumstances occurred: (i) further significant strengthening of reserves; (ii) additional costs associated with the merger operation; (iii) significant loss of market share; (iv) further downgrade of the rating of the Italian Republic.

Moreover, the rating agency Moody's, as reported in the Credit Research of 12 December 2013 and the Credit Opinion of 13 December 2013, revised from "high" to "medium" the risks related to the Merger Integration Plan and reported that it could decide upon a rating downgrade if the following circumstances occurred: (i) further significant write-downs of assets; (ii) additional costs associated with the integration operation; (iii) significant loss of market share in addition to the one resulting from the sale of assets as required by AGCM; (iv) further downgrade of the rating of the Italian Republic.

In this regard it is noted that in the communications mentioned above, the rating agency Moody's upgraded its rating of the adequacy of the Group's provisions and, consequently, the risk of further strengthening of reserves is no longer listed among the factors that explain the risk of a rating downgrade.

While it is considered that the Merger would be able to improve the Acquiring Company's solvency margin, with the generation of synergies and industrial advantages, it cannot be excluded that the rating assigned to the Company Resulting from the Merger may fall (so-called downgrading) as compared with that currently assigned to the Acquiring Company and the Merged Companies to be incorporated.

Moreover, a possible downgrading of either the Acquiring Company or the Incorporated Companies, or, subsequently, of the Company Resulting from the Merger, might lead to higher charges for the latter in obtaining financial resources by way of debt or capital, greater difficulty in gaining access to capital markets and the possible need to top up security deposits already provided, together with a negative impact on the economic conditions applied by re-insurance companies, on credit access conditions, on the ability to participate in competitive award procedures requiring the satisfaction of specific rating conditions and on

relations with customers (with particular reference to the Life Insurance sector), with a consequential negative impact on the economic and/or financial position of the Company Resulting from the Merger. Any changes in the rating of the Acquiring Company, the Companies Participating in the Merger and the Company Resulting from the Merger will be disclosed to the public through a specific press release.

It should be noted that the two subordinate hybrid loans subscribed to in 2008 by Fonsai (for Euro 250 million) and by Milano Assicurazioni (for Euro 100 million), grant Mediobanca the power to convert them into ordinary shares on the contemporaneous occurrence of the following events for two consecutive financial years: (i) rating of less than or equal to BBB-; (ii) Solvency Margin of less than or equal to 120% of the Required Solvency Margin.

See Chapter 2, Paragraph 2.2, of the Updated Information Document.

1.2.4 Risks arising from the impact of financial market trends, the macroeconomic situation and the debt crisis in the Euro Zone

The trends of the Companies Participating in the Merger are directly influenced by the global macroeconomic context and by the situation of international financial markets.

Macroeconomic context

Starting from August 2007, a financial crisis, initiating in the United States following the worsening of the market for mortgages granted to customers with a very low credit rating, gradually extended to all main international financial markets leading to the failure and forced bail out of first rank financial service operators. The above mentioned global crisis also gave rise to significant tensions in the context of the ordinary business of many first insurance companies, commercial banks and merchant banks.

In such macroeconomic context, reference to the developments affecting the sovereign debt of countries like Greece, Portugal, Spain, Italy and Ireland cannot be omitted. The problems were characterized by a rapid deterioration in their respective deficits and public debt. Such trends then gave rise to apprehension in investors which, as a consequence, requested ever higher returns from investments in the above type of securities.

With particular reference to the macroeconomic effects on the insurance market, it is noted that the current prolonged recession is producing adverse effects on the demand for insurance cover caused by the fall in disposable income of households and by the crisis situation faced by many companies. The volume of premiums of the Non-Life insurance market has, therefore, shrunk in the 2013 interim figures (-4% homogeneous variation at September 2013 compared to the corresponding period of 2012; IVASS source).

In particular, the economic crisis plaguing our country has resulted in a decrease in the average mileage of vehicles with consequent improvement in the MV third party liability claims frequency. This has triggered a more competitive climate with consequent rapid drop in the average premium paid by policyholders and acceleration of the decrease in the volume of total premiums.

Even the Life insurance market has experienced the effects of the crises that in recent years have determined an increase in Life policy redemptions, although in 2013 this phenomenon appears to have mitigated and income, supported by greater stability in the financial markets, returned to growth.

See also Chapter 1, Paragraph 1.2.5, and Chapter 4 of the Updated Information Document.

Performance of financial markets

Economic prospects have been negatively affected by the risk that one or more countries in the Euro-Zone might be forced to abandon the European monetary union in increasingly prejudicial circumstances and that the Euro might cease to exist as the Euro-zone's single currency, leading to the conversion of part or all the assets, liabilities and liquidity currently entitled in Euros, into the new currency of the originating country. The legal and contractual consequences of such a possibility for the owners of shares and/or bonds entitled in Euros would be laid down by the applicable law in force at that time. These possible developments, or the perception of their possible occurrence, could have a negative effect, amongst other things, on the value of the shares of the Companies Participating in the Merger and the Incorporating Companies as also on investments made in

other (Italian and/or foreign) companies or in financial instruments and, more generally, it could have substantially prejudicial effects on the economic trends of the affected countries or lead to recession or economic depression of such a nature as to compromise the stability of the financial markets and of the overall monetary and financial system. All the above could thus have a negative effect on the activities and the financial and economic situation of the Companies Participating in the Merger and the Company Resulting from the Merger.

Such risks still remain even though the current legislation and the Private Insurance Code in particular, have imposed a series of both quantitative and qualitative limits on the investments that businesses make to cover their technical provisions in the context of their equity and/or financial management, in order to protect the interests of the insured parties.

The following provisions have been laid down in particular:

- (i) maximum investment limits in assets with a high degree of risk arising both from the nature, and the qualifications, of the issuer (such as shares, derivative instruments, corporate securities etc.);
- (ii) maximum investment limits in assets which are hard to liquidate (for example, non-quoted securities);
- (iii) maximum investment limits for each type of asset or investment sector;

Compliance with the above investment limits is monitored carefully by IVASS.

Notwithstanding the limits introduced by the authority and the prudence of the management of the assets of the Companies Participating in the Merger, the investments made by insurance companies to cover technical provisions remains a characteristic business activity exposing the economic and/or financial position thereof to risks connected with market trends in terms of market risks and to losses deriving from interest rates, share prices, currency exchange rates, credit rating, the liquidity of the investment, the reliability of the counterparty and the sovereign debt risk.

See also Chapter 1, Paragraph 1.2.6, and Chapter 4 of the Updated Information Document.

1.2.5 Risks arising from sovereign debt

It should be noted that, given the make-up of the Acquiring Company's securities portfolio, concentrated on Italian securities, financial investments, bond investments in particular, are significantly affected by the market perception of Italian risk.

With particular reference to the exposure to government securities issued by Portugal, Ireland, Greece and Spain, it should be noted that the Fonsai Group's direct exposure in terms of book values as at 30 September 2013, amounted to about Euro 92.4 million. The same exposure for the Milano Assicurazioni Group, taken as before at book values, amounted to about Euro 23.9 million. On the same date, the exposure of Unipol Assicurazioni, at their IAS book values amounted to Euro 730 million.

The Fonsai Group, at 30 September 2013, held a portfolio of government securities, equal to about 85.5% of the bond portfolio, mainly concentrated in securities issued by the Italian State.

With reference to the Unipol Assicurazioni Group, always at 30 September 2013, the sovereign component (consisting mainly of Italian government bonds) represented about 70% of the bond portfolio.

It follows that any downgrading of the Italian State and/or a widening of credit spreads on Italian government bonds may considerably affect the financial and/or economic profile of Fonsai and Unipol Assicurazioni and of the Company Resulting from the Merger.

With particular reference to the exposure to government bonds issued by Portugal, Ireland, Greece and Spain, direct exposure of the Fonsai Group amounted to approximately Euro 92 million, of which approximately Euro 25.3 million for the Milano Assicurazioni Group. At the same date, the exposure of the Unipol Assicurazioni Group amounted to Euro 676 million.

The table below is a summary of exposure to government bonds of Italy and Spain, Ireland, Portugal and Greece for the Unipol Assicurazioni Group and the Fonsai Group and the relevant incidence rates on financial assets.

Exposure to PIGS and Italian Sovereign Debt					
<i>(Values in millions of Euros)</i>					
	Unipol Assicurazioni		Fonsai Group		
	Book value IAS	% Tot. Investments	Book value IAS	% Tot. Investments	
Portuguese treasury	100	0.5%	4	0.0%	
Irish treasury	75	0.4%	29	0.1%	
Greek treasury	0	0.0%	0	0.0%	
Spanish treasury	501	2.4%	59	0.2%	
Total PIGS	676	3.2%	92	0.3%	
Italian treasury	9,895	46.5%	18,190	60.6%	

It should be noted that the continuation of the volatility seen recently in relation to the valuation of government securities issued by so-called PIGS countries (Portugal, Ireland, Greece and Spain), could also provoke a high degree of volatility in the valuation of Italian sovereign debt securities as well, with potentially significant negative variations in the market value of Italian government bonds. Given the concentration of such securities in the securities portfolio of the Acquiring Company's group, such volatility could have a negative effect on the Acquiring Company's economic and financial position.

In the light of the above, it cannot be excluded that possible negative developments of economic conditions not only of Italy but also of other countries at the border of Europe (such as, among others, Greece, Ireland, Spain and Portugal), might have a negative effects on the economic and financial position of the Company Resulting from the Merger.

See Chapter 4 of the Updated Information Document.

1.2.6 Risks of shareholdings and of the securities portfolio

Risks associated with minority interests

Investments recorded in the respective consolidated financial statements of the Premafin Group, Fonsai and Milano Assicurazioni relate exclusively to minority interests consolidated under the equity method. If the value attributed to the interest also includes a portion of goodwill, such portion is subject to an impairment test in accordance with IAS 28 and, therefore, in case the impairment test shows a permanent loss, the investments may be subject to write-downs in regard of implicit goodwill recorded in the income statement for the amount thereof, resulting in negative effects on the economic and financial position of the Company Resulting from the Merger.

Risks related to the impairment of goodwill

The consolidated financial statements of Fondiaria-SAI at 31 December 2012 reported goodwill totaling approximately Euro 1,102 million constituting 52.1% of the Group's shareholders' equity, amounting to Euro 2,116 million at the same date. Similarly, at 30 September 2013, goodwill, including the proportion accounted for in accordance with IFRS 5, amounted to approximately Euro 1,100 million and constituted 46.4% of the Group's shareholders' equity, amounting to Euro 2.369 million at the same date.

Any acquisition costs for certain capital assets in excess of shareholders' equity at the acquisition date measured at fair value (goodwill) is given in the Explanatory Notes to the financial statements of the Group. In accordance with the accounting standards applied, acquired goodwill is recorded at cost and subsequently at cost less any impairment losses that may emerge during the course of the so-called impairment test. Fondiaria-SAI thereafter assesses the goodwill related to impairment loss on an annual basis or more frequently if certain events or circumstances indicate the possibility of an impairment loss.

In particular, the recognized goodwill value of the investment in Popolare Vita (Euro 202 million at 31 December 2012, unchanged at 30 September 2013) was submitted to impairment test in financial year 2012

resulting in the recognition of an impairment loss of Euro 159 million. The remaining goodwill, together with the investee's shareholders' equity at fair value thus represents the recoverable value of the investment, which is calculated as the sum of the Embedded Value and Goodwill (the so-called Appraisal Value). In the course of 2013, also in consideration of the economic results produced by the investee, there were no events or circumstances that would indicate the need for further write-downs of recognized goodwill. However, given the lingering recession and an uncertain macroeconomic environment, which contributes to depressing the saving capacity, even for social security purposes, and liquidity of households, it may not be ruled out that in the future the parameters used for the verification of the recoverable amount of goodwill will be deteriorated such as to require the need for further write-downs of goodwill.

The recognized goodwill value of the investment in Milano Assicurazioni (Euro 284 million at 31 December 2012, unchanged at 30 September 2013) was submitted to impairment test in financial year 2012 resulting in the recognition of an impairment loss of Euro 74 million. The remaining goodwill, together with the investee's shareholders' equity at fair value thus represents the recoverable value of the investment, the latter being calculated with commonly applied financial and actuarial methodologies such as the discounted cash flow method for the Non-Life sector and the Appraisal Value for the Life sector.

In the course of 2013, also in view of the positive economic results posted by the investee, together with the improvement of its stock prices (Milano Assicurazioni is listed on the Milan Stock Exchange), there were no events or circumstances that would indicate the need for further write-downs of recognized goodwill.

The recognized goodwill value of the investment in DDOR Novi Sad ADO (Euro 55 million at 31 December 2012 and Euro 54 million at 30 September 2013, following the recording of the exchange rate Euro/Serbian Dinar) was submitted to impairment test in financial year 2012 with the consequent recognition of an impairment loss of Euro 13 million. The remaining goodwill reflects part of the original acquisition cost, the determinants of which, in turn, are based on profitability targets in turn derived from certain assumptions of the development of the Serbian economy. The significant achievement and/or failure to achieve such targets could result in the need to further reduce the value of the goodwill related to such investment.

Finally, it should be noted that the recognized value of goodwill of the investment in Liguria Assicurazioni (Euro 56 million at 31 December 2012, unchanged at 30 September 2013) was submitted to impairment test in financial year 2012, which did not highlight the need to proceed to a write-down of the same. However, since the investee company (together with its subsidiary Liguria Vita) was identified within the scope of the operations to be discontinued as imposed by AGCM with Measure No. 23678 of 19 June 2012, it may not be ruled out that, as a result of the definition of the selling price of the overall portfolio, a partial non-recoverability of goodwill could emerge.

It should be finally noted that the parameters and information used to verify the recoverability of goodwill, including interest rates that have a direct impact on the profitability of entities submitted to impairment test, are significantly influenced by the macroeconomic and market situation, which, in the future, as in recent periods, may cause changes that are not foreseeable today.

The test of the recoverability of goodwill is based on methods commonly applied, which, in turn, involve the use of subjective assessments related to profitability, capital and equity parameters and indicators. These parameters and indicators can be, in turn, derived from the 2013-2015 Plan and from projections made in order to further support the impairment test for financial year 2012.

It follows that failure to achieve, and/or incomplete achievement of, these indicators and/or parameters (which in turn may, by way of example, be identified as an increase in income, combined ratio, return on investment, as well as the surplus of the constituent elements of the solvency margin compared to the margin requirement), or the occurrence of future and/or unforeseeable events also related to macroeconomic regulatory and market variables, and in particular in relation to the insurance and financial markets, could result in the recognition of an impairment loss of the above goodwill in the income statement, with a significant impact on the economic and/or financial position of the UnipolSai Group.

Risks relating to the securities portfolio

Periods of high levels of instability and volatility in financial markets and /or periods of macroeconomic crisis may have a negative impact on share/bond prices - and hence on the securities portfolios of the Companies

Participating in the Merger - having a negative effect on the economic and financial profile of the Acquiring Company through (i) a deterioration in asset-backed solvency consequential to a reduction in the market value of the securities portfolio, (ii) a reduction in investment returns consequential to reduced income from dividends and sales and /or increased costs to cover against financial risks.

Also with regard to equity investments, the focus of the Companies Participating in the Merger on the Italian domestic market, and in particular, the concentration of their investments in a number of leading Italian companies, have resulted in a greater exposure of the Companies Participating in the Merger to the performance of some specific companies.

In light of the high volatility that characterizes the Italian stock market, should a downward trend continue, the most significant positions, in the event of permanent impairment to the book value, or in the case of insolvency of the counterparty, may be at risk of impairment with negative effects resulting therefrom on the economic and financial position of the Company Resulting from the Merger. Similarly, the component invested in real estate funds is subject to the risk of the performance of real estate market values.

It should be noted that, as at 30 September 2013, the Fonsai Group held equity for Euro 880 million, of which about Euro 657 million related to listed securities (expressed at Fair Value, net of possible depreciation), corresponding to 2.9% of total investments existing at that date of which the figure for the Milano Assicurazioni Group was Euro 136 million, representing 2.7% of total investments. In particular, the equity portfolio of Fonsai was mainly concentrated in some important investments. This concentration (at 30 September 2013, amounting to about 1.3% of the Fonsai Group's total investments and about 38% of listed and unlisted equity investments of the Group Fonsai) implies that the performance of the financial sector and of the above significant investments may considerably affect the financial and/or economic position of Fonsai. The significant investments represented 0.5% of the investments of the Milano Assicurazioni Group and approximately 18% of listed and unlisted equity investments.

At the same date, the Unipol Assicurazioni Group held equity securities of approximately Euro 888 million, of which Euro 607 million relating to listed securities (fair value net of any write-downs) corresponding to 4.2% of total investments. Almost all of the equity portfolio consists of securities belonging to or closely linked to the Eurostoxx 50 index.

With reference then to securities represented by so-called structured financial instruments, as at 30 September 2013 the Fonsai Group's exposure to such instruments, where the risk profile is connected with the structured component, amounted to a IAS balance sheet value of about Euro 1,366 million, representing 4.6% of investments, of which the figure for the Milano Assicurazioni Group amounted to about Euro 445 million.

The following table shows the details thereof.

Structured financial instruments of the Fonsai Group								
(value in millions of Euros)								
Accounting class	Book value IAS		Market value		Book value IAS		Market value	
	At 30 September		at 30 September		at 31 December		at 31 December	
	2013	% of whole.	2013	% of whole.	2012	% of whole.	2012	% of whole.
Financial assets held to maturity	194	14,21%	207	14,35%	194	14,8%	210	15,4%
Loans and receivables	617	45,14%	678	47,08%	698	53,3%	735	54,0%
Financial assets available for sale	538	39,41%	538	37,39%	401	30,7%	401	29,5%
Financial assets at fair value through profit or loss	17	1,24%	17	1,18%	16	1,2%	16	1,2%
Total	1.366	100,00%	1.440	100,00%	1.309	100,0%	1.362	100,0%

Structured financial instruments of the Fonsai Group								
(value in millions of Euros)								
Financial characteristics	Book value IAS		Market value		Book value IAS		Market value	
	at 30 September		at 30 September		at 31 December		at 31 December	
	2013	% of whole.	2013	% of whole.	2012	% of whole.	2012	% of whole.
Simple structures (1)	69	5,02%	69	4,81%	80	6,1%	86	6,3%
Complex structures (2)	76	5,57%	76	5,29%	86	6,6%	86	6,3%
Other structures (3)	1.222	89,41%	1.294	89,90%	1.143	87,3%	1.189	87,3%
Total	1.366	100,00%	1.440	100,00%	1.309	100,0%	1.362	100,0%

- (1) Bonds securities are considered to be simple structured financial instruments when their remuneration is tied to floating rates (for the most part Libor or constant maturity swap rates) with cap or floor options. These securities normally have an adequate degree of liquidity to allow their quick sale.
- (2) Bonds securities are considered complex structured financial instruments when their remuneration is primarily tied either to the volatility of market rates and to the slope and level of the rates curve or to credit risk. These securities do not normally have an adequate degree of liquidity to allow their quick sale.
- (3) Other structured financial instruments include bond securities with call options, as well as other capital bond securities with minimum guaranteed returns index-linked to the performance of OICR.

On the same date, the Unipol Assicurazioni Group had an exposure to structured financial instruments, with an average residual financial life of 10 years, for a value (IAS balance sheet values) of Euro 5,225 million (equal to 24.6% of investments), of which only Euro 537 million were complex structured financial instruments. Of this exposure Euro 2,782 million were allocated to the Life segregated accounts portfolios; with regard to the latter portfolio type, any losses from realization have to be considered as coming within the competence of the insured parties up to the value of the minimum guaranteed returns provided to the same. The component of structured financial instruments, whose risk is borne in its entirety by the Unipol Assicurazioni Group was Euro 2,443 million including Euro 124 million represented by complex structured securities (IAS balance sheet values).

Below we have set out data (IAS balance sheet values and market values) relating to bond securities held by the Unipol Assicurazioni Group coming within the structured financial instrument category, at their accounting classification and financial characteristics. This form of representation reflects the recommendations and clarifications set out in IVASS's letter to the market dated 15 March 2013 concerned with structured financial instruments.

Unipol Structured Financial Instruments

(amounts in millions of Euro)

Accounting Classification	IAS Balance Sheet value		Market value		IAS Balance Sheet value		Market value	
	at 30 Sept. 2013:	% of whole	at 30 Sept. 2013:	% of whole	at 31 Dec. 2012:	% of whole	at 31 Dec. 2012:	% of whole
Financial assets held to maturity	338	6.48%	328	6.76%	402	7.1%	391	7.5%
Loans and receivables	3,239	61.99%	2,879	59.31%	3,487	61.4%	3,050	58.3%
Financial assets available for sale	1,573	30.11%	1,573	32.41%	1,707	30.0%	1,707	32.6%
Financial assets at fair value through profit or loss	74	1.42%	74	1.52%	88	1.5%	88	1.7%
Total	5,225	100.00%	4,855	100.00%	5,684	100.00%	5,235	100.00%

Unipol Structured Financial Instruments

(amounts in millions of Euro)

Financial Characteristics	IAS Balance Sheet value		Market value		IAS Balance Sheet value		Market value	
	at 30 Sept. 2013:	% of whole	at 30 Sept. 2013:	% of whole	at 31 Dec. 2012:	% of whole	at 31 Dec. 2012:	% of whole

	at 30 Sept. 2013:		at 30 Sept. 2013:		at 31 Dec. 2012:		at 31 Dec. 2012:	
Simple structured (1)	1,970	37.70%	1,728	35.60%	2,273	40.0%	1,976	37.7%
Complex structured (2)	537	10.27%	488	10.04%	837	14.7%	785	15.00%
Other structured (3)	2,718	52.03%	2,639	54.36%	2,573	45.3%	2,473	47.2%
Total	5,225	100.00%	4,855	100.00%	5,684	100.00%	5,235	100.00%

- (1) Bonds securities are considered to be simple structured financial instruments when their remuneration is tied to floating rates (for the most part Libor or constant maturity swap rates) with cap or floor options. These securities normally have an adequate degree of liquidity to allow their quick sale.
- (2) Bonds securities are considered complex structured financial instruments when their remuneration is primarily tied either to the volatility of market rates and to the slope and level of the rates curve or to credit risk. These securities do not normally have an adequate degree of liquidity to allow their quick sale.
- (3) Other structured financial instruments include bond securities with call options, as well as other capital bond securities with minimum guaranteed returns index-linked to the performance of OICR.

With reference as before, to the component of the Unipol Assicurazioni Group's portfolio represented by structured securities, a part of this component, valued on 30 September 2013 at Euro 2,901 million (IAS balance sheet values), was invested in Special Purpose Vehicles ("SPV").

In the event that the Unipol Assicurazioni Group and the Fonsai Group had the need to fully dispose of this component of financial assets in a single instance, the recognition of the related unrealized losses would result in a decrease in the solvency margin, thus causing negative consequences on the economic and financial position of the UnipolSai Group. It should be noted that, in view of the characteristics and possible illiquidity profiles that characterize the above-mentioned type of securities, the Unipol Assicurazioni Group and the Fonsai Group cannot exclude that a counterparty may not be identified or that upon the sale, if any, of the structured securities referred to above, contingent losses could be realized of an amount also significantly higher than the above.

It should also be noted that the so-called simple structured securities and the so-called complex structured securities are those that, due to the difficult forecasting of future cash flows and, in some cases, due to the illiquidity of the financial assets, are monitored more closely than the rest of the portfolio of structured securities, which is reported to give full evidence of all financial assets that implicitly contain derivative components.

It should be noted that the valuation models of structured securities are in themselves complex and the assumptions, estimates and assessments underlying them often take into account uncertain and unpredictable data such as, for example, expected cash flows, the debtor's solvency, the appreciation or depreciation of assets that require regular updates to reflect changes in market conditions or trends. Therefore, estimates and assessments made by different subjects and based on different assumptions and methodologies from each other could lead to different results in the valuation of the portfolio of structured securities. Given the current market situation, many of the securities that the Unipol Group acquired from third parties and included in such portfolios suffered a significant decline in fair value with respect to book value. Therefore, any disposal of such positions on the basis of a financial valuation lower than their book value, or the write-down to be carried out if the conditions of IAS/IFRS were satisfied and if the financial value were lower than the book value, could have significant adverse effects on the economic and/or financial position of the Group.

An insignificant percentage of the valuations of the aforementioned structured securities was entrusted to the investment banks that originally created such securities, providing such assessments under market conditions through their clients appraisal services.

The Companies cannot assure that these approximate values will be realized in the sale of assets. They do not constitute a binding offer of financial securities by the institutions involved. Depending on market conditions,

all of the above could involve the risk that the sale of all or part of the securities portfolio could realize proceeds significantly lower than those expressed by the approximate valuations made by the investment banks or by the same Group.

In this regard, it should be noted that within the context of the inspections started by Consob in 2012 concerning the methods used for accounting and valuing the structured securities in the Unipol Group portfolio (prior to the acquisition of the control of Premafin Group/Fonsai) at the outcome of the Consob inspections concerning the pricing methods used by UGF, including Unipol Assicurazioni, for the purposes of determining the related Fair Value (see the press releases issued by UGF on 27 December 2012 and 24 April 2013, as well as Chapter 3 “Notes to the Balance Sheet”, “Financial Assets” paragraph – points 4.3, 4.4, 4.5 and 4.6 of the UGF consolidated balance sheet as at 31 December 2012 and Chapter 4 “Other information”, paragraph 4.5 “Fair value valuation” of the Unipol Assicurazioni consolidated interim financial statements as at 30 September 2013), the following information items are provided:

- a) there have been no further refinements in the pricing methods mentioned above with respect to what is reported in the consolidated financial statements of the Unipol Group as at 31 December 2012;
- b) with particular reference to the securities issued by the SPVs:
 - the events where there is a risk of receiving an amount less than the nominal subscribed amount, not as a result of the sale of the security before the regular maturity of the same, are: default of the swap counterparty and default of the issuer of the security used as a collateral of the SPV and enforcement of the clauses - where they may be found in the respective contractual documents - of illegality or change in the tax regime;
 - upon the occurrence of the events mentioned above, the Fair Value of securities will be determined in the manner prescribed in the respective contractual conditions; in most cases, such rules provide that the securities used as collateral should be sold on the market while swap contracts should be closed following the procedures laid down by the ISDA contracts mentioned in the aforesaid contractual terms and conditions ;
 - the valuation of swaps carried out as part of the pricing methods adopted by UGF and Unipol Assicurazioni, is carried out by discounting the expected future cash flows with appropriately adjusted discount factors to take into account, where applicable, the counterparty risk (Credit Value Adjustment or “CVA”) and the cost of funding (Funding Value Adjustment or “FVA”). The cash flow discount is calculated by using the Euro swap curve plus the CDS spreads of the swap counterparty, in particular:
 - if the mark-to-market value of the swap is positive for the SPV, the counterparty risk to which the vehicle is exposed with respect to the swap counterparty (“CVA”) will be taken into account;
 - if the mark-to-market value of the swap is positive for the swap counterparty, the cost of funding relating to the swap counterparty is incorporated into the internal model used for the valuation, as the cost of funding for the bank swap counterparty must be deducted from the value of the swap transaction because this amount is associated in a natural way to a use of cash by the swap counterparty.

The decision by the Company to make the adjustments referred to above (CVA and FVA) is reflected in the numerous interactions the same had with leading market counterparties and in in-depth analyzes on the topic in literature.

In case of non-application of the CVA and FVA in the valuation of swap contracts, the Fair Value of securities issued by SPVs that are part of the portfolio of structured securities of Unipol Assicurazioni as at 30 September 2013 and valued with internal pricing models would have been lower than actually reported, i.e. Euro 45.6 million.

The following table shows a breakdown by accounting category:

(values in millions of Euros)

Accounting category	Fair Value Difference in case CVA and FVA are not applied	of which CVA only	of which FVA only
Available for sale	-0.43	0.58	-1.01
Held for Trading	-3.56	-0.70	-2.86
Loans & Receivables	-42.84	2.58	-45.42
Held to Maturity	1.22	1.24	-0.02
Total	-45.61	3.70	-49.31

The Unipol Group proceeded with the process of simplifying and optimizing the liquidity profile of the assets portfolio, already started in the previous financial years. Within this context, as at 30 September 2013, for the Unipol Assicurazioni Group there was an overall decrease, in terms of IAS balance sheet values, of Euro 459 million, in the amount of structural securities held in its portfolio. In particular, complex structured securities and simple structured securities fell by Euro 301 million and Euro 303 million respectively, and other structured securities increased by Euro 145 million; it should be noted that new purchases focused on public issues of primary issuers, listed, with large free float and therefore to be considered liquid in regard of the asset class to which they belong. The classification in the category of structured securities mainly relates to the presence of early redemption clauses (call). The sale transactions of the structured securities portfolio at 30 September 2013 resulted in the realization of capital gains of Euro 19.7.

At 30 November 2013, the reduction from the beginning of the year of the structured securities portfolio amounted to Euro 920 million and sales of securities determined capital gains of Euro 24 million as at that date.

With regard to the specific and complex nature of the structural securities, UGF has commissioned for a long time a leading independent advisor to assess the portfolio of the unlisted financial assets of the Group. These valuations have been replicated on a quarterly basis for a considerable amount of time. The latest analysis on a sample representing 81% of the Unipol Assicurazioni structured securities portfolio market value (Euro 4,855 million), carried out regarding the portfolio as at 30 September 2013, indicated the essential accuracy of the internal models used to determine the value of these unlisted securities. In particular, the analysis showed a Fair Value, as calculated by the advisor, higher by Euro 7.4 million than the same value reported by Unipol Assicurazioni.

As at 30 September 2013, Premafin did not hold investments of its own in the type of securities described above.

See Chapter 4 of the Updated Information Document.

1.2.7 Risks arising from prominent declarations and with information on reference market developments and on competitive positioning

This Updated Information Document contains some details relating to the Companies Participating in the Merger, prominent declarations and estimates on the competitive positioning of the groups on the reference

market based on sources and data made available by third parties and/or re-worked by the same Companies Participating in the Merger. Notwithstanding the fact that the Companies Participating in the Merger consider these third party sources to be reliable and credible, it cannot be guaranteed that they have been drawn up on the basis of updated, complete, correct and /or sufficiently analyzed information. Investors are thus invited not to place undue reliance on such data and declarations relating to market position when making their investment decisions. The results, competitive positioning and the business trends of the Companies Participating in the Merger and the Company Resulting from the Merger may be significantly different from those hypothesized in the above-mentioned declarations in the future as a consequence of unknown risks, uncertainties and other factors.

See Chapter 6 of the Updated Information Document.

1.2.8 Risks connected with the checks and inspections by the Supervisory Authorities and with pending court proceedings.

Risks arising from checks and/or inspections by the supervisory authorities

The following is an update on checks and/or inspections of the Supervisory Authorities, which may give rise to possible consequences for the Company Resulting from the Merger.

IVASS

On the conclusion of the inspection concerned with the process of the calculation of provisions in the MV third party liability Class and ship Class of Unipol Assicurazioni effected by IVASS over 2012, by its notes of 3 July 2012, of 26 October, 2012 and its subsequent document of 1 February 2013, the Supervisory Authority accused the Company of breaching the combined provisions of Article 37 of the Code of Private Insurance and of Articles 4, paragraph 3, 27, paragraph 2 and 31, paragraph 2, of IVASS Regulation no. 16 of 4 March 2008 in relation to failure to comply with the principle of ultimate cost valuation of the claim provisions for the Motor and ship insurance branch claim provisions shown in the Financial Statements for the 2011 accounting period. This unlawful conduct is subject to the imposition of a pecuniary administrative sanction ranging from a minimum of Euro 5,000 to a maximum of Euro 50,000.

In the context of the above investigation in particular, the Supervisory Authority (i) in the first place, by its above-mentioned note of 3 July 2012, had identified a shortfall in the reserve entries amounting to about Euro 210 million for the component made up by the MV third party liability and ship claims reserve for claims with expected cost of less than Euro 100,000 and a number of critical problems left un-quantified relating to the allocation set aside for the claims provision component for claims with expected costs of more than Euro 100,000, not possible to value by means of actuarial methods on the basis of the limited number of claims and (ii) subsequently by its above-mentioned note of 26 October 2012, having decided that the objections and explanations together with the supporting documentation supplied by the Company as its response to the earlier note of 3 July 2012, did not deal adequately with the related complaints, it considered that the Company would have to take account of the matters raised by itself as the Supervisory Authority in relation to the valuation of the claim provisions when drawing up the Financial Statements for 2012 .

Unipol Assicurazioni, supported by the actuary of Motor Vehicle Third Liability Class and the auditor, and PricewaterhouseCoopers LLP, appointed as the first independent international advisor, the verification of the adequacy of the procedures and the actuarial methods used by Unipol Assicurazioni for the quantification of provisions object of claim, both during verification activities and counter deduction to said claim of 1 February, contested procedures used by IVASS and its results – expressed in terms of lack of reserve for the fiscal year 2011, supporting exceptions of Supervisory Authorities, and underlining their belief (i) that the claim made by the Supervising Authority can be based on procedures and/or models used by the company presenting some problems and the use of partial data, so (ii) the decision of the company about such provisions derives from the correct application of evaluation procedures, i.e. taking into account the completeness, relevance and accuracy of accounting and statistical data, using actuarial and statistical procedures which, regarding the decision of costs of claims, are accurate and adequate, and in line with recent evolutions of actuarial science, regarding Solvency II.

At the Date of the Updated Information Document, the proceedings remain pending; therefore it is impossible to exclude the possibility that should IVASS, at the end of said proceedings, deem it inappropriate to accept the counter deductions expressed by Unipol Assicurazioni, the latter must pay the administrative sanction the amount of which could vary between a minimum of Euro 5,000 and a maximum of Euro 50,000.

It should also be noted that, continuing with the policies adopted over recent accounting periods and with their effects on budget forecasts, as part of the preparation of the 2012 Financial Statements Unipol Assicurazioni adapted the Motor Vehicle Third Part Liability Class provision calculations effected for previous accounting periods on the basis of managerial trends recorded over the accounting period and the results of the actuarial models applied, such adaptation amounting to a total of Euro 141 million (equal to about Euro 164 million with the exclusion of the balance of monies recovered), aligning the amount of the reserve to the central value of the range of estimates, as obtained by the actuary appointed to assess Motor Vehicle Third Part Liability Class.

At the end of the 2012 financial period, IVASS initiated an inspection of Unipol Assicurazioni concerned with the handling process of the claims cycle of Motor Vehicle Third Party Liability Class for the financial years 2011 and 2012, in the context of reserving risk. Inspection activities carried out in the Company's offices were concluded during May 2013. Subsequently, on 18 September 2013, IVASS provided the Company's Board of Directors with the note of 17 September 2013 setting out the results of its assessments. This report highlighted a number of problems in the handling process of the Third Party Liability Class insurance claims cycle which might require corrective actions of an organization and procedural nature, as well as adjustments to the corresponding systems of internal controls. The aforementioned critical factors mainly relate to: (i) some shortcomings in the current IT systems and procedures for the management of claims and determination of reserve inventory, (ii) certain deficiencies in the operational practices adopted by the Company in relation to the determination of the inventory values, elimination of damage items and methods of applying the Convention Card on direct compensation; and (iii) certain anomalies in the procedures for determining the provision for direct expenses.

The company has provided the Supervisory Authority with the clarifications and the explanations required in the report within the prescribed terms.

In this regard, it cannot be excluded that IVASS, at the end of the inspection process, might impose sanctions, which would affect the economic and/or financial position of Unipol Assicurazioni.

In the context of the inspection initiated following the notice in order of attainment authorization for the merger, on 21 February 2013 IVASS, in order to carry out a full evaluation of the legislative conditions correlated to the inspection itself, initiated a further inspection at Unipol Assicurazioni, in addition to Fonsai and Milano Assicurazioni, aimed at assessing the following:

- (i) for Unipol Assicurazioni, compliance with legislation dealing with assets to cover technical provisions (IVASS Regulation no. 36/2011) with reference to procedures and control structures adopted in the area of the admissibility of investments; and
- (ii) for Fonsai and Milano Assicurazioni, the steps taken following the previous inspection activities concluded at the end of the financial year 2011, relating to the reserving risks of the Motor Class and General insurance and compliance with the law in relation to assets covering technical provisions with particular reference to investments in the Real Estate Sector and technical receivables.

Lastly, the aforementioned inspections carried out were also extended, on 24 April 2013, to evaluating the compliance with the regulation concerning the anti-money laundering by Fonsai, Milano Assicurazioni and Unipol Assicurazioni.

Inspection activities came to an end in June 2013 and on 18 September 2013, IVASS presented the Board of Directors of the companies with the results of its inspection activities and the observations of the supervisory authorities. We learn from such findings, being confirmed in the instructions for corrective measures described by IVASS when issuing the Merger authorization order of 25 July 2013 (See risk factor 1.1.6 of the Updated Information Document), that no critical problems, as at the Date of the Updated Information Document, have arisen of such a nature as to require the imposition of sanctions against the Companies.

With reference to the companies of the Fonsai Group, it should be noted that, on 13 March 2013, IVASS conducted an inspection of the company SIAT – Società Italiana Assicurazioni e Riassicurazioni per Azioni,

aimed at establishing (i) the activities of the business bodies, internal control procedures, the activities of the internal control function and the compliance of the financial statements' entries in relation to the debit re-insurance cycle plus (ii) the actions taken following the previous inspection activities concluded during 2010. The inspection activities in the company's offices concluded during July 2013.

On 3 July 2013, IVASS initiated inspection activities at Liguria Assicurazioni S.p.A. aimed at assessing (i) the reserving procedures for Motor Vehicle Third Party Liability Class, (ii) transactions with Related Parties and (iii) the activity of debit re-insurance. The inspection activities in the company's offices were concluded in September 2013.

On 28 November 2013, IVASS presented to the administrative bodies of SIAT and Liguria Assicurazioni the respective results of investigations and subsequent findings, which, as at the Date of the Updated Information Document, reveal no critical issues which may bring forth the start of sanction proceedings against the same companies.

For further information on the IVASS inspection activities described above, see paragraph 1.2.9 hereunder of the Updated Information Document.

AGCM

By its notice of 14 November 2012 the AGCM initiated its investigation procedure no. I/744 into Unipol Assicurazioni and Fonsai together with Assicurazioni Generali S.p.A. and INA Assitalia S.p.A., to establish whether there have been breaches of Article 2 of Law 287/1990 and/or of Article 101 of the Treaty on the Functioning of the European Union ("TFUE"). This is based on alleged collusion between the insurance companies concerned aimed at lessening competition between them in their participation in competitive award procedures organized by a number of Public Local Transport companies whose subject matter was the provision of Motor class insurance for the vehicles used for such transport services. The term for the completion of this procedure, initially set at 16 December 2013, was extended to 30 June 2014.

Furthermore, by its notice of 5 June 2013, the AGCM initiated investigation procedure no. I/702 into UGF and Fonsai together with other first rank insurance companies operating in Italy to ascertain the existence of alleged breaches of Article 101 of the TFUE (prohibition of arrangements limiting free competition), with particular reference to the bar against exclusive restrictions in agency contracts for the distribution of insurance services in all damages sectors. This investigation is concentrated on specific clauses contained in such contracts. They were considered to be of a nature to discourage agents from taking up more than one insurance distribution mandate (so-called "multiple mandate"). The investigation should be concluded by 30 June 2014.

Unipol Assicurazioni and Fonsai, considering that they have always acted in full compliance with law and accuracy, have jointly instructed leading legal firms to defend their rights in both cases under consideration by the Anti-Trust Authority.

In the light of the above, if the above-mentioned procedures conclude that the allegations described are wholly or partly correct, and/or if, on the conclusion of the above inspections by the competent authorities (IVASS and the AGCM) irregularities or breaches of laws or regulations are found to have been committed, the Companies Participating in the Merger affected by the above, might be required to sustain the costs of the implementation of measures designed to deal with the situations identified with a consequential negative impact on the economic and/or financial position of the Company Resulting from the Merger.

Risks connected with on-going judicial procedures

As part of the normal course of their business, the companies participating in the merger are involved in numerous judicial proceedings and /or civil, criminal and administrative disputes.

At the Date of the Updated Information Document, the contingencies and charges provisions set up by the companies participating in the merger are, in the opinion of the latter, to be considered sufficient to meet costs consequential to a possible worsening of their positions in judicial proceedings and other existing disputes such as the liabilities that might arise from the negative effects of the judicial disputes and other ongoing litigation

against brokers, insured parties, employed staff and third parties (with the exception of tax litigation and litigation relating to insurance claims). As at 30 September 2013 they amounted to Euro 139.7 million for the Fonsai Group of which Euro 35.8 million were attributable to the Milano Assicurazioni Group. Provisions made by Premafin stood at Euro 50.7 million and those by Unipol Assicurazioni were Euro 35 million.

In particular, litigation affecting the Companies Participating in the Merger - other than litigation deriving from insurance claims, debt recovery activities and tax litigation – can be classified in the following main types:

(i) Litigation initiated by or against ex-agents or ex-brokers

The litigation involving claims and counter-claims brought by or against companies belonging to the respective groups of the companies participating in the merger involving ex-agents or ex-brokers who carried out placement activities for such companies' insurance products. The subject matter of the litigation is receivables claimed by either the companies concerned or the ex-agents/brokers, depending on which party is the Claimant. Generally litigation of this type involving counter-claims brought against the companies is based on claims for the payment of commission or end-of-mandate indemnity which the Companies Participating in the Merger consider is not due while the litigation involving claims brought against the ex-agents/brokers involves claims for insurance premiums received by the broker and not then paid to the relevant Company Participating in the Merger.

(ii) Insurance litigation

This is widespread, fragmented litigation which, almost exclusively concentrated in particular localities, involves a number of the group of companies participating in the merger. It takes the form of numerous disputes, each of modest value, attempted (at times on purely speculative grounds) by:

- Customers asking for the return of a part of the Motor Class insurance premium, alleged by them to have been unduly retained by the insurance company;
- Customers who have taken legal action to demand the delivery of the policy duplicate;
- Customers in the car insurance branch disputing the application of the malus following an accident in which they deny liability;
- Ex-associates of insurance companies (prevalently ex-experts) demanding the payment of services effected for some of the companies belonging to the group of Companies Participating in the Merger which they allege have not been settled.

(iii) Employment Litigation

This is employment litigation involving a variety of different claims by employees and ex-employees against the employer (or ex-employer) company or claims made by pensions or social security bodies in relation to contributions.

(iv) Litigation with suppliers

This is litigation brought by or against service suppliers. In cases brought against the companies, suppliers claim the payment of monies not considered due by the Companies Participating in the Merger while when the action is brought by the companies the dispute generally involves claims by the latter for compensation for inadequate performance of the services concerned.

(v) Corporate litigation

This involves claims made by ex-shareholders or claims made against directors appointed by participating companies on the basis of indications from the owning company or, finally, actions brought by ex-company directors of the Companies Participating in the Merger for remuneration and receivables which the company concerned considers not to be payable.

* * * * *

We have set out below a description of the main proceedings in which the Companies Participating in the Mergers are parties as at the Date of the Updated Information Document and without prejudice to the

observations made in this paragraph, section B, concerning the risks arising from the previous management of the Premafin/Fonsai Group.

Writs of Summons served by Shareholders of La Fondiaria Assicurazioni (cases involving Public Offer of Purchase)

Starting in 2003, a number of shareholders of La Fondiaria Assicurazioni S.p.A. (“**Fondiaria**”) decided, albeit on the basis of differing legal status and grounds, to initiate a series of legal actions seeking compensation for what they allege to be the loss and damage suffered consequential to the failure to launch a Public Offer of Purchase (“**OPA**”) on the shares of Fondiaria by SAI Società Assicuratrice Industriale S.p.A. (“**SAI**”) throughout 2002.

From an overall view of the litigation at the Date of the Updated Information Document, thirteen proceedings are currently pending where the Defendants are Fondiaria-SAI, Mediobanca Banca di Credito Finanziario S.p.A. (“**Mediobanca**”) and, in nine of such proceedings, Premafin.

At the Date of the Updated Information Document (the last Writ was served on 15 February 2012), the cases concerned have reached the following levels in the court structure:

- In one case the time limits for appeal to the Milan Court of Appeal are still pending;
- five cases are pending before the Milan Court of Appeal of which three are at the remittal stage;
- in one case the time limits for appeal by the other party to the Supreme Court are pending;
- five cases are pending before the Supreme Court;
- in one case the time limits for a possible remission to the Court of Appeal are pending following the decisions of the Supreme Court.

So far as the content of the various judgments is concerned, they can be summarized as follows:

- All decisions issued at first instance (with the exception of that handed down by the Court of Florence which found for the defendant companies and that issued by the Court of Milan in August 2013 finding that the relevant rights had become time-barred) have, on different grounds, accepted the Claimants’ demands, ordering the defendants to make payment of substantial amounts by way of compensation for loss and damage. In all cases where damages were awarded (except for two) it has been possible to obtain suspension of enforcement on appeal;
- At the Date of the Updated Information Document all the decisions issued by the Milan Court of Appeal have accepted the appeals made by Fondiaria-SAI, Mediobanca and Premafin;
- In the three judgments issued in August 2012, as well as in the one issued in September 2013, the Supreme Court accepted the appeals, quashing the second instance decision, remitting the cases to the Milan Court of Appeal for the latter to reconsider the merits and to decide on the award of costs incurred in the appeal to the Supreme Court;

The most recent developments affecting these legal proceedings can be summarized as follows:

- On 18 March 2013, the Florence Court of Appeal, in the only case dealt with by the Florentine courts, confirmed the decision of the Court of Florence rejecting all claims for compensation made by the claimants;
- on 12 April 2013, the Milan Court of Appeal stated its agreement with the appeal brought by Premafin in relation to the legal action brought by a number of Fonsai ex-shareholders, rejecting the claims of the company’s adversaries.
- on 18 July 2013, in a judgment issued on 26 September 2013, the Supreme Court has accepted, in part, the claims made by a number of shareholders, striking down the sentence against which these had appealed and remitting it to the Milan Court of Appeal.

- on 17 August 2013, the Court of Milan rejected the claims made by a number of Fonsai former shareholders, deciding that the related rights were time-barred.

The four decisions of the Supreme Court handed down in 2012 and 2013 identify a different approach to the law by the Supreme Court than that expected by the Defendant companies - an interpretation currently consistently supported by the case law produced by the Court of Appeal. The four decisions of the Supreme Court indeed, confirmed the legal principle that, in the case of the violation of the obligation to make a Takeover Bid by a party obtaining a shareholding of more than 30% of the share capital by its own purchases, the shareholders to whom the Offer should have been addressed will be entitled to obtain compensation for loss and damage where they are able to show that they lost the possibility of making a profit. Moreover, proving the complexity of this subject matter, it should be noted that in 2013, following the publication of the above-mentioned decisions of the Supreme Court of 2012, the Florence Court of Appeal rejected the appeals made by a number of Fonsai shareholders against the first instance decision in favor of the Defendants and the Milan Court of Appeal accepted Premafin's appeal, rejecting its adversaries' claims.

Tirrena Assicurazioni in compulsory administrative liquidation v directors appointed by Fonsai and Milano

This is a litigation in which Fonsai and Milano Assicurazioni are not formally parties but in which the defendants claim to be contractually indemnified by the latter companies.

By Writ of Summons of May 1997 Tirrena Assicurazioni in compulsory administrative liquidation ("**Tirrena**") initiated proceedings against the directors and Statutory Auditors holding office over the two three-year periods of 1987-1989 and 1990-1992 before the Court of Rome, alleging the personal liability of company officers for economic damage caused to the company of more than Lira 720 billion (about Euro 372 million) plus interest and monetary revaluation.

Three of the defendants are former members of Tirrena's Board of Directors and Board of Statutory Auditors designated by Fonsai.

The Court of Rome handed down an initial judgment which, amongst others, confirmed the liability of two of the directors appointed by Fonsai, finding them jointly and severally liable with 12 other Defendants for the payment of Euro 19 million, of Euro 15.2 million and of Euro 887 thousand, all the above plus interest and costs. The third director was found not to be liable in any way, this judgment having now become final.

The Defendants have appealed the judgment, seeking the dismissal of all claims against them. Tirrena for its part, has made a cross-appeal, seeking a finding that the Defendants should be found liable for the payment of the full amount claimed at first instance of Euro 372,281,214.

An application was made to suspend the provisional enforceability of the Court's decision, including on the grounds of the size of the amounts quantified by the Court. The Court agreed to such a suspension on condition however, that a cautionary deposit of Euro 23,000,000 should be made by 30 September 2010. The Court of Appeal rejected the application for the revision of the suspension order made by a number of the directors who had been found to be liable. Fonsai informed its two directors of the impossibility of making a cautionary deposit on their behalf. None of the parties have made the deposit and, as a consequence, the judgment is to be considered enforceable.

Following the service of the injunction order the two directors requested Fonsai to intervene pursuant to Article 26 of the National Managers' Contract (indemnity from the company for its directors' liability to third parties). In response Fonsai stated that it intended to await the final court decision in order to establish whether, on the basis of the Court's investigations, Article 26 did in fact apply given that it is excluded in the case of fraudulent or grossly negligent conduct.

Castello Area

Please note that on 6 March 2013 the Court of Florence acquitted Fonsai using the strongest formulation (the absence of the facts alleged) from all charges against it in the criminal proceedings relating to the urban development of the Castello area (Florence).

On this point it should be noted that the company had been charged in the criminal proceedings initiated in 2008 by the Florence State Prosecutor alleging the commission of the offence of corruption. The other

defendants included a number of Fonsai's representatives, a number of professionals and a number of public administrators.

The Company was accused of unlawful conduct under administrative law as defined in Articles 5 and 25 of Legislative Decree 231/2001 in relation to the offence described in Articles 319 and 321 of the Italian Criminal Code, defining the offence of corruption of a public official.

It was alleged that Fonsai, acting through its representatives, had corrupted the two public officials to obtain "deeds in breach of official duties" for its benefit.

The two Public Prosecutors making the accusations in the proceedings asked for the Company to be punished by the application of a pecuniary fine of 400 units whose value ranged from a minimum of Euro 250 to a maximum of Euro 1,549. They also sought the application of a bar on contracting with the Public Administration for two years to be imposed on Fonsai together with the confiscation of the sites in the Castello area for which the building permits had been granted.

The Court acquitted all the accused of the main charge, imposing a punishment on the ex-municipal director Biagi to a one year's suspended prison sentence for abuse of office in relation to two charges not involving Fonsai.

The Court also lifted the seizure order and authorized the return of the Castello area which had been subjected to safeguarding measures in November 2008. The Public Prosecutor appealed against the judgment.

Unipol Assicurazioni / La Mutuelle du Mans Assurance IARD - Arbitration

On 11 November 2004, Navale Assicurazioni S.p.A. ("Navale") purchased the entire share capital of MMI Assicurazioni and MMI Danni (subsequently merged by incorporation in Navale) from Mutuelle du Mans Assurances IARD ("MMA") entering into special agreements with the Vendor regulating the conditions applying to the purchase (the "Agreements").

Under the agreements MMA undertook to pay Navale (whose position was taken over by Unipol Assicurazioni on 1 January 2011) the full amount of any gap or shortfall in the net claim provisions as indicated in the transferred companies' final balance sheet in relation to the accounting periods from 2004 to 2007. MMA had set up restricted deposits with Credit Agricole of a total value of Euro 10 million as guarantee for the above payment.

A report by an independent actuary, issued on 16 September 2011, calculated the amount of the net claim provisions of both MMI Assicurazioni S.p.A. and MMI Danni S.p.A. on 31 December 2007. It concluded that there was a total shortfall of such provisions of Euro 48.8 million, of which Euro 43.4 million related to differential claim provisions and Euro 5.4 million for the costs of the management of the claim outsourced to third parties on request by MMA.

Pursuant to the terms of the restrictions on the deposit referred to above, Unipol Assicurazioni thus obtained the total amount of Euro 11.3 million from Credit Agricole, requesting the payment of the remaining amount from MMA of Euro 37.5 million.

Since MMA refused to comply with its obligations, on 28 October 2011 Unipol Assicurazioni initiated the arbitration procedure set out in the Agreements for the resolution of disputes.

Given the complexity of the issues involved in the matter, the parties entered into negotiations to settle the dispute out of court. Therefore, the arbitration procedure, which is currently suspended, will continue if agreements are not formalized.

Litigation with the Municipality of Milan

Premafin is involved in litigation with the Municipality of Milan in relation to an undertaking to assign areas of land at prices fixed in advance. In May 2008, the Court of Appeal partially modified the first instance decision ordering Premafin to compensate the loss and damage caused by the failure to purchase the areas, considering only two of the deeds created at that time to be in the nature of a genuine preliminary contract for the sale/purchase of the areas forming the subject matter of the litigation and confirming the criteria for the quantification of the loss and damage, to be calculated in separate proceedings. In this regard, still in 2008,

Premafin thus filed an appeal to the Supreme Court within the related time limits. At the Date of the Updated Information Document, we are still waiting for the date of a hearing to be set down.

In the above circumstances, in consideration of the fact that the Court of Appeal's judgment is provisionally enforceable, in October 2012 the Milan Municipality served process on Premafin for proceedings to be begun before the Court of Milan for the quantification and definition of the loss and damage suffered. At the Date of the Updated Information Document, following the first hearing, the proceedings have reached the enquiry stage.

Tax litigation

Both in the 2012 and in the previous financial periods, the tax authorities carried out inspections on the Fonsai Group of a general character. These activities involved the assessment of declared chargeable income and, more generally, a calculation of the taxes due together with the manner of application of tax law with reference both to operations in the normal course of business and to specific operations of an extraordinary nature. Following the above activities in some cases formal records of findings were served, confirmed in part by notices of assessment in relation to which either conciliation or court proceedings were initiated, currently pending before the related Tax Commissions and the Supreme Court.

The assessment notices and documents imposing sanctions served by the Date of the Updated Information Document but not yet settled amount to Euro 44.4 million, while the amounts calculable from the Formal Records of Findings and the activities already subject to challenge repeated in subsequent years, have been estimated at about Euro 18.7 million, amounting to a maximum potential risk of Euro 63.1 million. These figures include the amount requested by way of increased tax, sanctions and interest, this latter calculated as at 31 December 2012.

With regard to the assessment notices dated 30 July 2013 of the Large Taxpayers Office of the Italian Revenue Agency's Tuscany Regional Bureau – which in relation to the events that emerged from reports prepared by the Commissioner ad acta and by the Board of Statutory Auditors challenged the deductibility of part of the remuneration paid to the directors Jonella Ligresti, Giulia Maria Ligresti, Gioacchino Paolo Ligresti, Fausto Marchionni, Massimo Pini and Antonio Talarico, as well as sponsorship costs to the company Laità S.r.l. in the 2004-2008 period – the Acquiring Company signed tax settlement documents for I.R.E.S. (i.e. corporate tax) and acknowledged the IRAP (i.e. regional tax on productive activities) tax warnings.

Against a total amount required for higher taxes, interest and penalties (applied to the extent of 150%) of Euro 25.7 million, the dispute was settled with the payment of a total of Euro 10.6 million. Similar cases, in regard of 2009-2011 financial years, determine a tax risk estimated at approximately Euro 3 million.

We have set out below a description of the main on-going tax litigation.

Direct Taxes

The merged company La Fondiaria Assicurazioni S.p.A. was subjected to an inspection in 1996 leading to the issue of notices of assessment referring to the accounting periods 1990/1992. The challenges raised by the Tax Administration relating to such tax periods took the form, in due course, of court proceedings or settled assessments with the exception of a finding referable to the 1991 accounting period, originally defined as an arrangement with a “man of straw”, corresponding to an analogous case referable to the 1990 accounting period, already resolved in the Company's favor by a judgment of the Supreme Court. Nonetheless, the matter relating to 1991 followed its own path through the courts with a new examination of the matter by the Supreme Court which remitted the dispute to a different section of the Tuscany Regional Tax Commissioners in order for them to assess elements which could represent an abuse of law – we are still awaiting their decision. The value of the assessment claimed amounts to Euro 7.6 million from additional tax, sanctions and interest. Euro 1.1 million of this has already been paid by way of provisional enforcement;

VAT on co-insurance

The tax assessment bodies have objected the practice of insurance companies operating in the Italian market whereby they do not subject management expense charges to VAT (delegation commission and the re-charging of legal costs) of co-insurance contracts in the context of relations between the delegated and delegating company in accordance with a practice complying with the ANIA Convention on Co-insurance. The conduct of

a variety of activities related to investigations and VAT assessment have lead, as at the Date of the Updated Information Document, to the service of a number of formal records of findings and assessment notices on the main companies of the Fonsai Group (Fonsai, Milano Assicurazioni, SIAT – Società Italiana Assicurazioni e Riassicurazioni per Azioni, Liguria Assicurazioni). The total amount of the figures already contained in the assessments for the years 2003-2008 currently stands at about Euro 10.1 million. The same elements of comparable value are to be found in the accounting periods subsequent to those already under investigation by the Tax Authorities. Based on what the inspectors have already identified, it is estimated that additional elements likely to be the subject matter of further challenge exist of a value of about Euro 14.5 million. The decisions of the tax commissioners on the appeals presented up to the Date of the Updated Information Document by the companies have generally been favorable to the latter.

Other litigation

SIAT

In January 2009 an order imposing sanctions was served on the company SIAT – Società Italiana Assicurazioni e Riassicurazioni per Azioni, for delays (omissions) in the report of tax on insurance in relation to the 2007 accounting period. The sanction was drawn up with reference to the entire amount of tax on insurance identified in the return amounting to Euro 5.2 million. The order for the imposition of sanctions was challenged before the Genoa Provincial Tax Commissioners which reached their decision in September 2010, quashing the sanction so imposed. The first instance decision was confirmed by the Genoa Regional Tax Commissioners. At the Date of the Updated Information Document proceedings are pending before the Supreme Court following the appeal against the decision by the Inland Revenue.

Saiagricola

On 19 December 2012, Saiagricola S.p.A. (“**Saiagricola**”) was served with a notice of rectification and liquidation by which the Inland Revenue Novara Provincial Management, by changing the deed of assignment of shareholding of the farming company AgriSai S.r.l. (“**AgriSai**”) into a deed for the assignment of a business, re-calculated the transfer taxes applicable, identifying additional tax due of Euro 2.3 million and imposing sanctions at a rate of 120%. The overall tax due thus amounts to Euro 5.3 million.

In October 2010 the company AgriSai received a transfer from Saiagricola of the entire agricultural business called Cascina Veneria. The transfer, from a tax point of view, was effected on the basis of continuing tax value. Subsequently, Saiagricola assigned its entire shareholding in AgriSai to third parties by deed subject to fixed rate registry tax. The Inland Revenue decided to treat all the transactions effected as if they were a single deed of transfer of a business. It thus demanded the payment of registry, mortgage and cadastral tax applicable on the different components of the business in application of Article 20 of Presidential Decree 131/1986. It is not considered however, that such an interpretation of the facts is justifiable by the most authoritative scholars (Code of Conduct no. 186/2012 issued by the Italian Association of Accountants, by Assonime and Notariato), according to which the different actions of the transfer of a business and the assignment of the shareholding derive from autonomous causes with different juridical effects from those typical of the assignment of a business.

The assessment has been appealed before the Novara Provincial Tax Commissioners which, however, in consideration of a recent interpretation favored by the relevant case law of the Supreme Court that conflicts with tribunal court decisions and prevailing legal theory, by its decision no. 92/03/13 rejected the appeal. Considering that it had sufficient reasons, Saiagricola thus appealed to the Regional Tax Commission, with a request for suspension of the judgment of first instance.

* * * * *

In view of the disputes described above, the companies affected have adopted policies for the creation of provisions and setting aside of funds designed to cover costs and charges which could arise from the cases pending on the basis of a reasonable assessment of the related risk. The value of the provisions set aside in this way is that considered appropriate according to circumstances whenever it is possible to make a reliable estimate of the size of possible losses and such losses are considered probable and consistent with the applicable accounting standards.

Although the Companies Participating in the Merger consider that, as at the Date of the Updated Information Document, the respective contingencies and charges provisions shown in the financial statements (amounting in total to approximately Euro 20.7 million with regard to the tax litigation) are appropriate in relation to the charges and the negative effects potentially arising from the above disputes, it cannot be excluded that the Company Resulting from the Merger will be required in the future to meet costs and compensation obligations not covered (or insufficiently covered) by the legal disputes reserve with, as a consequence, negative effects on economic and/or financial position of the Company Resulting from the Merger.

1.2.9 Risks arising from judicial proceedings against members of the governing and control bodies

At the Date of the Updated Information Document, in relation to some of the members of the governing, management and control bodies of the Companies Participating in the Merger, the following is noted.

Francesco Berardini (Fonsai director and Vice Chairman of Unipol Assicurazioni): (i) is a defendant, in his capacity as legal representative of Coop Liguria, in the criminal proceedings Reg. No. 14610/11/21 of the Public Prosecutor's Office of the Court of Genoa for the offense referred to in Arts. 426 and 449 of the Italian Criminal Code (negligent damage classified as "flood, landslide or avalanche"), criminal proceedings currently pending, at the Date of the Updated Information Document, before the Judge for the preliminary hearing of the Court of Genoa and still in the preliminary hearing stage; (ii) was convicted, in his capacity as legal representative of Coop Liguria, by criminal decree of the Court of Chiavari in criminal proceedings No. 5002993/2010/21 for the offense under Art. 5 of Law 283/62 (on hygiene regulations for the production and sale of food and beverages), against which opposition was filed.

Mario Zucchelli (Fonsai director): in relation to the position of Chairman of the Board of Directors of DICO S.p.A. covered from 27 October 2010 to 17 April 2013, received news on 2 May 2013 of a criminal lawsuit filed by the ASL (Healthcare Unit) 6 of Livorno with the Public Prosecutor's Office of Livorno, for an alleged failure to comply with work safety regulations. The Public Prosecutor in charge, on 29 May 2013, requested the dismissal of the case.

Maria Luisa Mosconi (alternate auditor of Fonsai): in relation to the office of statutory auditor held by Ms. Mosconi at the company Helm Finance SGR S.p.A. (not part of the Fondiaria-SAI Group), placed in compulsory liquidation, the latter received a Euro 13,000 administrative penalty, imposed by Consob on 30 September 2010, for violation of Article 40, paragraph 1, letter a) of the TUF, in regard of behavior required of asset management companies and Articles 65, paragraph 1, letter c) and 66, paragraph 1, of Consob resolution no. 16190/2007, in relation to the provision of collective asset management services. The aforesaid decision has been appealed before the Regional Administrative Court of Lazio, a proceeding in progress as at the Date of the Updated Information Document. Moreover, Ms. Mosconi, as a member of the board of statutory auditors pro tempore of Milano Assicurazioni - with reference to the administrative proceedings initiated by Consob on 18 December 2012 under which the Authority, among other things, charged the then members of the board of statutory auditors of Milano Assicurazioni with numerous violations of Art. 149, paragraph 1, of the TUF (see Paragraph 1.2.16 of the Updated Information Document) – was ordered by Consob, with resolution No. 18725 of 6 December 2013, to pay an administrative fine amounting to Euro 283,000.

Rino Baroncini (Premafin director), in his capacity as Chairman of CESI, is being charged with the crime pursuant to Art. 314 of the Italian Criminal Code (classified as "embezzlement of public funds"), in the criminal trial No. 14469/04 R.G.N.R., at the Date of the Updated Information Document pending in the First Instance trial phase before the Court of Bologna. The dispute concerns the alleged irregular allocation, during construction activities, of excavation and road surface removal material as part of works under the agreement with the Municipality of Imola performed between 2000 and 2001. The charges for the crime pursuant to Art. 314 of the Italian Criminal Code are being brought on the basis that, being the road a public thoroughfare - albeit built by and at the expense of a private entity - the manufacturers qualify as "in charge of a public service". The defendant responded on the merits by stating the absolute regularity of the works also with respect to the allocation of the material in question.

Fabrizio Davoli (Unipol Assicurazioni director): in his capacity as legal representative of Coopsette società cooperativa, was convicted by a judgment of the Court of First Instance of Forlì on 22 October 2011 for violation of Art. 44, letter b), of Presidential Decree 380/01 (on building regulations), with a substitute

conviction of a monetary penalty pursuant to Art. 53 Law 689/81, amounting to Euro 2,280 plus payment of the corresponding fine of Euro 8,000. The appeals to the Court of Appeal of Bologna were lodged on 29 April 2011 and 2 May 2011.

Luigi Passuti (Unipol Assicurazioni director): in his capacity as director of the company Steelma S.p.A. in liquidation and undergoing proceedings for an arrangement with creditors, is associated with the composition procedure to which the same company is being submitted.

Michela Zeme (alternate auditor of Milano Assicurazioni): in relation to the office of statutory auditor at the time held at BancaSai, as a result of the supervisory activity performed by Consob against BancaSai and at the end of the investigation of the relevant sanctioning procedure, Consob with resolution of 6 August 2008 ordered her to pay administrative fines totaling Euro 10,300.00 and, in particular: Euro 4,700.00 (for violation of Article 21, paragraph 1, letter d) of the Consolidated Law on Finance, relating to the duties of persons authorized to the provision of investment services and activities and accessories thereof and Art. 56 of Consob Regulation No. 11522/98, relating to the internal procedures which the authorized intermediaries, asset management companies and investment companies must equip themselves with); Euro 1,300.00 (for violation of Article 63 of Consob Regulation No. 11522/98 relating to the registration of orders and transactions by authorized intermediaries) and Euro 4,300.00 (for violation of Article 57 of Consob Regulation No. 11522/98 relating to internal control procedures which authorized intermediaries must equip themselves with). The interested party has proceeded to pay the penalties.

Additional relevant information

Takeover Bid on Banca Nazionale del Lavoro

In connection with the attempted mandatory takeover bid on ordinary shares of Banca Nazionale del Lavoro S.p.A., started by UGF in July 2005, - with reference to which Consob, with resolution dated 16 April 2009, had imposed on, among others, Mr. Carlo Cimbri (Chief Executive Officer of Fonsai, Milano Assicurazioni and Unipol Assicurazioni and Director of Premafin) administrative fines totaling Euro 580,000 for the alleged violation of Arts. 122, paragraphs 1 and 5, of the TUF (relating to the disclosure of Shareholders' Agreements) and 120 of the TUF (relating to reporting requirements of major holdings). Such sanction was subsequently annulled by the Court of Appeal of Bologna in its judgment of 18 December 2009, - it should be noted that the Court of Milan had, by order of 18 September 2009, ordered committing for trial Mr. Pierluigi Stefanini (Chairman of Premafin, Vice Chairman of Fonsai and Milano Assicurazioni, as well as director of Unipol Assicurazioni) and Mr. Carlo Cimbri in their respective capacities as Chairman and Chief Executive Officer of UGF, together with several other parties and representatives of other banks and of the financial world. Mr. Pierluigi Stefanini was indicted for the offense of market manipulation; Mr. Carlo Cimbri was indicted for the offense of market manipulation and interference with the exercise of the functions of public supervisory authorities. On 31 October 2011, the Ordinary Court of Milan acquitted Mr. Pierluigi Stefanini, while it admitted the criminal responsibility for the crimes attributed to Mr. Carlo Cimbri. On 30 May 2012, the second criminal section of the Court of Appeal of Milan, partially amending the first-instance judgment, acquitted all of those charged with the crime of market manipulation. Mr. Carlo Cimbri was also fully acquitted of the charges of interfering with the supervisory functions of Consob, with the formula "due to his not having committed the act", while the conviction of other parties charged with the same offense was confirmed.

On 6 December 2012, the (Italian) Court of Cassation, fifth Criminal section, cancelled the judgment of the Court of Appeal of Milan in the part where said judgment, partially amending the first-instance judgment, had acquitted all parties charged with the crime of market manipulation, referring the case to another section of the Milan Court of Appeal for a new trial. On 6 December 2013, as part of the proceedings of the referred judgment, the Court of Appeal of Milan, third criminal section, despite the statute of limitations of the crime, again acquitted all parties charged with the crime of insider trading because the crime does not exist, reserving the right to file the reasons therefor by 31 January 2014. Once the reasons have been filed, the Attorney General may again appeal the decision before the Court of Cassation.

Bank of Italy

It should be noted that as a result of the inspections carried out by the Bank of Italy at Unipol Banca in 2008, regarding the Bank's operations in the 2005-2008 period, by decision of 14 October 2009, administrative fines were imposed on the members of the governing, management and control bodies of Unipol Banca, including

Mr. Carlo Cimbri (Chief Executive Officer of Fonsai, Milano Assicurazioni and Unipol Assicurazioni and Director of Premafin), Mr. Piero Collina (Director of Unipol Assicurazioni and Vice Chairman of Premafin), Mr. Marco Pedroni (Director of Fonsai, Unipol Assicurazioni and Premafin) and Mr. Pierluigi Stefanini (Chairman of Premafin, Vice Chairman of Fonsai and Milano Assicurazioni and Director of Unipol Assicurazioni) and Mr. Roberto Chiusoli (alternate auditor of Unipol Assicurazioni), for irregularities due to deficiencies in the organization and internal controls of certain operating departments and for failing to prepare surveillance reports. Unipol Banca complied with the payment of such penalties, thereafter enforcing claims against the persons concerned.

Moreover, at the conclusion of the investigation on Unipol Merchant (now merged into Unipol Banca), launched in September 2009, relating to the inspection of management and compliance profiles, as well as the Bank's credit and operational risks, with a measure dated 16 November 2010, administrative fines were imposed on members of the governing, management and control bodies of Unipol Merchant, including Mr. Carlo Cimbri, for irregularities due to deficiencies in the Company's organization, internal controls and credit management, and Mr. Roberto Chiusoli for irregularities due to deficiencies in controls. Unipol Merchant complied with the payment of such penalties, thereafter enforcing claims against the persons concerned.

In connection with the foregoing, a possible unfavorable outcome of pending legal proceedings could have an adverse effect on the reputation and/or on the economic and/or financial position of the Company Resulting from the Merger.

See Chapter 2, Paragraph 2.1, of the Updated Information Document.

B) RISKS CONNECTED WITH THE PREVIOUS MANAGEMENT OF THE PREMAFIN AND FONSAI GROUP

1.2.10 Risks connected with the IVASS checks and inspections into facts relating to the previous management

At the Date of the Updated Information Document, in relation to facts of the previous management, penalties were imposed by IVASS, which were challenged before the competent authorities, and there are further pending audits by the same authority which could have consequences for the Company Resulting from the Merger.

More specifically, it should be noted that IVASS, as of 2010, has been conducting inspections of Fonsai resulting in findings relating to the following aspects:

- (i) The shareholding chain, the corporate governance system, the organization of the real estate business, the internal control system, the organization and activities of the company bodies, the control functions and operations with Related Parties, and
- (ii) The Motor Class claims cycle.

IVASS has requested the provision of clarification and adequate justifications in relation to the findings dealing with the above-mentioned aspects combined with an action plan for the separate implementation stages to be monitored by IVASS itself.

In addition to the above aspects, the Supervisory Authority has produced specific findings in relation to a number of real estate operations with Related Parties where it is alleged there were lacunae of a procedural nature both at the decision-making stage and during the performance of the operations concerned, leading finally to the appointment, on 12 September 2012, of an ad acta commissioner.

As Fonsai informed the market on 19 April 2012, following the conclusion of the inspection activities relating to the aspects described under (i) above, IVASS served Fonsai with the deed of intimation no. 5817/11, by which, under the first paragraph of Article 326 of the Code of Private Insurance, it gave formal notice of a series of administrative infringements, initiating the disciplinary procedure for the definition of the sanction to be imposed of between a minimum of Euro 12,000 and a maximum of Euro 120,000. By its subsequent Notice no. 1835/12, entitled the "Deed of Rectification" of the Deed of Intimation no. 5817/11, IVASS informed the company that, without prejudice to the facts established from the inspection, the amount of the pecuniary

administrative sanctions set out in the Deed of Intimation (from a minimum of Euro 12,000 to a maximum of Euro 120,000) had now to be taken as rectified to a minimum of Euro 201,000 and a maximum of Euro 2,010,000.

The procedure thus initiated was concluded on 28 May 2013, when IVASS – considering that the arguments in its defense submitted by Fonsai in the meantime could not be accepted – served the company with order no. 1050/2013 by which it imposed a sanction amounting in total to Euro 1,203,364.12.

Fonsai submitted an appeal within the legal time limits to the Lazio Regional Administrative Court both against the deed entitled “deed of rectification” and order no. 1050/2013 referred to above, also making a safeguarding application seeking the suspension of the effects of the orders concerned. The Regional Administrative Court set down a hearing for 5 February 2014 to discuss the litigation.

On 4 October 2013, Fonsai paid the administrative penalty provided for by Art. 310, paragraphs 1 and 2, of the Code of Private Insurance, for a total of Euro 1,211,523.710, solely on the basis of the enforcement of ordinance no. 1050/2013 as notified by IVASS and to avoid the accrual of further interest. It should be noted that this does not involve any acquiescence and/or waiver of the pending cases, at the conclusion of which Fonsai reserves the right to reclaim any amount unduly paid, in the opinion of Fonsai.

It should also be noted that, on the completion of the inspection activities effected in relation to the relevant aspects of the Motor Class claims cycle described under (ii) above, IVASS served Fonsai with Deed of Intimation no. 577/12 by which, as before pursuant to the first paragraph of Article 326 of the Private Insurance Code, it gave formal notice of a number of administrative breaches and initiated disciplinary proceedings for the assessment of the size of the sanction to be imposed ranging from a minimum of Euro 15,800 to a maximum of Euro 145,400. At the Date of the Updated Information Document, IVASS had not yet set the amount of the penalty in question.

See Chapter 1, Paragraph 1.2.15, of the Updated Information Document.

1.2.11 Risks connected with the complaints made by Consob in relation to the Financial Statements of Fonsai, Premafin and Milano Assicurazioni

At the Date of the Updated Information Document, an administrative proceeding is pending in relation to facts of the previous management, initiated pursuant to a notification by Consob, the outcome of which could have an impact on the Company Resulting from the Merger.

More specifically, it should be noted that, by its communication of 19 April 2013, Consob, having summarized the events arising from:

- (i) The notice of findings of 29 September 2011 by which IVASS, following the inspection activities carried out at the offices of Fondiaria-SAI, had pointed out the shortcomings in the procedures of management and reserving in the Motor Class together with irregularities in the calculation of the claim provisions in the same class for the 2010 accounting period, found to be insufficient by an amount of not less than Euro 314 million, and
- (ii) The note of 17 November 2011 by which IVASS identified irregularities in the calculation of the claim provisions for the motor vehicle insurance division for the 2010 accounting period by Milano Assicurazioni, calculated as being insufficient by an amount of not less than Euro 203 million,

informed Fonsai that it had reached the conclusion that the representation of the reserve in question in its Consolidated Financial Statements of the 2010 accounting period “*was false and capable of giving false and misleading indications in relation to the shares issued by the company, hence representing the offence of market manipulation for the shares issued by the company by means of the publication of false information capable of providing false and misleading indications*”.

In the above notice Consob referred to its resolution no. 18430 of 21 December 2012, by which, when declaring that Fonsai’s 2011 Consolidated Financial Statements did not comply with the law governing the drafting of the same, decided that the findings and observations made by IVASS contained in the Formal Record of Inspection of 29 September 2011 and in the subsequent deed of intimation of 3 April 2012 could not

be considered, as argued by the Company, as representing “new information” pursuant to which Fonsai had revised the valuation process for the claims provisions of the car insurance division and, as a consequence, had set out a substantial revaluation of the same in the 2011 financial statements.

According to Consob, Fonsai “*should have already adopted all the procedures and organizational and control safeguards capable of guaranteeing the reliability of the accounting information in the 2010 accounting period*”. It went on to state that the observations made by Fonsai in the Notes to the Financial Statements for the 2011 Financial Statements did not apply to this case in that the nature of the corrective action taken by Fonsai which had indirectly resulted in the revaluation of the residual accounting value of the Motor Class claims provisions, “cannot be defined and considered as “*physiological in nature. So far as the data generated in 2009 and earlier were concerned, IVASS, by its Note of 29 September 2011, had thus concluded that the Fondiaria Sai Group’s provisions for the Motor Class had been insufficient for the period of 2009 and before, in an amount of not less than Euro 314 million (Euro 203 million for Milano Assicurazioni)*”, a total of Euro 517 million.

It should be noted, as noted by Consob, that, on 27 December 2012, when publishing the information requested by the latter by its above-cited resolution no. 18430, Fonsai had, inter alia, rectified its 2010 Consolidated Financial Statements for purposes of comparison, making such rectifications directly in net worth, without any effect on the income statement, as required by the International Accounting Standards.

Consob noted nonetheless that if Fonsai had effectively re-valued the Motor Class reserve by Euro 517 million when approving the 2010 Consolidated Financial Statements this would have entailed the recording of net negative income amounting to Euro 339 million. Consequently, as stated by Consob, “*the 2010 consolidated results would have fallen from a loss of Euro 928.861 million to a loss of Euro 1,267.861 million, representing a variation of 36.50%*”, with, as a consequence, “*significant variations in the company’s 2010 Consolidated Financial Statements in relation to share equity and net losses*”.

Consob concluded with the observation that, “*The above variations, concerned as they are with Financial Statement headings of importance to investors in the assessment of the so-called fundamentals of an insurance company, would have been capable of influencing their investment decisions, particularly decisions whether or not to participate in the share capital increase resolved by the company in 2011*”.

As a result, pursuant to Article 187-septies, paragraph 1, of the Consolidated Financial Act, Consob charged Ms. Jonella Ligresti and Mr. Emanuele Erbetta, based on the positions they occupied in Fonsai at the time of the occurrence of the facts, with the infringement defined under Article 187-ter, paragraph 1, of the Consolidated Financial Act. Fonsai was also charged with this latter infringement as the party with joint and several liability. The Acquiring Company was also charged with the unlawful conduct defined by Article 187-quinquies, paragraph 1(a), for the above-described infringement of Article 187-ter, paragraph 1, committed by Ms. Jonella Ligresti and by Mr. Emanuele Erbetta, in their above-mentioned positions.

A similar charge was made by Consob against Milano Assicurazioni as well. In this regard, pursuant to Article 187-septies, paragraph 1, of the Consolidated Financial Act, Consob also charged Mr. Emanuele Erbetta, because of the office held by him in the subsidiary at the time of the facts, with the infringement pursuant to Article 187-ter, paragraph 1, of the Consolidated Financial Act. Milano Assicurazioni was also charged with this latter infringement as a party with joint and several liability. Milano Assicurazioni was also charged with the unlawful conduct defined under Article 187-quinquies, paragraph 1(a), for the above-mentioned infringement of Article 187-ter, paragraph 1, committed by Mr. Emanuele Erbetta, in his above position.

Fonsai and Milano Assicurazioni, assisted by their lawyers, presented submissions asking that administrative sanctions pursuant to Articles 187-ter, 187-quinquies and 187-septies of the Consolidated Financial Act should not be applied against the companies. In particular, in addition to having filed their submissions in relation to the correctness of the process for the drafting of the financial statements, it was emphasized, with the identification of the relevant circumstances, with reference to the charge made under Article 187-quinquies of the Consolidated Financial Act, that it was not possible to identify any interest of the Company in the infringement of the said Article 187-ter, even after having taken account of the contents of the order for custody on remand of 12 July 2013 (in relation to which see Paragraph 1.2.11 of the Updated Information Document herein) issued against members of the Ligresti family and a number of ex-directors of Fondiaria-SAI, under investigation for the commission of offences defined under Art. 110 of the Italian Criminal Code (conspiracy to

commit an offence) and 2622 (false company communications) of the Italian Civil Code and Art. 185 of the Consolidated Financial Act (market manipulation), in which, according to the accusations, the ultimate aims of the supposed authors of the offences consisted in “*avoiding the dilution of the shares*” belonging to the Ligresti family in the share capital of Fondiaria-SAI and hence also of Milano Assicurazioni, as well as “*guaranteeing continuity in the consolidated real estate investment policy*”, carrying out “*operations to their exclusive advantage*”.

Consob communicated to Fonsai and Milano Assicurazioni that on 13 November 2013 it started the “preliminary part of the decision” on the aforementioned administrative proceedings. The competent organizational unit of Consob produced their investigation reports - also provided to Fonsai and Milano Assicurazioni - concluding, for both, that it did not admit the defense arguments developed by the two companies.

Notwithstanding the above, as at the Date of the Updated Information Document, the possibility of the enforcement of the sanctions contained in the above orders, the range of which is quite broad and maximum penalty quite high, cannot be ruled out.

See Chapter 2, Paragraph 2.1.2.10, of the Updated Information Document.

1.2.12 Risks connected with the ongoing criminal proceedings involving the Turin State Prosecutor for possible criminal conduct attributable to the Ligresti family and a number of first line managers of the Fonsai Group in relation to the 2010 Consolidated Financial Statements

At the Date of the Updated Information Document, criminal proceedings before the Public Prosecutor of Turin are pending, in relation to facts of the previous management, the outcome of which, also in relation to possible civil liability profiles, could have an impact on the Company Resulting from the Merger.

More specifically, it should be noted that, by decision of 12 July 2013, the Court of Turin Preliminary Investigating Magistrate, on request by the State Prosecutor, activated:

- an order requiring Ms. Jonella Ligresti, Mr. Gioacchino Paolo Ligresti, Ms. Giulia Maria Ligresti and Emanuele Erbetta to be taken into custody on remand, and;
- an order requiring Mr. Salvatore Ligresti, Mr. Fausto Marchionni and Mr. Antonio Talarico to be held under house arrest on remand.

The above-named are under investigation for the commission of the offences defined by Articles 110 of the Italian Criminal Code (conspiracy in the commission of an offence), 2622 of the Italian Civil Code (false company communications) and 185 of the Consolidated Financial Act (market manipulation).

In summary, according to the Preliminary Investigating Magistrate’s order, the persons under investigation conspired with each other in their respective roles, with the intention of deceiving shareholders or the public and for the purposes of unjust enrichment for themselves or others, in the following acts with reference to Fondiaria-SAI’s financial statements for the 2010 accounting period.

- a) The setting out of material facts not corresponding to the truth even though subject to valuation, with the entry of the amount of Euro 4,729,815,742 under the balance sheet heading “Claim Provisions”, rather than the greater amount which can be quantified as being not less than Euro 5,267,815,742, with a difference of Euro 538 million, sufficient to absorb in its entirety the increase in share capital of Euro 450 million effected in 2011;
- b) The failure to indicate, in the Notes to the financial statements, the change to the actuarial models used for the purposes of the calculation of the claims provisions, having, in contrast with procedures adopted in the preceding accounting period, in which the results deriving from the application of the Chain-Ladder model had also been considered for the data generated in 2005 and before, using solely the results deriving from the Fisher-Lange actuarial model;
- c) The failure to report in the Notes to the financial statements, information relating to the high claim re-opening rate, significantly above the market average and of the consequential exclusion of the data

generated for 2008 and 2009 for the purpose of the calculation of the claims provisions through the Fisher-Lange actuarial model, a model more sensitive to such re-opening.

The persons under investigation were also alleged to have disclosed information required by law referable to Fonsai's economic or financial situation in a way capable of misleading the recipients of such communications in relation to such economic situation.

According to the order, the above parties are alleged to have caused economic loss and damage to shareholders in particular, in the amount of about Euro 300 million, corresponding to the shares' loss of value together with the destruction of the shareholders' investment who, having subscribed to the first share capital increase (that of 2011), were not then in a position to subscribe to the second share capital increase (of 2012).

It was alleged that the persons under investigation had, by such false information and omissions:

- altered, in absolute value and in the presence of a share capital increase of Euro 450 million, the representation of Fonsai's economic and financial situation,
- given rise to a consequential change in the period economic results of more than 5%, and
- given rise to a change in Share Equity of more than 1%,

with the aggravating factor that committing the offence caused serious harm, having affected not less than 11,910 investors.

Continuing with the content of the order for custody on remand under consideration, the persons under investigation were alleged to have committed the offences described above for the purpose of:

- avoiding the dilution of the Fonsai Group share holdings held by Premafin and hence held by Salvatore, Jonella, Gioacchino Paolo and Giulia Maria Ligresti, consequential to the share capital increase which would have been, of necessity, greater than that forming the subject matter of the agreement – made public on 22 March 2011 – between Premafin and Unicredit, amounting to Euro 450 million;
- guaranteeing the continuation of the consolidated policy of real estate investment and operations, part of which not coming within the area of exclusive interest to the Fonsai Group, with counterparties which were directly or indirectly referable to the members of the Ligresti family, thus being Related Parties, operations being to their exclusive advantage.

The order also states that, with reference to the offence defined under Articles 110 of the Italian Criminal Code and 185 of the Consolidated Financial Act, as a consequence of the conduct described above, the persons under investigation were accused of communicating the data relating to Fonsai's 2010 consolidated financial statements, concealing losses of not less than Euro 538 million for Fonsai and not less than Euro 283 million for Milano Assicurazioni. In percentage terms therefore, the concealed losses for the Consolidated income statement were not less than 37% for Fonsai and 22% for Milano Assicurazioni respectively, information thus capable of causing a significant alteration to the prices of the respective securities.

On 11 October 2012 in these same criminal proceedings, Fonsai was also served with a "Formal Notice of Investigation of a Body" pursuant to Article 57 of Legislative Decree 231/2001 by the Turin State Prosecutor by which, by reference to the *"proceedings relating to the offence of the production of false financial statements (Articles 2621-2622 of the Italian Civil Code) committed within FONDIARIA-SAI S.p.A. in relation to the 2008-2011 accounting periods together with the impeding of supervisory activities (Article 2638 of the Italian Civil Code) for the period 2008-2011, hereby informs the office will be taking proceedings against FONDIARIA-SAI [.....] in relation to unlawful administrative conduct pursuant to Article 25-ter of Legislative Decree 231/2001 committed in Turin over the years 2009-2012"*.

On 14 May 2013, the Turin State Prosecutor, with reference to the offences defined by Article 173-bis (false information in prospectus) and Article 185 (market manipulation) of the Consolidated Financial Act, served Fonsai with a "Formal Notice of Investigation of a Body" pursuant to Article 57 of Legislative Decree 231/2001. This gave notice of the fact that the State Prosecutor was taking proceedings against Fonsai in relation to unlawful administrative conduct pursuant to Article 25-sexies (insider trading and market manipulation) of Legislative Decree 231/2001 alleged to have been committed in Turin in 2011.

Still on 14 May 2013 but only with reference to the offence defined by Article 185 (market manipulation) of the Consolidated Financial Act, The Turin State Prosecutor served Milano Assicurazioni with a “Formal Notice of Investigation of a Body” pursuant to Article 57 of Legislative Decree 231/2001 giving notice of proceedings initiated by the Prosecutor in relation to unlawful administrative conduct pursuant to Article 25-sexies of Legislative Decree 231/2001 alleged to have been committed in Turin in 2011.

On 12 August 2013, in the context of the criminal proceedings initiated by the Turin State Prosecutor against members of the Ligresti family and a number of ex-directors of Fondiaria-SAI (being the same as those mentioned above under investigation and affected by the custody on remand order of 12 July 2013), the same State Prosecutor served notice of an order granted by the Preliminary Investigating Magistrate of 10 August 2013 of safeguarding seizure with a view to confiscation of property of the value of Euro 251.6 million, enforced in part against real estate belonging to Fonsai and to a company indirectly controlled by the latter, valued by the order at Euro 215 million.

The real estate complexes covered by the seizure order are hotels managed by the subsidiary company Atahotels S.p.A. (“**Atahotels**”) and, in particular: the Golf Hotel Campiglio of Madonna di Campiglio, the Naxos Beach in Giardini Naxos (Messina), the Hotel Principi di Piemonte in Turin, the Atahotel Varese and the Grand Hotel Fiera in Milan. The seizure does not prejudice the ordinary management of the hotel businesses of the hotels concerned.

The safeguarding order against Fonsai was issued under the provisions of Articles 19 and 53 of Legislative Decree 231/2001 in relation to the charges under Articles 5 and 25-sexies of Legislative Decree 231/2001 referring to the offence defined under Article 185 of the Consolidated Financial Act (market manipulation).

The safeguarding order relies on the consultancy report produced by an expert appointed by the State Prosecutor who calculated the damage suffered by Fonsai shareholders, by effect of the offences alleged to have been committed by those under investigation, at Euro 251.6 million.

As before, on application by the Turin State Prosecutor, the Preliminary Investigating Magistrate granted an order for safeguarding seizure in relation to assets and real estate belonging to the same members of the Ligresti family and to the ex-directors of Fonsai under investigation (listed above) up to the total value of Euro 251.6 million.

Fonsai has challenged the seizure before the Reviewing Magistrate at the Court of Turin, arguing that it is unfounded and unjust. On September 26, 2013, the Reviewing Magistrate at the Court of Turin has accepted the request of Fonsai and has revoked the preventive seizure decree issued by the Preliminary Investigating Magistrate on August 10, 2013; against this decision of the Reviewing Magistrate, on 10 October 2013, the Turin State Prosecutor lodged an appeal with the Italian Court of Cassation.

On 4 December 2013, the first hearing of the immediate review was held at the Court of Turin against Mr. Salvatore Ligresti, Mr. Antonio Talarico, Mr. Fausto Marchionni and Mr. Emanuele Erbetta, charged with the crimes of false corporate statements and market manipulation. Fonsai filed a petition to bring a civil action against the aforementioned defendants in order to obtain compensation for any damage suffered as a result of the falsification of financial statements and/or insider trading should they be deemed to exist and, therefore, in case of conviction at the outcome of the trial. During the same hearing, the civil action brought by Mediobanca, Unicredit, Consob and numerous small shareholders (more than a thousand, including Finleonardo) was also formalized. At the hearing of 13 December 2013, the Court of Turin addressed the question of the actions brought by civil parties and territorial jurisdiction. During the same hearing, the civil parties requested to summon Fonsai and Milano Assicurazioni as civilly liable. The Court reserved the right to decide on (i) the admission of civil parties, (ii) the request for summoning civilly liable defendants, and (iii) the plea of lack of territorial jurisdiction raised by the defense of the accused. The proceeding was adjourned to 30 January 2014.

The charges against Ms. Giulia Maria Ligresti were struck out and settled by a judgment of punishment (a plea bargain) for the same offenses as the ones charged to the other offenders associated therewith as mentioned above, having the same defendant agreed to a sentence of imprisonment for 2 years and 8 months and a fine of Euro 20,000, in addition to confiscation of goods impounded at the time (there emerged thereafter that Ms. Giulia Maria Ligresti appealed to the Supreme Court of Cassation against the confiscation of property, which in the meantime had been canceled at the request of Fonsai and some other accused parties).

With reference to the crimes of false accounting and insider trading, which Mr. Gioacchino Ligresti and Mr. Pier Giorgio Bedogni, Mr. Fulvio Gismondi (actuary in charge), Mr. Benito Giovanni Marino, Mr. Marco Spadacini, Mr. Antonio D'Ambrosio (former members of the board of statutory auditors), Mr. Riccardo Ottaviani (auditing actuary) were charged with, as well as with administrative offenses pursuant to Art. 25-*sexies* of Legislative Decree 231/2001, which Fonsai was charged with only in relation to the offense of insider trading, charged to members of the company's senior management, the preliminary Judge set a hearing on 27 January 2014, and 3, 7 and 21 February 2014 for the continuation, and identified Consob, the Fonsai shareholders, and Fonsai itself as the parties offended by the crime.

The following is an illustration of the penalties incurred by the entity charged with unlawful administrative conduct as laid down by Art. 25-*sexies* of Legislative Decree 231/2001, in relation to the crime of market manipulation as provided for and punished by Art. 185 of the TUF.

The administrative offense under Article 25-*sexies* of Legislative Decree 231/2001 is punished by a fine between four hundred and one thousand units. The amount of one unit ranges from a minimum of Euro 258 to a maximum of Euro 1,459 according to the provisions of Art. 10 of Legislative Decree 231/2001. The degree of grievance of the penalty is increased if the product or profit earned by the entity is particularly hefty. In this case, Art. 25-*sexies*, paragraph 2, of Legislative Decree 231/2001 provides that *"the penalty shall be increased up to ten times the amount of such product or profit"*.

As for the actual quantification of monetary sanctions pursuant to Art. 11 of Legislative Decree 231/2001, *"the judge shall determine the number of units taking into account the seriousness of the offense, the degree of responsibility of the entity as well as the activities carried out to eliminate or mitigate the consequences of the offense and to prevent the commission of further offenses"*.

The mention made to the *"seriousness of the offense"* refers to the establishment of the objective criterion of interest or advantage that the institution may have achieved as a result of criminal conduct carried out by its senior management/employees pursuant to Art. 5 of Legislative Decree 231/2001.

Conversely, the verification of the *"degree of responsibility"* refers to the subjective criterion of attribution of responsibility to the entity, which requires the existence of the so-called *"fault in the organization"*, i.e. proof of the unsuitability of the organizational models as referred to in Art. 6 of Legislative Decree 231/2001.

The determination of the amount of each "unit", in accordance with Art. 11, paragraph 2, of Legislative Decree 231/2001, is related to the *"economic and financial conditions of the entity in order to ensure the effectiveness of the sanction"*.

The possibility of a reduction of the penalty must also be considered, as regulated by Art. 12 of Legislative Decree 231/2001. With reference to the case of interest herein, the provision of Article 12, paragraph 1, letter a), of the aforementioned Decree becomes relevant where it is stipulated that *"the monetary fine shall be reduced by half and may not in any case exceed Euro 103,291 if the offender has committed the act in his/her own best interests or that of third parties, and the entity has received no benefit, or has gained a minimum benefit"*. In this case, the amount of the fine is always Euro 103.00 pursuant to Art. 11, paragraph 3, of Legislative Decree 231/2001.

In case of conviction, the confiscation of the price or profit of the offense is always ordered against the entity pursuant to Art. 19 of Legislative Decree 231/2001.

A further possibility of confiscation is laid down by Art. 6, paragraph 5, of Legislative Decree No. 231/2001, which provides that *"the confiscation of the profit that the entity has gained from the offense shall in any case be ordered"*, even in cases where the entity does not respond for having adopted suitable organizational models fraudulently evaded by the "senior managers".

In the Report to the Legislative Decree 231/2001, legislators have justified the provision of such measure by stating that *"the fact that, in the case of fraudulent evasion of the model without the entity's fault, no responsibility can be found against the same, in no way detracts importance from the inappropriateness that the legal person may benefit from the financial profits that it nonetheless has drawn from the actions of the so-called unfaithful director"*.

According to some interpretations, this type of confiscation does not apply in the cases governed by Art. 5, paragraph 2, of Legislative Decree No. 231/2001, if one excludes the entity's liability for administrative offenses in cases where "senior managers" have acted solely in their own interest or that of third parties.

Similar sanctions are provided for administrative offenses charged to Fonsai and Milano Assicurazioni still under investigation, since they are charged with the same offense as pursuant to Art. 25-*sexies* of Legislative Decree 231/2001.

Fonsai and Milano Assicurazioni are closely following the developments of the above proceedings particularly with a view to taking all initiatives most appropriate for the defense of their own and their shareholders' interests including action seeking compensation against liable parties.

Notwithstanding the foregoing, as at the Date of the Updated Information Document, Fonsai cannot however exclude the possibility of subsequent developments, even in relation to risks associated with possible civil liability charges as mentioned above, with a negative consequence on the economic and financial position of the Company Resulting from the Merger arising from the proceedings referred to above. It should be noted that the civil liability of the Company Resulting from the Merger may be invoked both in relation to the 2010 Financial Statements, and in relation to the communication of the relevant results and, finally, with regard to the information disclosed in regard of the 2011 Fonsai capital increase.

1.2.13 Risks connected with complaints or actions by shareholders or former shareholders of Fonsai, Milano Assicurazioni and Premafin

At the Date of the Updated Information Document, certain legal actions were initiated and/or announced by shareholders and former shareholders of Fonsai, Milano Assicurazioni and Premafin. Although at the Date of the Updated Information Document, Fonsai, Milano Assicurazioni and Premafin consider that, based on a preliminary analysis, these initiatives are groundless, however it cannot be ruled out that impacts on the balance sheet and income statement of the Company Resulting from the Merger may arise therefrom in the future.

As part of such actions, it should be noted that on 22 May 2012 Finleonardo S.p.A. ("**Finleonardo**"), in its capacity as one of Fonsai's shareholders, presented a complaint to the Company's Board of Statutory Auditors pursuant to Article 2408 of the Italian Civil Code, requesting the Board to take immediate action as follows: (a) verify the coherence of the individual components that led the board of directors to reevaluate the MV third party liability claims provision, and in particular in regard of the anomalies and malfunctioning deriving from the absence of formalized procedures and adequate control systems, the inventory effected by the network of liquidators, observations on the calculation of actuarial models and the adaptation of the same and adaptation to prevailing case law, (b) to check whether the information held by the Board of Directors at the time they were drafting the 2010 financial statements and those preceding it, together with all Updated Information Documents and information statements provided to the market and the shareholders prior to, contemporaneously with and subsequent to, the approval and performance of the share capital increase relating to the 2011 accounting period, was not sufficient to give rise to the duty on the Board of Directors to notify the shareholders and the market of the need for a more adequate valuation of the Motor Vehicle Class claims provisions already contained in each of the above-cited documents, (c) in conclusion, to confirm that the 2010 Financial Statements, the subsequent quarterly reports, the informative prospectus accompanying the approval of the Company's share capital increase in the 2011 accounting period and then again, the subsequent periodical information provided to the market and the shareholders, were capable of representing the Company's true situation over the whole 2011 accounting period, (d) to check, as a consequence, the accuracy of the information provided in each of the said documents, to the market and to the shareholders, by the Board of Directors itself, (e) to report on the activities that the Board of Statutory Auditors will be carrying out in relation to the checks referred to above not only to Finleonardo, but to all the shareholders.

On 25 June 2012, the Fonsai Board of Statutory Auditors informed the market that they had filed a report at the Company's Registered Office on the same date (available on Fonsai's internet site), providing a partial response to the shareholder Finleonardo under Article 2408 of the Italian Civil Code. The subject matter of the report took the form of an initial analysis of the situation and questions raised by Finleonardo, providing a number of responses with regard to (a) the reference legal context, (b) the procedure adopted by Fonsai for the calculation of the Car Insurance Division claims provisions and (c) the valuation of the car insurance division

claims provisions effected in 2011, the organizational interventions, case law developments and their impact on the inventory and the adaptation of the statistical actuarial models. The Board of Statutory Auditors has reported on the matter at the shareholders' meeting on June 27 2012, with the objective of completing its inquiry as soon as possible and reporting its findings.

By letter of 19 October 2012, Finleonardo, in addition to calling for a response from the Board of Statutory Auditors to the complaint under Article 2408 of the Italian Civil Code of 22 May 2012, submitted two further questions to the Board, as before under the above-cited Article, drawing the control body's attention (a) to the development, analysis and drafting of the various statements relating to 2011 and the previous periods, underlying the drop in the claim provisions as represented in the Notes to the financial statements which *"highlight how the (non) maintenance of the provisions is clearly apparent for the greater part of the years analyzed"* and (b) to the *"dichotomies identified, as previously in the statements of provisions, in relation to the inventory of claims opened for events of more than a decade ago"*, claims which *"... appear not to be precisely reflected in the specific provisions as emphasized in their annual formation in the above-mentioned statements"*, claiming specifically that *"in the 2011 Financial Statements no value has been given for the data generated for 2001 and 2000, in which 2,187 claims are declared still open"*.

On 26 October 2012 Fonsai's Board of Statutory Auditors posted its concluding report to Fonsai's internet site in response to the above-mentioned complaint by Finleonardo pursuant to Article 2408 of the Italian Civil Code of 22 May 2012, referring to the same during the General Meeting of the Shareholders of 30 October 2012.

In that report the Board of Statutory Auditors examined the components of the valuation of the Motor Class claims provisions as at 31 December 2011, having regard to (i) the Supreme Court's decision of 25 February 2011, establishing that the reference values adopted by the Court of Milan constitute the so-called fair value for the purposes of the liquidation of non-economic damage from personal injury from harm to psycho-physical integrity, (ii) the re-organization of Fonsai's liquidating structure, and (iii) the charges made against Fonsai by IVASS and by the actuary appointed on the completion of the inspection activities carried out by the Authority, the replies consequential to the same, together with the actions taken by Fonsai on its reserve formation process and on the actuarial statistical models.

Concluding its report, the Board of Statutory Auditors stated that elements were not available to it as things stood, to allow it to decide with certainty, in relation to the revaluation of the Car Insurance claims provisions, that the Fonsai Board of Directors, at the time when drawing up the 2010 Financial Statements, the informative prospectus relating to the 2011 share capital increase and the subsequent six-monthly report, with specific reference to the circumstances forming the subject matter of the investigations made by the Board of Statutory Auditors itself, had information available to it of such a nature which should have lead it to provide valuations and information different from that shown in the 2010 Financial Statements and the 2011 informative prospectus referred to above.

On 24 April 2013, the Fonsai Board of Statutory Auditors posted the additional clarification requested by Finleonardo in its above-mentioned letter of 19 October 2012, on the Fonsai internet site, making reference to the same in the General Meeting of the Shareholders held on 29 April 2013.

At the General Meeting the Board of Statutory Auditors clarified, with reference to the two requests referred to above, that (a) the variation over the years to the cost of generated data cannot be automatically attributed to previous inadequate provisions, given that this might depend on technical reasons and/or on factors which were not always foreseeable and capable of estimation and that (b) Finleonardo's statement that, *"in the 2011 financial statements no value has been given for the data generated for 2001 and 2000, in which 2,187 claims are declared still open"* was unfounded.

By letter dated 2 October 2013, Finleonardo requested the Board of Statutory Auditors, pursuant to and in accordance with Art. 2408 of the Italian Civil Code, to provide further clarification as to:

"(i) what were the investigations carried out by the Board of Directors of Fonsai and by the Board of Statutory Auditors with regard to the facts alleged by the company Finleonardo that recently emerged in criminal proceedings and were reported by press organizations, which were the conclusions thereof, which was the level of in-depth examination and, above all, what was the information that the Board received not in conformity with the truth for it to draw the conclusions mentioned in the above report. In particular, the Board is

requested to reassess the conclusions made in the report of 26 October 2012, and therefore to reach a conclusion as a result thereof, also in regard of the legal action and internal measures that it considered or might consider to take in relation to the foregoing;

(ii) whether, paraphrasing the conclusions made in the report of 19 October 2012, the Board of Statutory Auditors now has further evidence to conclude that the Board of Directors, at the time of preparing the financial statements for the year ended 31 December 2010 and the Prospectus of the 2011 capital increase, had in turn gained information that led it to provide different assessments and information from those resulting from the financial statements at 31 December 2010 and the Prospectus of June 2011;

(iii) what were the facts among those gained by the company Finleonardo and reported by press organizations, which were found to be true as a result of such checks, if omissive behavior by directors, or executives, in relation to the level of information provided was found, and what were, in the light of the findings in criminal proceedings, the actions taken against those who would seem to have determined a serious risk of a compensatory nature for the company. In particular, it is requested how many damage claims have been received by the company to date, and whether those claims have been assessed and in what manner for the purpose of setting aside provisions for risks of potential disputes with shareholders and third parties;

(iii) if the Board of Statutory Auditors, in order to respect the principle of prudence, considers it not necessary to set aside reserves for the reimbursement for future legal actions by all of the 2010 capital increase subscribers and also in order to avoid further compensatory action of the current corporate structure if it is not informed about the risk factors of the company at the date hereof to be necessarily represented in Statements relating to the merger transactions in progress;

(iv) what are the measures taken by the company, even in terms of Legislative Decree No. 231/2001, in order to avoid the repetition of facts such as those identified by the Public Prosecutor of Turin and by the undersigned, in relation to the aforementioned capital increase and the estimation methods adopted by the company Fondiaria-Sai for the valuation of technical provisions to be set aside for the future for the MV third party liability sector and especially whether a careful verification has been performed of the 231 model, and how this has functioned in the period prior to 2011;

(v) what are the results of the assessments in regard of reports by certain press organizations on the relations of the old senior executives with the management of Mediobanca and with the officials of the Supervisory authorities, and also which are the legal initiatives that the company intends to take against those who failed in their monitoring duties, and in any case, what are the legal actions that the company intends to bring to compensate the damaged shareholders;

(vi) what are, in the light of the facts revealed in criminal proceedings and reported by press organizations, the initiatives that the Board of Statutory Auditors intends to take in addition to the investigations carried out following a complaint sent pursuant to Art. 2408 by Finleonardo and if the same Board of Statutory Auditors intends not to revise its position as mentioned in the report, and to assume the relevant measures under its jurisdiction”.

With reference to the above, at the Date of the Updated Information Document, the Board of Statutory Auditors of Fonsai had not given any response in this regard, reserving the right to consider the complaint in relation to the report to the shareholders pursuant to Art. 2408 of the Italian Civil Code. Please also note that on 4 December 2013, Finleonardo filed an appearance as a civil party in the criminal proceedings before the Court of Turin against Mr. Salvatore Ligresti, Mr. Antonio Talarico, Mr. Fausto Marchionni and Mr. Emanuele Erbetta.

With regard to the request made by Finleonardo, as well as those made by other shareholders, at the hearing held on 13 December 2013, see paragraph 1.2.12.

1.2.14 Risks connected with operations with related parties

It should be noted that the activities of the Fonsai Group have been characterized, up to the assumption of control over the group by UGF, by a significant rate of operations with related parties to the reference shareholders, particularly in relation to real estate operations.

In particular, during the period closing on 30 September 2013 and the accounting periods closing on 31 December 2012, 2011 and 2010, relations with Related Parties of the Fonsai Group (excluding inter-company transactions with entirely consolidated companies) gave rise to proceeds of Euro 68.7 million, Euro 37.6 million, Euro 71.4 million and Euro 116.5 million and costs of Euro 123.2 million, Euro 160.3 million, Euro 137.2 million and Euro 152.2 million. It should also be noted moreover, that the Fonsai Board of Statutory Auditors has received complaints relating to some of these operations, dating back to accounting periods prior to 2011, under Article 2408 of the Italian Civil Code - see risk factor, Paragraph 1.2.12 of the Updated Information Document.

It should also be noted that the Balance Sheet value of the Fonsai Group receivables due from companies belonging to the Group Sinergia Holding di Partecipazioni S.p.A. in liquidation (“**Sinergia**”) (including the subsidiary Immobiliare Costruzioni IM.CO. S.p.A. in liquidation (“**Im.Co.**”), both shareholders of Premafin with a total shareholding of about 3.86%) or from parties traceable to the same, can be described as follows: (i) advances paid by Fonsai and Milano Assicurazioni to Im.Co. or Sinergia, or to companies controlled by either, under contracts for the purchase of future assets whose subject matter is the purchase of real estate, amounting to: (a) Euro 101.7 million claimed by Milano Assicurazioni against Avvenimenti e Sviluppo Alberghiero S.r.l. (“**ASA**”), a company entirely controlled by Im.Co., relating to the purchase of a real estate complex in Rome at Via Fiorentini. The Balance Sheet value of the above receivable as at 30 September 2013 was Euro 52.9 million, by reason of the write downs effected; (b) Euro 77.4 million claimed by Milano Assicurazioni against Im.Co. relating to the purchase of a real estate complex in Milan at Via De Castilia. The balance sheet value of this receivable as at 30 September 2013 was Euro 25.5 million, by reason of the write-downs effected; (c) Euro 23.3 million claimed by Immobiliare Fondiaria-Sai S.r.l. against Im.Co., relating to the purchase of a real estate complex in Parma in the district of San Pancrazio Parmense. The balance sheet value of this receivable as at 30 September 2013 is Euro 7.8 million, by reason of the write downs effected; (ii) advances on design works in the amount of Euro 7.2 million, claimed by Nuove Iniziative Toscane S.p.A. from Europrogetti S.r.l. The receivable has been written off in its entirety; (iii) receivables claimed by BancaSai as against the Group Im.Co. – Sinergia in the amount of Euro 21.4 million, of which Euro 10.7 million are unsecured receivables. These receivables have been written off in their entirety. We would note finally that there is additional exposure amounting to Euro 5.8 million, net of the re-insurance effect deriving from policy loans securing commitments made by companies forming part of the Im.Co. Sinergia group.

It will be recalled that Im.Co. and Sinergia were declared bankrupt by decision of 14 June 2012 handed down by the 2nd Civil Division of the Court of Milan. Europrogetti S.r.l. was also declared bankrupt on 14 December 2012.

On 14 June 2012, in their communication to the market of their exposure as creditors of Sinergia and Im.Co. following the bankruptcy of the same, Fonsai and Milano Assicurazioni declared (i) that they noted the bankruptcy decision handed down in relation to Im.Co. and Sinergia and that applications would be made to prove their debts as part of the liabilities of the bankruptcy, and (ii) that they reserved the right to take such further actions, including officer liability action, which were necessary or appropriate, including with reference to the investigation requested by Fonsai’s Board of Statutory Auditors following the complaint pursuant to Article 2408 of the Italian Civil Code filed by the shareholder Amber Capital Investment Management.

So far as the receivables described above were concerned, (excepting the receivable of Euro 102 million due from ASA, in that the company is, as at the Date of the Updated Information Document, *in bonis*) applications have been made for them to be proved as liabilities in the bankruptcies of Im.Co. or Sinergia in the total amount of Euro 151 million, and, as at the Date of the Updated Information Document, Euro 111.4 million have been proved as liabilities in the form of unsecured receivables. With reference then to the liability actions subsequently proposed by Fonsai’s Ad Acta Commissioner appointed by IVASS on 12 September 2012, (See Paragraph 1.2.16 of the Updated Information Document) late applications were made for the proving of receivables amounting to a total of Euro 392.7 million as part of the liabilities of the Im.Co. and Sinergia

bankruptcies. These requests have been rejected by the Bankruptcy Court and at the Date of the Updated Information Document, the interested companies have already submitted (or are submitting) an appeal.

In consideration of the bankruptcy of Im.Co. and Sinergia, the chances of recovering such receivables at the date of the Updated Information Document are small since they are unsecured and hence with no right to preference if proved as a liability in the bankruptcy. They thus are likely to have a negative impact on the economic and financial results of the Fonsai Group.

Furthermore, through its communication of 19 June 2012, Premafin announced that, with reference to the bankruptcy decision handed down on 14 June 2012 against Im.Co. and Sinergia, the only significant relationship between Premafin and the bankrupt companies was that relating to the indemnities granted by Im.Co. and its subsidiaries regarding any consequential charges/liabilities arising from the undertaking to assign areas of land located in the Municipality of Milan to third parties. In particular, so far as Premafin was concerned, it should be noted that on 23 January 2013 the Company submitted opposition pursuant to Article 98 of the Bankruptcy Act to the statement of liabilities of Im.Co., given that the Delegated Judge, by order dated 28 November 2012, had declared it to be executive, rejecting Premafin's application to prove its debt in relation to the indemnities regarding any consequential costs/liabilities following the above-described assignment undertaking. Following the first hearing on 9 May 2013 the Court set down a date for the concluding hearing in 2014. For more details on the litigation of Premafin with the Municipality of Milan see the paragraph "Litigation with the Municipality of Milan" in Chapter 1.2.8 of the Updated Information Document.

According to the information made available to the market, a company has been set up by Unicredit S.p.A. and Banca Popolare di Milano on the initiative of the main bank creditors of the bankrupt companies called Visconti S.r.l. for the purpose of presenting a draft bankruptcy arrangement with creditors for the settlement of the insolvency of the companies Im.Co. and Sinergia.

On October 3, 2013, the Unipol Group has signed an agreement with Visconti S.r.l. with the purpose of defining, as a settlement, the credit positions of the companies in the Unipol Group against Im.Co. and Sinergia and the subsidiary ASA, also in the context of requests for agreement with the creditors of said Im.Co. and Sinergia under bankruptcy law. The effectiveness of this agreement is subject to some conditions precedent, among which the final approval of the arrangement with the creditors of Im.Co. Visconti S.r.l. has filed the appeals for the requests for an arrangement with the creditors of Im.Co. and Sinergia, respectively, on 7 and 31 October 2013.

Any approval, by a final court decision, of the bankruptcy arrangements of Im.Co. and Sinergia could result in the following impacts of an economic and financial nature on the Company Resulting from the Merger:

- With regard to receivables of the Fonsai Group from Im.Co. and Sinergia arising from advance payments under the contracts for the purchase of a potential asset relating to the acquisition of real property (net of write-downs amounting to a total of Euro 86.2 million and representing the main part of the receivables recorded in financial statements), it should be noted that the balance sheet value as at 30 September 2013 of the same was calculated on the basis of an assessment of the recoverability of these receivables, as carried out in 2012 by an independent expert, and it reflects the current value of the underlying real estate assets. That said, it is therefore reasonable to assume that the transfer of ownership of real estate complexes to Milano Assicurazioni and Immobiliare Fondiaria-SAI S.r.l., as provided for in the event of approval of the arrangement with creditors, will not result in significant impacts of an economic and financial nature on the Company Resulting from the Merger;
- With regard to the receivables of BancaSai S.p.A. from the Im.Co. - Sinergia group, amounting to approximately Euro 21.4 million and fully written off as, a result of the possible approval of the arrangements with creditors and against the new finance disbursement of Euro 11 million, the bank would receive units of real estate funds, the economic impact of which could be positive in relation to the market value of such units at the time of their assignment;
- In relation to guarantee policies issued mainly by Fonsai, and in small part by Milano Assicurazioni, to secure commitments made by companies belonging to the Im.Co. - Sinergia group, for a total exposure,

net of reinsurance, amounting to Euro 5.8 million, no significant impact of an economic and financial nature is expected due to the possible approval of the bankruptcy arrangements since the risk associated with these policies should be considered, as at the Date of the Updated Information Document, not significant;

- In regard of the relationships between Premafin and Im.Co., it should be noted that, due to the possible approval of the bankruptcy arrangements, upon payment of a fee of Euro 1.7 million, plus V.A.T. and expenses, Premafin would acquire the ownership of land located in the Municipality of Milan and subject to an undertaking of transfer in favor of the Municipality itself, in regard of which a dispute is pending between such institution and Premafin. This acquisition is strictly conditional on the subsequent failure to transfer such areas to the Municipality of Milan within the period of judicial conclusion or out-of-court settlement of the litigation. Should this transfer take place and allow the conclusion of the dispute with the Municipality of Milan, the Company Resulting from the Merger may release the relevant provisions made (as at the Date of the Updated Information Document amounting to approximately Euro 13 million), with a consequent positive economic impact of the same amount, net of any expenses incurred for the acquisition and the subsequent transfer of the areas in question.

In 2009 100% of the share capital of Atahotels, a company operating in the hotel sector and hence a non-core sector, was acquired by Fonsai and Milano Assicurazioni. The management trends for Atahotels subsequently proved to be negative due, inter alia, to the crisis in the hotel market. These circumstances meant that it was immediately necessary to intervene in the form of shareholder recapitalization of the hotel company (the shareholders being Fonsai and Milano Assicurazioni). Subsequently the Fonsai Group introduced initiatives intended to restructure the management and Atahotels's prior debt situation in the hope of a possible enhancement of the shareholding held in the hotel management group. In particular, as at the Date of the Updated Information Document, a lease charge review is currently ongoing seeking to reduce the charges Atahotels is required to pay the companies owning the property used for the hotel business. The review is supported by valuations effected by independent experts, confirming the sustainability of the new reduced charges by Atahotels. Notwithstanding the above, as at the Date of the Updated Information Document, Atahotels' situation is burdened by debts deriving from the previous management. As a consequence, the Fonsai Group considers it will be necessary to carry out a recapitalization of a sufficient amount for the repayment of the debts due to the various companies of the Fonsai Group and to cover the losses generated in the first part of 2013, including as a result of the ongoing restructuring work.

It should be noted, however, that the revision of rents for buildings owned by the insurance companies of the Fonsai Group is subject to prior approval by IVASS for the purposes of Regulation no. 25/2008.

While it is believed that the above initiatives, taken as a whole, are likely to generate sufficient profits for Atahotels to break even by 2015 and hence an enhancement in the value of the Atahotels shareholding as at the Date of the Updated Information Document, the possibility cannot be excluded, including with regard to future sector and macroeconomic trends, that the time required for such value enhancement will be longer than that forecast here and, in such circumstances, further recapitalization of the invested company will be required, with further possible negative effects on the economic and financial situation of the Company Resulting from the Merger.

In relation to the risk profiles associated with transactions with related parties of the Unipol Assicurazioni Group, it should be noted that at 30 September 2013, the exposure to the associated company Unipol Banca was due to current account transactions for an amount of Euro 309.8 million and bonds issued by the same subsidiary for an amount of Euro 45 million. These transactions expose the Unipol Assicurazioni Group to "credit risk" towards the associated company Unipol Banca, namely the risk posed by the possibility that Unipol Banca may default on the contracts and obligations it entered into.

Moreover, with regard to the exposure in bonds issued by Unipol Banca, the Unipol Assicurazioni Group is exposed to the following risk factors:

- "Interest Rate Risk", i.e. the risk of a possible change in the value of the bonds in the portfolio as a result of adverse changes in interest rates;

- “Credit Spread Risk”, i.e. the risk that the value of the bonds in the portfolio will suffer a decrease determined by the credit quality of the issuer.

Such circumstances could have negative effects on the economic and/or financial position of the Unipol Assicurazioni Group.

For more information on transactions with related parties, investors are advised to refer to the consolidated financial statements of the Companies Participating in the Merger, published in the investor relations section of their respective websites, as well as to Chapter 7 of the Updated Information Document.

1.2.15 Risks arising from complaints of category “A” savings shareholders of Fonsai

At the Date of the Updated Information Document, the Common Representative of Savings Shareholders of category “A” started certain initiatives against Fonsai to challenge a number of transactions relating to, or with possible effects on, the share capital. Such initiatives could lead to the onset of possible disputes - whose impacts, costs, timing, mode and/or outcomes are not predictable as at Date of the Updated Information Document, and are likely to give rise to legal proceedings, with possible negative effects on the economic and/or financial position of the Company Resulting from the Merger.

The Fondiaria-SAI extraordinary shareholders’ meeting of 19 March 2012 – the decisions of which were confirmed in the extraordinary shareholders’ meeting on 27 June 2012 - decided to:

- 1) remove the indication of the nominal value of the Fondiaria-SAI ordinary and savings shares pursuant to and in accordance with articles 2328 and 2346 of the Italian Civil Code;
- 2) group together the ordinary and savings shares in circulation on the basis of 1 (one) new ordinary share enjoying rights in the standard manner for every 100 (hundred) ordinary shares held and 1 (one) new savings share enjoying rights in the standard manner for every 100 (hundred) savings shares;
- 3) a divisible increase in the share capital to an overall amount including any share premium, of a maximum of Euro 1,100 million, by means of issuing ordinary shares and category “B” savings shares enjoying rights in the standard manner offered as an option, respectively, to holders of ordinary shares and those with category “A” savings shares, pursuant to and in accordance with Art. 2441, first, second and third paragraph, of the Italian Civil Code.

The Fonsai Capital Increase was completed and registered at the Companies Register pursuant to, and by effect of, Article 2444 of the Italian Civil Code on 17 September 2012.

With regard to the dividend rights attached to savings shares, the Articles of the Acquiring Company as amended for the purposes of the above resolutions, specifies:

- for category “A” savings shares a privileged dividend of up to Euro 6.5 per share and an overall dividend increased with regard to the dividend for ordinary shares corresponding to Euro 5.2 per share. Furthermore, pre-emption rights are foreseen when redeeming shares up to Euro 100 per share;
- an adjustment clause according to which, in the event of reverse stock splits or consolidations (as in the case of capital transactions necessary in order not to alter the rights of shareholders), the amounts per share which the privileges of Shares of Category “A” are attached to will be modified accordingly (the “**Adjustment Clause**”);
- for the category “B” savings shares a privileged dividend, after the dividend of Euro 6.5 for category “A” savings shares, up to an amount of 6.5% of the accounting par value of the category “B” savings shares (understood as the ratio in force at the time existing between the overall amount of the capital injected at the time of subscribing to the category “B” savings shares and the overall number of category “B” savings shares existing) and an overall dividend increased with regard to the dividend for ordinary shares corresponding to 5.2% of the accounting par value of category “B” savings shares. Furthermore, pre-emption rights are foreseen when redeeming shares up to an amount in accounting terms of category “B” savings shares.

On 30 October 2012, Mr. Dario Trevisan as Common Representative of the category “A” savings shareholders (the “**Common Representative**”) - appointed, during the category “A” savings shareholders’ extraordinary meeting on 3 July 2012, to replace Dr. Sandro Quagliotti participated in Fonsai’s Ordinary General Meeting

which included on the Agenda the appointment of the Company's new Board of Directors. He asked for clarification in relation to the Fonsai Capital Increase operation in particular with regard to the method used to distribute profits pursuant to and in accordance with art. 27 of the Articles, as amended by said decisions made on March 19 and June 27 2012.

In order to ensure that all its shareholders received the same information, on 15 February 2013 Fonsai published an interpretative note made available on the Company's Internet site at the Date of the Updated Information Document summarizing the rules governing the dividend rights to the category "A" and category "B" savings shares.

On 18 February 2013 The Fonsai Board of Directors replied to a request presented by a number of shareholders of Category "A", savings shares, resolving on the calling of a Special General Meeting of said shareholders with the following Agenda: *"1. Examination of the Increase in share capital operation, how it will be effected in practice and aspects which might harm Category interests. Resolutions on the initiatives to be adopted. 2. Preliminary examination of the announced extraordinary operations and proposal for the fragmentation of Category A Securities."*, subsequently supplemented by additional requests of the Common Representative and other shareholders of Category "A" savings shares, by the Board of Directors as further points on the Agenda.

After the examination of the illustrative report drawn up by the Common Representative for the Meeting of the Shareholders of Category "A", savings shares in which, in summary, he noted that the Fonsai Capital Increase combined with the grouping together of the shares, would have the effect, inter alia, of effecting a "privileged distribution" of dividends to shareholders of Category "B" Savings Shares, hence prejudicing the economic rights of the owners of Category "A", savings shares. On 20 March 2013 the Board of Directors of Fonsai published its own report to the Meeting of the Shareholders of Category "A", obtaining and annexing the opinions of three first rank experts in the field (as at the Date of the Updated Information Document the reports and opinions are available on the Company's website).

Briefly, the Fonsai Board of Directors noted that, in its opinion and in light of the opinions obtained, the arguments relied on by the Common Representative with regard to the alleged harmful consequences for the Category "A" savings shareholders as per the resolutions passed on 27 June 2012, were insubstantial and without foundation in law in that not only had the Shareholders owning Category "A" savings shares had not suffered any prejudice, but indeed, of the various procedures available to avoid such prejudice on the share capital increase, Fonsai had undoubtedly adopted that most protective of the interests and rights of the said category.

In fact, since for the Fonsai Capital Increase only ordinary shares and savings shares of category "B" were offered as an option - without the issue of savings shares of category "A" - the Adjustment Clause did not apply. Moreover, the Adjustment Clause is not applicable even to the Fonsai Capital Increase for the purpose of the Merger because, also on this occasion, no new savings shares of category "A" will be issued.

The above considerations are supported by various opinions and reports issued by authoritative jurists and by the firm PKF, and shared by Fonsai. In particular, the following is noted.

(i) in the report issued on 21 May 2012 PKF stated that *"the numerical analysis shows that the performance in terms of percentage with respect to the accounting par value is the same for the two categories of savings shares, which rules out that the resolution being analyzed may cause any damage to the special category of savings shareholders"*. This holds true also in consideration of the fact that *"given the current market trends, assigning privileges to the savings shares to be issued equal, in absolute value, to those set forth for the savings shares currently outstanding would lead to non-sustainable yield values"*;

(ii) in the independent opinion issued on 21 May 2012 Prof. Umberto Morera, lawyer, highlighted that there was no *"legally significant prejudice to any savings shareholders resulting from the option offer of saving shares with rights partially different (but subordinated to) those already in their possession, as the privileges associated with the original shareholding remained completely unaltered (...) Nor can one glimpse a case of prejudice in "non-affordability of the price of the new savings shares with respect to the characteristics and value of the outstanding ones (...) [since] the possible non-affordability does not pertain to the sphere of the "rights of the category", legally relevant pursuant to Art. 146 of the TUF, but the narrow self-interest of the individual shareholder called to subscribe"*. Therefore, since this is an interest of a mere fact *"that does not affect the reduction of Rights of the category of savings shareholders of type "A" already issued, but only on*

the interest of single shareholders to increase the value of their shareholding. Even in this case one could, at most, think in terms of injury in fact”, which as is well-known, “never requires the approval by resolution of the special meeting”; (iii) in the independent opinion issued on 19 March 2013 Prof. Piergaetano Marchetti stated that “reverse stock splits do not affect but proportionally and automatically update the quantification of a privilege (...) it is true that after a reverse stock split a preference and differential dividend (dutifully) reaches levels (respectively Euro 6.5 and 5.2 per share) which may in fact make it difficult that, once the preference dividend has been satisfied, the savings shares may participate in a further distribution of residual profits, the so-called “second round”. But that is just because of the privilege of savings shares A, which can effectively absorb much of the distributable profit”;

(iv) in the independent opinion issued on 19 March 2013 Prof. Oreste Cagnasso, lawyer, noted that *“the comparison between priority privileges and increase privileges attributed to holders of savings shares of Class “A” before and after the amendment to the company’s articles of association shows that there are no differences. In particular, the provision for shares without nominal value, the reverse stock split of the same and the introduction of a new category of savings shares did not change the privileges in the distribution, as set forth in the By-laws, of profits to savings shareholders that have now become Category A”;*

(v) in the independent opinion issued on 19 March 2013 Prof. Enrico Laghi noted that *“the real reason for the diversity of results in terms of dividend to be paid out to the classes of shares (RISP A, RISP B, ORD), which the Common Representative puts forth, depends not so much on the reverse stock split or on the size of the privilege (priority or increase) established in an amount fixed by the By-laws of Fonsai, but on the fact that the Common Representative, in an illogical and incomprehensible manner, alters the proportion between the classes of shares making up the share capital of Fonsai”.*

On 26 March 2013, the Special General Meeting of the Shareholders owning Category “A” Savings Shares decided, inter alia, to grant the Common Representative the power to proceed with the challenge to the increase in the Fonsai share capital, as mentioned above, completed and registered pursuant to, and by effect of, the combined provisions of Articles 2379-ter and 2444 of the Italian Civil Code.

On 18 June 2013, the Common Representative proposed to challenge the decision concerning the Fonsai Capital Increase. The Examining Judge fixed the hearing for 11 December 2013. Upon completion of such hearing, the case was held in reserve for the decision on preliminary motions filed by the parties in the proceedings; at the hearing, two additional shareholders, entered an appearance “ad adiuvandum”, declaring themselves owners of an insignificant number of shares.

When entering an appearance in the proceedings, Fonsai flatly and fully countered the position of the Common Representative, providing all the objections in fact and in law, also in the light of the arguments briefly highlighted above. In short, Fonsai once again reiterated that the complaints made by the Common Representative about the alleged harmful effects that the decisions taken on 27 June 2012 had on the savings shareholders of category “A” are entirely inconsistent and devoid of any legal basis, being it clear that all the circumstances underpinning the complaints of the Common Representative are absolutely normal, physiological and quite legitimate consequences of the dilutive effect that takes place with any capital increase transaction, for shareholders who decide not to exercise the pre-emption right to which they were entitled. As a result, and in the opinion of the Board of Directors of Fonsai, in the context of the Fonsai Capital Increase, the savings shareholders of category “A” have not suffered any prejudice, but rather among the various possible ways to avoid any bias, the more protective one for the interests and rights of that category was certainly adopted.

However, although – as stated - Fonsai considers that the applications made by the Common Representative are entirely unfounded and without legal justification, it is not possible to forecast the outcome of the proceedings initiated by the Common Representative at the Date of the Updated Information Document.

Notwithstanding the foregoing, the Company Resulting from the Merger will verify the feasibility of actions to simplify its share capital structure with reference to the different classes of shares, taking into consideration the feasibility thereof from the technical and legal standpoint, fairness from a financial standpoint, as well as with respect to the interest of all shareholders. It should be noted, however, that the requests as from now advanced in this respect by the Common Representative do not reflect the above mentioned conditions.

More details on the assessments and initiatives that may ultimately be undertaken by the Company Resulting from the Merger on the topics mentioned above will be disclosed to the market in accordance with the procedures established by law.

It should also be noted that, on 9 November 2013, the Common Representative (pursuant to Art. 146, paragraph 2, of the Consolidate Law on Finance) called a special meeting of Fonsai savings shareholders of category “A” on 10, 11 and 12 December 2013 - in first, second and third call respectively - to discuss and resolve on the following agenda:

“1. Information from the Common Representative as to the steps taken by the same for the protection of the category against Fondiaria-Sai S.p.A. in regard of the resolutions adopted by such company on the occasion of the Extraordinary Meeting of 27.06.2012;

2. Information on the use of the Common Fund pursuant to Art. 146, paragraph I, of the TUF, as set up by resolution of the Special Meeting of Savings Shareholders dated 13.04.2012;

3. Information relating to the resolution entitled “Approval of the plan for the merger by incorporation of Premafin Finanziaria – Società per Azioni - Holding di Partecipazioni, Unipol Assicurazioni S.p.A. and, possibly, Milano Assicurazioni S.p.A., into Fondiaria-SAI S.p.A., pursuant to Art. 2502 of the Italian Civil Code, through the cancellation and exchange of the shares of the companies to be merged with ordinary and/or category “B” savings shares of the acquiring company. Consequential amendments to the By-laws, including the capital increase to service the share exchanges as well as the authorization of the Board of Directors, in accordance with Arts. 2420-ter and 2443 of the Italian Civil Code, to issue bonds convertible into ordinary shares of the Company and to increase the capital to service the conversion. Related and consequent resolutions, powers of attorney”, as resolved by the Extraordinary Shareholders’ Meeting of Fondiaria-Sai S.p.A. on 24-25 October 2013; Related and consequent resolutions;

4. Information regarding the convertible loan of Euro 201.8 million with maturity at 31 December 2015 referred to in paragraph 2.1.2 of the Information Document dated 9 October 2013 and in paragraph 2 of the Addendum to the Information Document dated 22 October 2013 and its effects on the rights of the category; Related and consequent resolutions”.

More information on the position expressed by the Common Representative may be found in the report prepared by the latter in view of the aforementioned special meeting and the relevant Annexes published on the website of Fonsai.

In the opinion of the Common Representative, the issue of the Convertible Loan affects the rights of holders of Fonsai savings shares of category “A” since it allegedly creates a dilutive effect on the share capital of the Company Resulting from the Merger for those who may decide not to participate in the operation and/or on the underlying capital increase and, therefore, also with reference to the savings shares of category “A”. This allegedly depends on the fact that, in the opinion of the Common Representative, following the completion of the Merger and the conversion into shares of the Convertible Loan, the number of outstanding Fonsai shares would be increased and thus at the time of distributable profits by the Acquiring Company, rather than from a balance sheet perspective, the conversion of bonds into shares would result in a proportional reduction in the dividend per share of those who will have not benefited from such capital increase.

The Special Meeting of Savings Shareholders of category “A” of Fonsai, held on 12 December 2013 on third call (i) took note of the information given by the Common Representative in relation to the first three items on the agenda, without taking any decision in this regard; (ii) approved by a majority the proposal made by the Common Representative in relation to the fourth item on the agenda, in the wording contained in the report prepared by the same for the same Shareholders’ Meeting, as follows “to give powers to the Common Representative of Savings Shareholders of category A so that the same may: (i) acquire one or more legal opinions in order to determine whether the resolution to approve the powers of the Board of Directors, pursuant to Art. 2420-ter and 2443 of the Italian Civil Code, to issue bonds convertible into ordinary shares of the Company and increase capital for the purpose of the conversion, as resolved by the ordinary shareholders’ meeting on 25 October 2013, and/or the one that will be subsequently taken by the Board of Directors to

implement those powers and resolutions - with the exclusion of the pre-emption right - under the terms as set out in the Information Documents on the Merger and/or their addendums, or in the official documentation to support such resolution and operation, should require the approval of the Special Meeting of Savings Shareholders of category A under Art. 146, paragraph 1, of TUF and Art. 2376 of the Italian Civil Code, and for the effect - in cases in which such circumstance occurs, i.e. the Company has not convened a special meeting, or does not intend to do so, or the special meeting has not approved the above resolution, (ii) take all appropriate steps to challenge and/or contest, in any court of law, even administrative, without exception, even on a partial basis, the shareholders' resolution regarding the conferral of powers to the Board of Directors, in accordance with Articles 2420-ter and 2443 of the Italian Civil Code, of the right to issue bonds convertible into ordinary shares of the Company and to increase capital for the purpose of the conversion, as adopted by the Extraordinary Shareholders' Meeting of Fondiaria-Sai S.p.A. on 25 October 2013, as resulting from the minutes of the meeting prepared by the notary Federico Tassinari Index No. 53301 Collection No. 33731, or the one that should be taken by the Board of Directors in implementing such resolution and powers of attorney, with the power to grant authority to appoint experienced special attorneys for the proceedings in the interest of the Savings Shareholders of Category A and put in place all related legal initiatives and/or actions necessary for and/or functional to such purposes, in order to remove and/or declare ineffective the effects of such resolutions”.

It should be noted that even in this case Fonsai fully and flatly denied the requests made and positions held by the Common Representative, as even in this circumstance the arguments brought by the Common Representative about the alleged harmful effects that the decisions taken on 25 October 2013 by the extraordinary shareholders' meeting of Fonsai would cause to savings shareholders of category “A” are patently inconsistent and devoid of legal basis, since not only the savings shareholders of category “A” suffered no prejudice due to the resolution whereby the Fonsai Shareholders' Meeting delegated to the Board of Directors the authority to issue a Convertible Loan as an option or as an alternative to the exclusion of the pre-emption right, but also, and more importantly, because the complaints of the Common Representative are only based, once again, on the typical dilutive effect that is the result of all capital increase operations with exclusion of the pre-emption right. Therefore, in the opinion of the Board of Directors of Fonsai, if the assertions of the Common Representative were true, in all capital increases, without distinction, that exclude the pre-emption right pursuant to Art. 2441, paragraph 5, of the Italian Civil Code, the approval of the special meeting would be required. Which, of course, is not the case, and thus, in an equally obvious manner, the objections raised by the Common Representative appear to Fonsai to be inconsistent and without any legal foundation.

Finally, it should be noted that Fonsai does not recognize the existence of any risk in connection with an alleged operation of the Adjustment Clause, neither as a result of the Fonsai Capital Increase nor as a result of the Merger, as such Adjustment Clause operates only in the event that Fonsai engages in reverse stock splits or capital transactions in which it is necessary to adjust the privileges of Shares of Category “A” in order not to alter the rights of such shareholders. In the opinion of Fonsai, this event does not occur if shares of a different category are issued from savings shares of category “A”.

See Chapter 2, Paragraph 2.1.2.8 of the Updated Information Document.

1.2.16 Risks connected with the Officers' Liability Actions resolved on by the Ordinary General Meetings of Fonsai and Milano Assicurazioni

On 17 October 2011, Fonsai's Board of Statutory Auditors received a complaint pursuant to Article 2408 of the Italian Civil Code from Amber Capital Investment Management (“**Amber Capital**”), the manager of Amber Global Opportunities Master Fund Ltd, in relation to numerous operations effected by Fonsai and by subsidiary companies with “related parties” traceable to the Ligresti family.

Fonsai's Board of Statutory Auditors replied to Amber Capital's complaint by its own reports of 16 March, 18 April and 25 June 2012, inviting the Board of Directors to carry out further enquiries in relation to the operations forming the subject matter of the complaint, also sending its own reports to IVASS.

On 15 June 2012, following inspection activities initiated from 2010 (see the risk factor, Paragraph 1.2.10 of the Updated Information Document), IVASS identified – in relation to the operations of greatest financial significance examined by the Board of Statutory Auditors (the “**Operations**”) – “*breaches of directors’ duties as defined by Article 238 of the Insurance Code and of the duties defined by Articles 2391, 2391-bis and 2392 of the Italian Civil Code with prejudicial effects on the correct and prudential management of Fondiaria-SAI and its subsidiaries*”.

On 12 September 2012, IVASS, by Order no. 30001, pursuant to, and by effect of, Article 229 of the Code of Private Insurance, appointed Prof. Matteo Caratozzolo to the role of ad acta Commissioner (the “**Commissioner**”) for the conduct of the actions necessary to render the management of Fonsai and of the Fonsai Group legally compliant in relation to the period from 2003-2011.

In particular, IVASS, with regard to the operations forming the subject matter of the charges contained in its Note no. 32-12-000057 of 15 June 2012, to be taken into consideration not only individually but also as a whole, required the Commissioner to (i) identify those responsible for the actions effected causing damage to Fonsai and to the companies belonging to the Fonsai Group, (ii) calculate the damage suffered by the latter, (iii) to take, and ensure the taking of, all judicial initiatives necessary to safeguard and restore the assets of the said companies and (iv) exercise powers attributable to Fonsai as Group Holding Company and shareholding of the General Meetings of the subsidiary companies.

The Commissioner carried out investigations in relation to the operations carried out by companies of the Fonsai Group, mostly involving real estate, over the period 2003 to 2011 forming the subject matter of his mandate.

On the completion of his investigations, the Commissioner concluded that all the operations had been carried out directly with members of the Ligresti family, or with companies in the form of special purpose vehicles to that family and that the activities of the Fonsai Group, with regard to such operations, had been under the heterogeneous control of the Ligresti family. That family had been the moving force behind such operations and had benefited from them at the expense of the Fonsai Group. The Commissioner observed moreover, that such unitary management activities had never been announced formally.

Furthermore, the Commissioner highlighted the fact that the operations concerned entailed substantive breaches of Articles 2391 and 2391-bis of the Italian Civil Code and of the secondary legislation and, in any case, the breach of the duties laid down by Articles 2392 and 2407 of the Italian Civil Code.

As a consequence, the Commissioner requested the Boards of Directors of Fonsai and Milano Assicurazioni, together with of other Fonsai Group companies affected by the operations, to call Ordinary General Meetings of the shareholders to resolve on the initiation of officer liability actions against a series of parties including a number of directors and Statutory Auditors holding office for Fonsai and Milano Assicurazioni over the period 2003-2011, acting together with other parties.

On 14 March 2013, the Ordinary General Meetings of Fonsai and Milano Assicurazioni, meeting at the second calling thereof, resolved to initiate a company officer liability action pursuant to Articles 2392, 2393 and 2407 of the Italian Civil Code, and, so far as necessary and possible, pursuant to Articles 2043 and 2497 of the Italian Civil Code, against the parties identified in the report drawn up by the Company for the General Meetings and published in accordance with law.

On 7 March 2013, the General Meetings of the other Fonsai Group companies affected by the above operations passed similar resolutions.

The related Writ of Summons was subsequently served on the defendants, those considered primarily responsible and an application for safeguarding seizure was made against the property of Mr. Salvatore Ligresti, Ms. Jonella Ligresti, Ms. Giulia Maria Ligresti, Mr. Antonio Talarico and Mr. Fausto Marchionni. For reasons of a procedural nature action has not yet been taken against Mr. Gioacchino Paolo Ligresti in that he has residence in Switzerland.

Reserving the right to prove the loss and damage effectively suffered as a consequence of the conduct described above - the Commissioner, on his own report drafted according and pursuant to Art. 125-ter of TUF, stated that “*the overall amount of the damages incurred is very high, approximately equal to hundreds of millions of Euro*”

– at the Date of the Updated Information Document, interim damages have been claimed in the total amount of about Euro 220 million.

By appeal pursuant to Arts. 669-*bis* et seq. and 671 of the Italian Code of Civil Procedure brought by the Fonsai Group companies involved in the Operations, the Court of Milan, on 20 December 2013, authorized the same plaintiffs to execute the attachment on the assets of Mr. Salvatore Ligresti, Ms. Jonella Ligresti, Ms. Giulia Maria Ligresti, Mr. Fausto Marchionni and Mr. Antonio Talarico, since all of them were joint and several debtors for the full amount payable as reimbursement for damages, for a total amount of approximately Euro 120 million.

Although Fonsai considers that the legal actions brought by the Commissioner are well-founded, as at the Date of the Updated Information Document it is not possible to forecast either the time required or the success or otherwise of such actions and, as a consequence, their possible impact on the economic and/or financial situation of Fonsai and the Company Resulting from the Merger.

With reference however, to the other operations complained of by Amber Capital not covered by the Commissioner’s mandate (the “**Lesser Operations**”), Fonsai’s Board of Statutory Auditors, by its concluding report of 26 October 2012, invited the Board of Directors to conduct more-in-depth investigations in relation to some of these operations and, for others, to bring officer liability actions against directors of the Acquiring Company.

The Fonsai Board of Directors, with the support of technical and legal advisors, carried out analyses and assessments in relation to all such lesser operations. On the conclusion of such investigations, the Fonsai and Milano Assicurazioni Boards of Directors, together with those of subsidiary companies directly affected by the lesser operations, concluded that ex-directors, including de facto directors, and Statutory Auditors were liable, with the assessment of loss and damage suffered by Fonsai Group companies in the total amount of about Euro 32 million. The above Boards of Directors resolved to call their respective Ordinary General Meetings to resolve on the bringing of liability actions against the parties concerned for a variety of breaches committed in the ambit of some of the lesser operations¹, which had also been concluded, analogously to those examined by the Commissioner, with “Related Parties” traceable to the Ligresti family, causing loss and damage to Fonsai Group assets.

The persons with potential liability identified included members of the Ligresti family and the ex-“executive” directors together with members of the control bodies and Statutory Auditors on the basis of their breach of their duties of supervision and control. So far as the members of the Ligresti family were concerned, it is alleged that they exercised control over companies in the Fonsai Group in the pursuit of their personal interests at the expense of the companies concerned. It is also considered that their liability extended to the “unitary management” exercised illegitimately and to their factual interference with the administration of such companies.

Still in relation to the lesser operations referred to above, on 30 July 2013, the Ordinary General Meetings of the shareholders of Fonsai and Milano Assicurazioni, together with those of the other Fonsai Group companies affected by such operations, resolved to bring the liability actions pursuant to Articles 2392 and 2393 of the Italian Civil Code and, so far as necessary and possible, pursuant to Articles 2043 and 2497 of the Italian Civil Code against a number of ex-directors in fact and law of Fonsai and Milano Assicurazioni and, pursuant to Article 2407 of the Italian Civil Code, against members of the Board of Statutory Auditors.

The legal action relating to the Lesser Operations, forming the subject matter of Shareholders Meeting resolutions of 30 July 2013 has still not been undertaken and hence it is not possible either to estimate the impact, time required, procedures and/or outcome of such disputes, or the possible impacts on the economic and/or financial situation of Fonsai and the company resulting from the merger.

¹ So far as the other Lesser Operations analyzed are concerned, it has emerged in effect, that there have been breaches of duty by a number of directors and Statutory Auditors (analogous to those described above) but, as at the Date of the Updated Information Document, no resulting damage to the assets of Fonsai Group companies has been identified.

The above liability actions, both relating to the Operations and to the lesser operations, are concerned with prejudicial conduct of previous directors and Statutory Auditors of Fonsai and of the subsidiary companies it ascertained up to the Date of the Updated Information Document. The possibility however, cannot be excluded that further circumstances relevant for the bringing of further liability actions will not emerge after the date of publication of the Updated Information Document.

Furthermore, it should be noted that, by communications dated 11 December 2012 and 18 December 2012, Consob initiated two separate sets of administrative proceedings against members of the Boards of Statutory Auditors of Fonsai and Milano Assicurazioni, charging each of them, pursuant to Article 195, paragraph 1, of the Consolidated Financial Act, with numerous breaches of Article 149, paragraph 1, of the Consolidated Financial Act.

The charges refer for the most part, to the above-described Operations and Lesser Operations.

Consob also charged the companies Fonsai and Milano Assicurazioni with the same breaches in that, pursuant to paragraph 9 of the same Article 195 of the Consolidated Financial Act, they are jointly and severally liable with the above-described parties, for the payment of any pecuniary administrative sanctions they may be required to pay. The same provision provides that the companies will be required to exercise their right of recovery against the liable parties.

Consob gave notice to Fonsai on 30 July 2013 and to Milano Assicurazioni on 5 September 2013 that it had begun the enquiry stage of the decision for both proceedings.

With respect to the administrative proceedings initiated against members of the board of statutory auditors of Fonsai, and the same Fonsai, jointly and severally liable with the latter, Consob by Resolution No. 18724 of 6 December 2013, imposed administrative fines (i) to Mr. Benito Giovanni Marino, Mr. Marco Spadacini, Mr. Giancarlo Mantovani and Mr. Antonino D'Ambrosio, as members of the board of statutory auditors pro tempore of Fonsai, and (ii) Fonsai, as jointly and severally liable.

The penalties imposed totaled Euro 2,445,000, divided as follows:

- Mr. Benito Giovanni Marino - a total of Euro 765,000;
- Mr. Marco Spadacini - a total of Euro 760,000;
- Mr. Giancarlo Mantovani - a total of Euro 400,000;
- Mr. Antonio D'Ambrosio - a total of Euro 520,000.

Fonsai was imposed payment of the total amount of the above penalties and, therefore, a total of Euro 2,445,000, as jointly and severally liable, with the obligation of recourse pursuant to paragraph 9 of Article 195 of the TUF against the above parties held responsible.

With respect to the administrative proceedings initiated against members of the board of statutory auditors of Milano Assicurazioni, and the same Milano Assicurazioni, jointly and severally liable with the latter, Consob by Resolution No. 18725 of 6 December 2013, imposed administrative fines (i) to Mr. Graziano Visentin, Mr. Giovanni Ossola, Mr. Alessandro Rayneri and Ms. Maria Luisa Mosconi, in their capacity as members of the board of statutory auditors pro tempore of Milano Assicurazioni, and (ii) to Milano Assicurazioni, as jointly and severally liable.

The penalties imposed amounted to Euro 1,257,000, divided as follows:

- Graziano Visentin - a total of Euro 210,000;
- Giovanni Ossola - a total of Euro 382,000;
- Alessandro Rayneri - a total of Euro 382,000;
- Maria Luisa Mosconi - a total of Euro 283,000.

Milano Assicurazioni was imposed payment of the total amount of the above penalties and, therefore, a total of Euro 1,257,000, as jointly and severally liable, with the obligation of recourse pursuant to paragraph 9 of Article 195 of the TUF against the above parties held responsible.

See Chapter 2, Paragraph 2.1.2.9 of the Updated Information Document.

1.3 Risks associated with financial instruments

1.3.1 *Risks related to the liquidity and volatility of ordinary shares and/or savings shares of category “B”*

The Acquiring Company’s ordinary shares and/or savings shares of category “B” and, subsequently, those of the Company Resulting from the Merger, present the typical risks of an investment in listed financial instruments of the same kind. The holders of these instruments will be able to liquidate their investments by selling them on the MTA.

These instruments may have liquidity problems regardless of the Acquiring Company, and subsequently, of the Company Resulting from the Merger. Requests for sale, therefore, may not find adequate and timely compensation, and may be subject to even significant price fluctuations. Factors such as changes in the economic, financial position and equity and income of the Acquiring Company and/or of the Fonsai Group and, subsequently, of the Company Resulting from the Merger or of its competitors, changes in the general conditions of the industry in which the Acquiring Company and/or the Fonsai Group and, subsequently, the Company Resulting from the Merger, operate, in the general economy and in the financial markets, changes in the legal and regulatory framework, as well as dissemination by the press of news of journalistic source relating to the Acquiring Company and/or to the Fonsai Group and, subsequently, to the Company Resulting from the Merger, could generate substantial fluctuations in the price of the ordinary shares and/or savings shares of category “B” of the Acquiring Company and, subsequently, of the Company Resulting from the Merger.

Moreover, in recent years the equity markets showed somewhat unstable trends in prices and trading volumes. Such fluctuations could adversely affect the market price of the ordinary shares and/or savings shares of category “B” of the Acquiring Company and, subsequently, of the Company Resulting from the Merger, regardless of the economic and financial values that the Fonsai Group and, subsequently, the Company Resulting from the Merger will be able to achieve.

It should be noted that, as a result of the statutory effectiveness of the Merger, all shares of the Merged Companies will be canceled and exchanged for ordinary shares and/or savings shares of category “B” of the Acquiring Company, as set forth in the Merger Plan. To effect the exchange, in the context of the completion of the Merger, the Acquiring Company will proceed as follows:

- it will assign all the Fonsai shares owned by the Merged Companies – as at the Date of the Updated Information Document, equal to 302,437,718 ordinary shares held by Premafin in Fonsai and 99,825 ordinary shares held by Milano Assicurazioni in Fonsai - by redistribution of the same to effect the share exchange, without acquiring them in the assets of Fonsai as treasury shares; and
- for the portion in excess, it will increase its share capital by up to Euro 953,894,503.64 by issuing up to 1,632,878,373 newly issued ordinary shares and up to 55,430,483 newly issued savings shares of category “B”, all without nominal value.

Therefore, the issue of new ordinary shares and savings shares of category “B” will take place against a capital increase of Euro 0,565 for each newly issued share and thus against a capital increase of up to Euro 953,894,503.64.

1.3.2 *Risks related to savings shares of category “B”*

With reference to the distribution of dividends, it should be noted that Art. 27 of the Acquiring Company’s By-Laws provides for the savings shares of category “B” to be assigned a preferred dividend per share of up to 6.5% of the accounting par value of the savings shares of category “B”. Savings shares of category “B” are also entitled to a higher overall dividend than ordinary shares for an amount equal to 5.2% of the accounting par value of the savings shares of category “B”.

These privileges are, however, dependent on the remuneration of savings shares of category “A”, which give a right to a preferential dividend of up to Euro 6.5 per share and a higher overall dividend than ordinary shares,

equal to Euro 5.2 per share. There is therefore a risk that any profits resulting from the financial statements as approved by the shareholders may not be - also due to the subordination described above - enough to remunerate the holders of savings shares of category “B” to the extent provided for in the By-laws of the Acquiring Company.

Lastly, it should be noted that both the above right to profits and the right to remuneration of capital upon the liquidation of the Acquiring Company (Article 31 of the By-laws) attributed to savings shares of category “B” are calculated on the accounting par value of the savings shares of category “B”, understood as the ratio from time to time between the total amount of capital contributions made over time upon the subscription of savings shares of category “B” and the total number of shares of the same category (the “**Accounting Par Value**”). Over time, however, this parameter may vary as a result of newly issued savings shares of category “B”, depending on the amount of the subscription price, which in the context of these new potential issues will be recorded in the share capital.

At the Date of the Updated Information Document, the Accounting Par Value of the shares of category “B” was equal to Euro 0,565. It follows that, as long as the Accounting Par Value of the shares of category “B” remains unchanged, the preferred dividend, the overall higher dividend and the amount of the right to reimbursement of capital of the Savings Shares of Category B will be respectively equal to Euro 0.036725, Euro 0.02938 and Euro 0.565 for each savings share of category “B”.

At the Date of the Updated Information Document, the savings shares of category “A” accrued the right governed by Arts. 6 and 27 of the By-laws in relation to the two financial years ended 31 December 2011 and 2012 in which the Acquiring Company recorded no income. The savings shares of category “B”, issued during the year 2012 under the Fonsai Capital Increase with regular dividend rights, accrued such right in relation to the financial year ended 31 December 2012 only.

It should be noted that the Accounting Par Value of the shares of category “B” will not change as a result of the issue by the Acquiring Company of new savings shares of category “B” to effect the Merger, all of which with dividend rights.

If the Acquiring Company and, subsequently, the Company Resulting from the Merger, were to perform capital transactions in the future resulting in a decrease in the accounting par value of the savings shares of category “B”, the above mentioned equity rights allocated to each savings share of category “B” will accordingly and automatically suffer a reduction in absolute terms.

2. Information relating to the Merger

2.1 Brief description of the procedures and time limits applicable to the Operation

The operation illustrated in the Updated Information Document consists in the merger by incorporation of Premafin, Unipol Assicurazioni and Milano Assicurazioni, in Fonsai, executed pursuant to, and by effect of, Articles 2501 et seq. of the Italian Civil Code.

Since Premafin, Milano Assicurazioni and Fonsai are issuers of financial instruments listed in an Italian regulated market, the Merger will also be subject to the provisions of the Consolidated Financial Act and the Issuers' Regulations.

Furthermore, since Milano Assicurazioni, Fonsai and Unipol Assicurazioni are insurance companies, the merger will also be subject to the Code of Private Insurance and IVASS Regulations on Mergers. As a consequence, the operation has been submitted to IVASS for approval pursuant to, and by effect of, Articles 201 et seq. of the Code of Private Insurance and Articles 23 et seq. of the IVASS Regulations on Mergers, having been authorized by IVASS to such ends on 25 July 2013.

The registration of the Merger Plan with the competent Companies Registers as required by Article 2501-ter, paragraph 3, of the Italian Civil Code was effected for Milano Assicurazioni on 6 August 2013 and for all the other Companies Participating in the Merger on 7 August 2013. On 24 September 2013 the above insurance companies filed the documentation required by Article 2501-septies of the Italian Civil Code.

The Company Resulting from the Merger will be called "UnipolSai Assicurazioni S.p.A." and will retain, even after the Merger, the corporate scope currently possessed by Fonsai.

By effect of the Merger, Fonsai will incorporate its controlling company Premafin, together with its subsidiary Milano Assicurazioni, companies which hold shares in the Acquiring Company. As a result of the Merger, the Acquiring Company will hold additional own shares pursuant to, and by effect of, Article 2357-bis, paragraph 1(3), of the Italian Civil Code. In order to avoid the situation leading to an increase in Fonsai's holding of its own shares as a consequence of the Merger, the Merger Plan provides, as a means for the assignment of the Acquiring Company's shares to be allocated on the basis of an exchange, that the shares held by the companies to be incorporated in the Acquiring Company will be assigned by way of exchange to the shareholders of the companies to be incorporated consequential to the Merger, without them ever being indicated as forming part of the Acquiring Company's assets as its own shares. As a consequence, the amount of Fonsai capital increase servicing the share swap will be net of the above assignments.

Once the total number of Fonsai shares to be assigned to the shareholders of the companies to be incorporated in the context of the merger has been calculated (in application of the rates of share exchange set out below), the exchanges will be made by the assignment:

- above all, all Fonsai shares which may be the property of the Merged Companies to be (to be redistributed to the shareholders of the Merged Companies as part of the exchange but without ever being identified as part of Fonsai's assets as its own shares), while
- for the remainder, the additional shares necessary to satisfy the rates of exchange will come from Fonsai capital increase to service the Merger.

Supported by their respective financial advisers, on 20 December 2012 the Boards of Directors of the Companies Participating in the Merger agreed the following rates of exchange:

- 0.050 Fondiaria-SAI ordinary shares for each Premafin ordinary share;
- 1.497 Fondiaria-SAI ordinary shares for each Unipol Assicurazioni ordinary share;
- 0.339 Fondiaria-SAI ordinary shares for each Milano Assicurazioni ordinary share;
- 0.549 Fondiaria-SAI "B" saving shares for each Milano Assicurazioni savings share.

It is envisaged, as decided by the extraordinary shareholders' meeting of Fonsai held on 25 October 2013, that Fonsai will issue the following to the service of the Merger: up to a maximum of 1,632,878,373 new ordinary

shares, without the indication of the nominal value, and up to a maximum of 55,430,483 new category “B” savings shares without an indication of their nominal value, all with the related dividend rights.

The issue of the new ordinary shares, and Category “B” savings shares of Fonsai, will be effected in consideration of an increase in Fonsai’s share capital of Euro 0.565 for each new share issued, up to a maximum share capital increase of Euro 953,894,503.64.

Contemporaneously with the completion of the Merger, the following steps will thus be taken:

- the annulment of all Premafin ordinary shares;
- the annulment of all Unipol Assicurazioni ordinary shares;
- the annulment of all Milano Assicurazioni ordinary and savings shares;
- the annulment of all own shares that may be held by the Incorporated Companies;
- the annulment of any shares of the Merged Companies held by any of the other Incorporated Companies.

The Acquiring Company’s shares to be assigned by way of exchange will be made available to the shareholders of Premafin, Unipol Assicurazioni and Milano Assicurazioni according to the procedure laid down for the allocation of shares under the dematerialized share system. As part of the procedure for the allocation of shares in the Acquiring Company, a service will be available for shareholders of the Merged Companies through an authorized broker, making it possible to round the number of new shares to which they are entitled in application of the Share Exchange Ratio, up or down to the nearest whole number, at market prices and without additional expenses, stamps or commission. In any case no cost will be charged to the shareholders for the share exchange operation.

There is no provision arising from the Merger of special treatment for special shareholder categories or for holders of securities different from shares of the Companies Participating in the Merger and there are not special benefits to the board directors of the companies participating in the merger.

The Articles of Association provisions of the Acquiring Company that will enter into force on the efficacy date under civil law of the Merger, as decided by the extraordinary shareholders’ meeting of Fonsai on 25 October 2013, will contain a series of additional amendments as compared with Fonsai’s current Articles of Association, consisting, inter alia, of the following:

- (aa) in the amendment of Articles 1 (“Name”), 2 (“Registered Office”), 5 (“Level of share capital”), 7 (“General Meetings of the Shareholders”), 9 (“Calling”), 10 (“Ordinary and Extraordinary General Meetings. Special General Meetings”), 12 (“Voting”), 13 (“Board of Directors”), 14 (“Company Offices”), 15 (“meetings of the Board of Directors”), 18 (“Executive Committee”), 19 (“Information to be provided to the Board of Directors and the Board of Statutory Auditors”), 24 (“Appointment and Remuneration”), 27 (“Division of Profits”), 29 (“Territorial Competence”);
- (bb) in the introduction of a new Article 5 (“Company Management”), with the consequential renumbering of the subsequent articles;
- (cc) the introduction in Article 6 (“Level of share capital”) – as renumbered following the introduction of the new article as described in the preceding paragraph (bb) – of the delegation pursuant to Article 2420-ter and 2443 of the Italian Civil Code to be granted to the directors of the Company Resulting from the Merger to resolve on the issue of the Convertible Loan (as defined below) and the corresponding increase in share capital; and
- (dd) in the elimination of the current Article 8 (“Participation and Representation in the General Meeting”) and the transfer of its contents to the reformulated Article 10 (“Participation and Representation in the General Meeting”).

A number of amendments will be made which are merely formal in nature or for the purposes of co-ordination with respect to the amendments explained above.

2.1.1 Description of the Companies Participating in the Merger

ACQUIRING COMPANY

Fonditaria-SAI

Identifying elements

Fonditaria-SAI S.p.A. is a stockholding company formed under Italian law which has issued ordinary and savings shares listed on the MTA, authorized to the business of insurance pursuant to Ministerial Decree of November 26, 1984, published in the ordinary supplement No. 79 of the Official Gazette No. 357 of December 31, 1984, and registered under Section I of the Registry of Businesses maintained at IVASS under no. 1.00006. It is subject to the direction and co-ordination of UGF pursuant to Article 2497 et seq. of the Italian Civil Code. It is part of the Unipol Insurance Group, registered on the Registry of Insurance Groups under no. 046.

Fonsai has its Registered Office in Turin at Corso Galileo Galilei 12, and its registration number on the Turin Companies Register, tax code and VAT registration number is 00818570012.

Company Purposes

The company's objects will be the exercise, both in Italy and abroad, of all branches of insurance, re-insurance and capitalization permitted by the law.

The company will also be able to manage forms of supplementary pensions pursuant to the law in force as subsequently amended and supplemented, it may initiate, constitute and manage open pension funds and carry out activities which are accessory or functional for the management of such funds.

It will be able to carry out commercial, industrial and financial operations together with those involving moveable and immovable property, investment and disinvestment, concerned with the purposes described above.

It will likewise be entitled to provide surety and other guarantees in any form, to acquire interests and shareholdings in other businesses having objects analogous or akin to its own, assuming the representation or management of the same.

For the purposes of investment and within the limits laid down by the law, it may also acquire interests and shareholdings in businesses whose objects are different from its own.

The Company is part of the Unipol Insurance Group. In this capacity it is required to observe the indications given by the parent company in the exercise of the activities of direction and co-ordination to implement the provisions of the Insurance Supervisory Authority in the interests of a stable and efficient management of the Unipol Group. The Directors of the company provide the parent company with all data and information necessary to the issue of instructions.

Company share capital

At the Date of the Updated Information Document, Fonsai's share capital is equal to Euro 1,194,572,973.80, fully paid-up, divided into a total of 1,243,605,430 shares without an indication of their nominal value of which 920,565,922 are ordinary shares, 1,276,836 are Category "A" savings shares and 321,762,672 are Category "B" savings shares.

Euro 778,007,408.75 of the share capital is allocated for Damages insurance while Euro 416,565,565.05 is allocated for the management relating to Life insurance.

At the Date of the Updated Information Document, Fonsai directly owns (i) 32,000 ordinary shares, representing 0.0034% of the ordinary share capital, (ii) 1,125,636,310 ordinary shares of Milano Assicurazioni, representing 61.0983% of the ordinary share capital and (iii) 18,340,027 ordinary shares of Premafin, representing 0.8524 of the ordinary share capital.

On 25 October 2013, the Extraordinary Shareholders' Meeting of Fonsai resolved, among other things, (i) in relation to the Merger and for the purpose of effecting the exchange ratios, to increase the Company's share capital, in case the Merger is completed, from Euro 1,194,572,973.80 to a maximum of Euro 2,148,467,477.44, i.e. a maximum of Euro 953,894,503.64 through the issue in dematerialized form of a

maximum of 1,632,878,373 ordinary shares and a maximum of 55,430,483 savings shares of category “B”, all with no indication of nominal value and having rights equivalent to those belonging to the outstanding ordinary shares and savings shares of category “B” of Fonsai, to be allocated to shareholders of the Merged Companies; and (ii) in relation to the Convertible Loan (as defined below), to authorize the Board of Directors, in accordance with Arts. 2420-ter and 2443 of the Italian Civil Code, to issue, on one or more occasions, in no event later than 31 December 2014 (and in any case subject to the effectiveness of the Merger), bonds convertible into ordinary shares of the Company of up to a maximum of Euro 201.800,000, resulting in a capital increase to effect the conversion of a total maximum amount of Euro 201.800,000, including the premium, in one or more tranches and in divisible form, through the issue of Fonsai ordinary shares without nominal value, with regular dividend rights, with the same characteristics as those of the outstanding shares at the date of issue, with the right for the board of directors of Fonsai to determine whether to offer such instruments as an option to shareholders or to exclude the pre-emption right and offer the instruments to Fonsai third-party lenders, with the aim of reducing the debt exposure of the same in respect of the aforementioned parties.

Ownership structure and Shareholders’ Agreements

For more information, see Chapter 2, Paragraphs 2.1.3 and 2.1.4 of the Updated Information Document.

Description of Business Activities

Fonsai is a multi-division insurance business which operates in Life and Non-life sectors, both directly and indirectly and through bancassurance agreements together with bank assurance agreements with Italian banks, offering a very wide range of insurance and financial-insurance products.

Created on 31 December 2002 from the incorporation of “La Fondiaria Assicurazioni S.p.A.” into “Sai - Società Assicuratrice Industriale S.p.A.”, Fonsai is the leading Italian insurance company in the Motor Class sectors and has a position of great importance in the damages sector (at a group level Fonsai is the second largest operator in the damages sector – Source: Premi del lavoro diretto italiano 2012, 2013 Edition – April 2013). Fonsai operates in Italy with about 1,150 agencies, distributed through the SAI and Fondiaria divisions, offering its customers a complete range of retail and corporate insurance solutions in the Life and Non-life sectors. Fonsai heads a complex group which brings together traditional insurance management, financial and banking activities combined with residual interests in a series of shareholdings in the real estate and other sectors (agriculture, health and hotels).

Fonsai offers a complete and up-to-date range of insurance products for protection in all risk sectors, for savings and for supplementary pensions. The Fonsai Group also offers legal protection products, leasing services for businesses and professionals and personal consumer credit provided by Fonsai group companies specializing in diversified activities.

The Fonsai Group operates in the following sectors in particular:

- (i) non-life insurance: is the Fonsai Group’s historical sector, carrying out its business in the damages business for the most part through the Fonsai multi-division companies Milano Assicurazioni, DDOR Novi Sad Ado and the companies specializing in a particular channel or division, Dialogo Assicurazioni S.p.A., Liguria Società di Assicurazioni S.p.A. and SIAT – Società Italiana Assicurazioni e Riassicurazioni per Azioni and for the bank assurance business developed in the damages divisions through a Joint Venture agreement (Incontra Assicurazioni S.p.A.) initiated by Fonsai with Capitalia S.p.A. (today the UniCredit Group);
- (ii) life insurance: with its Life Class insurance division business being carried out through the multi-division companies Fonsai and Milano Assicurazioni, together with the specialized company Liguria Vita S.p.A. The bank assurance business has been developed in the life division both through the partnership agreement between the Fonsai Group and the Banco Popolare Group by means of the special Purpose vehicle Popolare Vita S.p.A., and through the partnership agreement between the Fonsai Group and Banca Intermobiliare S.p.A. by means of the special purpose vehicle BIM Vita S.p.A.;
- (iii) other activities: with particular reference to the banking and financial sector, the Fonsai Group, through BancaSai S.p.A., has concentrated on traditional banking activities, portfolio management services and other services such as personal consumer credit, provided through the subsidiary Finitalia S.p.A.

Furthermore, the other activities sector includes the companies in Fondiaria SAI Group operating in the hotel and health fields as well as in diversified branches with regard to insurance or real estate.

- (iv) real estate: The Fonsai Group also carries out real estate activities, for the most part through Immobiliare Lombarda S.p.A., Immobiliare Fondiaria SAI S.r.l. and Immobiliare Milano Assicurazioni S.r.l. together with other smaller companies. Finally, it owns almost all units of the closed real estate funds Tikal R.E. Fund and Athens R.E. Fund, set up and managed by the subsidiary SAI Investimenti SGR S.p.A.

Composition of the Company Bodies

Board of Directors

The Fonsai Board of Directors was appointed by the General Meeting of 29 April 2013 for the three accounting periods 2013, 2014 and 2015 and thus up to the General Meeting for the approval of the 2015 financial statements. The members of the Board are as follows:

Name	Office	Place and date of birth
Fabio Cerchiai ⁽²⁾	Chairman	Florence, 14 February 1944
Pierluigi Stefanini ⁽²⁾	Vice Chairman	Sant'Agata Bolognese (Bologna), 28 June 1953
Carlo Cimbri ⁽¹⁾	Chief Executive Officer	Cagliari, 31 May 1965
Francesco Berardini ⁽²⁾	Director	Genoa, 11 July 1947
Milva Carletti ⁽²⁾⁽³⁾⁽⁴⁾	Director	Mirabello (Ferrara), 12 January 1963
Lorenzo Cottignoli ⁽²⁾	Director	Ravenna, 13 May 1953
Ernesto Dalle Rive ⁽²⁾	Director	Turin, 2 December 1960
Ethel Frasinetti ⁽²⁾⁽³⁾⁽⁴⁾	Director	S. Giovanni in Persiceto (Bologna), 5 October 1977
Vanes Galanti ⁽²⁾	Director	Imola (Bologna), 15 November 1949
Giorgio Ghiglieno ⁽²⁾⁽³⁾⁽⁴⁾	Director	Ivrea (Turin), 12 October 1955
Massimo Masotti ⁽²⁾⁽³⁾⁽⁴⁾	Director	Bologna, 7 February 1962
Maria Rosaria Maugeri ⁽²⁾⁽³⁾⁽⁴⁾	Director	Catania, 20 February 1965
Maria Lilla Montagnani ⁽²⁾⁽³⁾⁽⁴⁾	Director	Treviso, 3 April 1971
Maria Antonietta Pasquariello ⁽²⁾⁽³⁾⁽⁴⁾	Director	Bologna, 29 August 1954
Marco Pedroni ⁽²⁾	Director	Montecchio Emilia (Reggio Emilia), 4 February 1959
Nicla Picchi ⁽²⁾⁽³⁾⁽⁴⁾	Director	Lumezzane (Brescia), 12 July 1960
Barbara Tadolini ⁽²⁾⁽³⁾⁽⁴⁾	Director	Milan, 20 March 1960
Francesco Vella ⁽²⁾⁽³⁾⁽⁴⁾	Director	Lucca, 5 February 1958
Mario Zucchelli ⁽²⁾	Director	Castelfranco Emilia (Modena), 23 January 1946

(1) Executive director.

(2) Non-executive director.

(3) Independent director pursuant to the Code of Conduct.

(4) Independent director pursuant to Art. 148, third paragraph, of the TUF.

The members of the Board of Directors are domiciled for the office at the registered office of Fonsai, in Turin, Corso Galileo Galilei 12.

None of the members of the board of directors have any family relationships with other members of the board of directors, with members of the board of statutory auditors or with other senior corporate officers of the Acquiring Company.

The directors in office as at the Date of the Updated Information Document comply with the requirements of integrity, professionalism and independence pursuant to applicable law.

A brief curriculum vitae of each member of the board of directors of Fonsai is shown hereunder.

Fabio Cerchiai. Born in Florence on 14 February 1944, a resident of Venice, *Cavaliere del Lavoro*, he earned a degree in Economics from the University of Rome, and began his career in the insurance industry, covering all steps of the career until his appointment as Chief Executive Officer and Vice Chairman of Assicurazioni Generali S.p.A.. Member of the Boards of Directors of several companies in the Generali Group in Italy and abroad and Chairman of INA Assitalia 2000-2003. Chairman of ANIA - National Association of Insurance Companies 2002-2011 and Chairman of the *Forum Permanente ANIA Consumatori* Foundation 2007-2011. Chairman of the ANIA Foundation for road safety 2004-2008. Chairman of Meliorbanca 2004-2009. Chairman and later Vice Chairman of the (Italian) Federation of Banks, Insurance and Finance 2008-2011. Chairman of the *Ravello* Foundation and one of the members of the steering Board until June 2012. Director of CNEL, in representing companies in the insurance industry 2009-2011, of Impregilo S.p.A. 2010-2012 and Veneto Banca S.c.p.a. 2011-2012, of *Fondazione dei Venezia* and Polymnia Venezia S.r.l.. Chairman of IVR S.p.A. - Italiana Valutazione Rischi (February/October 2012) and Gualtieri Associati S.p.A. 2008-2012 - Chairman of Gualtieri & Associati S.p.A.. Has been Chairman of Atlantia S.p.A. since 2010, Autostrade per l'Italia S.p.A. since 2010 - Cerved Group S.p.A. since 2011 - Arca Vita S.p.A. and Arca Assicurazioni S.p.A. since 2008 - Fest Fenice Servizi Teatrali since 2007 - Help Them Onlus since 2011 – the (Italian) Federation of Banks, Insurance and Finance Enterprises since May 2012 - Fondiaria-SAI S.p.A. since October 2012, Milano Assicurazioni S.p.A. since November 2012 and SIAT S.p.A. - Società Italiana Assicurazioni e Riassicurazioni – Unipol Group since March 2013. Since December 2001, he has been a member of the Italian Academy of Business Administration. Vice Chairman of Diplomatia since 2005. Vice Chairman of ANSPC the National Association for the Development of Credit Problems since 2011. Director of AISCAT Italian Association of Motorways and Tunnels Operators since 2010. General Representative in the Council of the Union of Industrialists and enterprises of Rome, Frosinone, Rieti, Viterbo since 2010. Member of the Assonime Council. Board Member of Edizione S.r.l., of the *Teatro La Fenice* Foundation, of the *Studium Generale Marcianum* Foundation. Since 2011 he has been Adjunct Professor at the Catholic University of the Sacred Heart of Milan - Faculty of Banking, Financial and Insurance Sciences.

Pierluigi Stefanini. From 1990 to 1998 he served as Chairman of Legacoop Bologna, 1995-1998 Vice Chairman of Legacoop Regionale Emilia Romagna, 1996-1999 Vice Chairman of Banca di Bologna (Cooperative Credit Bank). 2001-2005 Member of the steering Committee of Fondazione Cassa di Risparmio in Bologna, 2001-2004 Member of the Scientific Committee of Nomisma S.p.A., 1998-2006 Chairman of Coop Adriatica, 2001-2011 Director of Holmo S.p.A. of which he was Chairman from 2001 to 2006, 2002-2008 Director of Ariete S.p.A., 2007-2009 Chairman of Aurora Assicurazioni S.p.A., 2004-2010 Director of Aeroporto G. Marconi S.p.A. Bologna, 2005-2009 Director of Fondazione Cassa di Risparmio in Bologna, 2006-2009 Board Member of Banca Monte dei Paschi di Siena, from 2007 to April 2010 Chairman of Unipol Assicurazioni S.p.A., from 2007 to April 2010 Chairman of Unipol Banca S.p.A., 2007-2011 Chairman of Impronta Etica, 2006-2012 Director of BNL S.p.A.. He currently holds a number of positions, including: Director of Finsoe S.p.A., Unipol Banca S.p.A., Euresa Holding S.A. (Luxembourg Holding); Supervisory Board Member of Manutencoop Facility Management S.p.A., Member of the Board of the Chamber of Commerce, Industry, Handicraft and Agriculture of Bologna, Chairman of the *Unipolis* Foundation. Chairman of Unipol Gruppo Finanziario, of which he has been a Director since 2001 and was Chief Executive Officer from January to July 2006, Chairman of Premafin Finanziaria – Holding di Partecipazioni S.p.A., Vice Chairman of Fondiaria-SAI S.p.A. and Milano Assicurazioni S.p.A..

Carlo Cimbri. He graduated with honors in Economics in Bologna. Started his career at the Finance and Treasury dept. of Unipol Finanziaria (now Finsoe S.p.A.) (1991-1993), before moving on to the Group Division of Planning and Management Control of Unipol Assicurazioni (now UGF) (1994-1995). Until 2009 he was Chairman of Unisalute S.p.A., Navale Assicurazioni S.p.A. and Navale Vita S.p.A. and Director of Unipol Merchant - Banca per le Imprese S.p.A.; 1997-1998 Chief Executive Officer of Lavoro e Previdenza Service S.p.A., 1999-2000 Unipol SGR S.p.A. (Vice Chairman 2001-2003), 1996-2000 Director of Finsoe S.p.A.. Since 2000 he has held various senior positions in Unipol Assicurazioni (now UGF) and from 2007 to April 2010 he was Chairman of Linear Assicurazioni S.p.A. (of which he was Vice Chairman until 2007). He

currently holds the position of Chief Executive Officer and General Manager of Unipol Gruppo Finanziario S.p.A., Chief Executive Officer of Unipol Assicurazioni S.p.A., Fondiaria-SAI S.p.A. and Milano Assicurazioni S.p.A. and Director of Unipol Banca S.p.A.; Premafin Finanziaria S.p.A. - Holding di Partecipazioni, Gemina S.p.A., Nomisma S.p.A., Euresa Geie and Euresa Holding. He is also a Supervisory Board member of Inter Mutuelles Assistance S.A. and member of the Executive Committee of ANIA – (Italian) National Association of Insurance Companies, Director of *Centro Studi Investimenti Sociali* - CENSIS Foundation; Member of the Board of Governors of FeBAF - Federation of Banks, Insurance and Finance Enterprises.

Francesco Berardini. He earned a degree in Political Economy from the faculty of Philosophy at the University of Genoa. From 1972 to 1982 he held various positions within the CGIL Liguria (trade unions), including Head of CGIL of the Scrivia Valley in Genoa, Head of the Research Department of CGIL Liguria and Member of the Regional Secretariat of CGIL Liguria. From 1982 to 1983 he was Vice Chairman of the Ligurian Association of Labor and Production Cooperatives (of which he was Chairman from February 1983 to December 1988). 1988-1999 Chairman of the Ligurian Association of Consumer Cooperatives and Vice Chairman of Legacoop Liguria. 1999-2008 Vice Chairman of Coop Liguria with powers for the Coordination of Hypermarkets Division and the Directorate of the Members and Consumers Sector. 2011-2012 Chairman of Simgest S.p.A. and 2011-2012 Sole Director of Ligurpart 2 S.p.A.. Among the positions currently held, to date, there are: Chairman of Coop Liguria Soc. Coop., Director of Coop Italia S.c. a.r.l., Chairman of Talea S.p.A., Director of Coop Consorzio Nord Ovest S.c. a.r.l., Director of Unipol Gruppo Finanziario S.p.A., Vice Chairman of Unipol Assicurazioni S.p.A., Director of Finsoe S.p.A., Director of Fondiaria - SAI S.p.A., Vice Chairman of SIAT S.p.A. and Director of Distribuzione Roma S.r.l..

Milva Carletti. Graduated in Economic Address - Faculty of Political Science - at the University of Bologna. From 1989 to 1994 she was a Credit Analyst - Manager from 1993 - of Fincooper. 1994-2001 Project Manager on corporate turnarounds and start-ups at Finec S.p.A. Merchant Bank. 2001-2002 Head of M&A and Project Development at Manutencoop Società Cooperativa. 2002-2005 Director of the Business Unit Services at Centostazioni S.p.A.. 2005-2007 Director of Planning, Control and Start Up Systems at Manutencoop Facility Management S.p.A.. She also assumed the position of Director at Premafin HP S.p.A. and as part of the Manutencoop Group Companies. Since 2007 she has been Head of Administration and Control at Manutencoop Facility Management S.p.A..

Lorenzo Cottignoli. Born in Ravenna on 13. 05.1953 where he resides, he began his working life with Lega delle Cooperative in the food industry, becoming Chairman of Federazione delle Cooperative in 1993, a historical financial body of the Ravenna cooperatives founded in 1902. He currently holds various corporate positions including: Chairman of Assicoop Romagna Futura S.r.l., of Assicoop Ravenna S.p.A., of the Association of Unipol Corporate Agents, of Greentechology S.r.l., of Tecnagri Project S.r.l., of Unagro S.p.A.; Vice Chairman of Legacoop Ravenna; Director of Assicoop Firenze S.p.A., Assicoop Siena S.p.A., C.C.F.S. Società Cooperativa, of Federcoop Nullo Baldini Società Cooperativa, Cooperativa Muratori & Cementisti - CMC Ravenna Soc. Coop., CMC Immobiliare S.p.A., of S.C.S. Azioninnova S.p.A., of Cooperare S.p.A., of Finsoe S.p.A., of Fondiaria-Sai S.p.A., of Pegaso Finanziaria S.p.A., of Saiagricola S.p.A., of Finanza Cooperativa S.c.p.A., of Carimonte Holding S.p.A.; Chairman and General Manager of Federazione delle Cooperative della Provincia di Ravenna S.C.p.A., Chairman of the Council of Consorzio Italia For Palestine; Statutory Auditor at CEFLA S.C.; member of the Board of Lega Nazionale Cooperative Mutue; member of the Regional Directorate of Legacoop Emilia-Romagna.

Ernesto Dalle Rive. He holds a Diploma in Industrial Chemistry. From 1990 to 1993 he was Chairman of Federconsumatori Piemonte. 1994-1996 Officer of the Regional Association of Consumer Cooperatives (of which he was Chairman from 1996 to 1998). 1998-2002 Chairman of Legacoop Piemonte and Regional Association of Consumer Cooperatives and 2002-2007 Director of Personnel of Nova Coop Soc. Coop.. Over the years he has held various corporate positions, and from 2005 to June 2007 was Vice Chairman and Chief Executive Officer of Nova Coop Soc. Coop., 2003-2007 Director of Obiettivo Lavoro S.p.A., 2003-2007 Director of Tangram S.r.l., 2003-2007 Director of Scuola Coop di Montelupo, 2005-2008 Director of Coop Italia, 2008-2013 Chairman of the Supervisory Board of Coop Italia and Vice Chairman of Consorzio Cooperativo Nord – Ovest, 2010-2011 Director of Holmo S.p.A.. Among the various positions currently held there are the following: Chief Executive Officer and General Manager of Nova Coop Soc. Coop.; Director of

Coop Italia, Consorzio Nord Ovest S.c. a r.l., of PROMO.GE.CO. S.r.l., Distribuzione Roma S.r.l., of Unipol Assicurazioni S.p.A., of Finsoe S.p.A., of Unipol Gruppo Finanziario S.p.A., of Fondiaria – SAI S.p.A. and of Premafin Finanziaria S.p.A. – Holding di Partecipazioni.

Ethel Frasinetti. She earned a degree in Political Science from the University of Bologna. Over the years she has held many positions including: since 2005 Project Development Manager of Promozione Cooperativa di Legacoop Bologna, since 2007 Head of External Relations, staff of Management and of the Executive Board of Legacoop Bologna, since 2008 General Manager of Legacoop Bologna . Currently she holds various corporate positions including: since 2013 Director of Fondazione del Monte di Bologna e Ravenna; since 2012 Director of Voli Società Cooperativa and member of the Executive Board of Legacoop Nazionale; since 2008 Director of Coop Adriatica S.c.a.r.l. and SCS Azioninnova S.p.A.; since 2007 Member of the Coordination and Promoter of Legacoop Generazioni - Network of young cooperators of Legacoop Emilia Romagna.

Vanes Galanti. He earned his diploma in Accounting and is a member of the Register of Auditors. He has developed his career mainly in the cooperative world. He currently holds the following positions: Chairman of Unipol Assicurazioni S.p.A., Director of Unipol Gruppo Finanziario S.p.A. and Fondiaria-SAI S.p.A..

Giorgio Ghiglieno. He earned a degree in Economics from the University of Turin. Over the years he has held many positions including: 1978-1979 Planning Officer at Unicem, 1979-1982 Assistant to the General Manager at Unicem, 1982-1983 Head of Planning Coordination of Unicem Affiliates, 1983-1987 first Coordination Manager and then Assistant Manager within the Finance Function of the Unicem Group, 1987-1989 Chief Financial Officer of Standard Chartered Finanziaria S.p.A., 1990-1991 Head of Corporate Finance in the Standard Chartered Group, 1992-1993 Marketing Manager at WLB Group of Milan, 1993-1996 General Manager of Europa Finanziaria S.p.A. and Marketing Manager of the WLB Group in Italy, 1996-2001 Central Manager of WLB Italia S.p.A., 2001-2002 Chief Executive Officer for the Clients Division in the Milan Branch of WLB, 2002-2006 Senior Director of RBS Milan - Head of Corporate Banking, 2006-2008 Senior Director of RBS - Head of Risk and Portfolio Management for Italy together with the role of Senior Banker for some important accounts, 2008-2011 RBS Chief Executive Officer - Head of Risk and Portfolio Management in Italy, to which Turkey and Greece were added following the acquisition of ABN- AMRO. Moreover, in the past, he has served as Statutory Auditor in Unicem Group companies, Director in corporate customers at WLB Group in Italy; 1994-1999 Chairman of the Commission AIBE (Association of Foreign Banks in Italy) for the liquidation EFIM; from 2000 to 2002 he held the position of Director of ABI – Italian Banking Association. He is currently Senior Advisor of the Group MACFIN Management Consultants.

Massimo Masotti. He earned a degree in Economics from the University of Bologna, registered in the Register of Chartered Accountants and Auditors. He has held numerous positions over the years within Boards of Statutory Auditors including: Chairman of the Board of Auditors of the City of Anzola dell'Emilia, Chairman of the Board of Auditors of the City of Casalecchio di Reno, Chairman of the Board of Statutory Auditors of Il Raccolto S.c. a r.l., Member of the Board of Auditors of the City of Zola Predosa, Chairman of the Board of Statutory Auditors of Omasa S.p.A.. Among other positions currently held there are the following: since 1995 Chairman of the Association of Chartered Accountants in Emilia Romagna, since 2007 Chief Executive Officer of Finanziaria Bolognese FI. BO. S.p.A., since 2008 Director of Cooperare S.p.A., since 2008 Board Member of Pegaso Finanziaria S.p.A., since 2011 Director of Promorest S.r.l., since 2003 Chairman of the Board of Statutory Auditors of Il Raccolto Società Cooperativa Agricola, since 2004 Chairman of the Board of Statutory Auditors of Caleidoscopio Società Cooperativa, since 2006 Chairman of the Board of Statutory Auditors of De' Toschi S.p.A., since 2004 Chairman of the Board of Statutory Auditors of Consorzio Eureka Società Cooperativa, since 2004 Statutory Auditor of Aclichef Società Cooperativa, since 2007 Statutory Auditor of Cefla Capital Services S.p.A., since 2002 Statutory Auditor of CIICAI Società Cooperativa, since 2009 Statutory Auditor of Consorzio Sol.Co Como Società Cooperativa, since 2004 Statutory Auditor of Enaip Lombardia Foundation, since 2000 Statutory Auditor of Labor S.p.A., since 2004 Statutory Auditor of Nuova C.L.S. Società Cooperativa, since 2008 Statutory Auditor of Consorzio Cenasca Service Società Cooperativa, since 2002 Statutory Auditor of Sviluppo S.r.l., since 2011 Statutory Auditor of Unilog Group S.p.A., since 2011 Statutory Auditor of Immobiliare CIICA S.p.A., since 2010 Statutory Auditor of Sicuritalia Servizi Fiduciari S.c. a r.l., since 2010 Statutory Auditor of Sicuritalia Servizi Integrati S.c. a r.l., Auditor of the accounts of Consorzio Acli Lavoro S.c. a r.l., since 2009 Statutory Auditor and Auditor of the accounts of Sviluppo Calderara S.r.l..

Maria Rosaria Maugeri. She earned a degree in Law from the University of Catania, admitted to the Bar of Catania. Among other positions currently held there are the following: Professor at the University of Catania - Department of Legal Seminar, Jean Monnet Chair in “*European Civil Law - Acquis Communautaire and Harmonisation Perspectives*”, member of the Directorate of the Italian civil lawyers, member of the Advisory Board of SECOLA (Society of European Contract Law), member of the Expert Group on the Assessment of the Area 12 (ANVUR), Co- Founder of *Osservatorio di Diritto Civile e Commerciale*, member of the Scientific Council of ERC (European Research Council), co-editor-in-chief of the magazine *Osservatorio di Diritto Civile e Commerciale*, *Il Mulino* and the series “*Studi di Diritto Privato*” (studies in Private Law) ESI, member of the editorial committee of the *Nuova Giurisprudenza Civile Commentata* (i.e. new annotated civil law), member of the Board of assessors of: *I Contratti*, *Rivista del Notariato*, *Danno e Responsabilità*, *Persona e Mercato*, *Il Corriere Giuridico*, and *Foro Napoletano*.

Maria Lillà Montagnani. She graduated in law at the Catholic University of the Sacred Heart in Milan, she received the title of Doctor of Philosophy in competition law and LLM in Intellectual Property Law. Over the years she has carried out various research activities within the legal context, in regard of which she has received many awards. Since 2012 she has been Associate Professor of Commercial Law at the Bocconi University in Milan, in 2008 she was Scholarship Holder at the Max Planck Institute for Intellectual Property, Competition and Tax Law, from 2005 to 2012 she was Assistant Professor of Commercial Law at the Bocconi University in Milan, since 2003 she has been a Visiting Fellow at the Institute for Computer and Communications Law (Centre for Commercial Law Studies) Queen Mary University of London UK.

Maria Antonietta Pasquariello. She graduated in Chemistry and Pharmaceutical Technology at the University of Bologna. In 1981 she began working at CAMST, gaining significant experience in the field of corporate communication and eventually was Head of the Corporate Image and External Relations Department. She was a Director of Orma S.r.l., a subsidiary of CAMST where over the years she served as Vice Chairman and Chairman of the Board of Directors. From 2003 to 2007 she was Vice Chairman of Gustitalia S.r.l.; in 2004 she was appointed Director of Hotel Villaggio Città del Mare S.p.A., of which she would become Vice Chairman from 2005 to 2011. She currently holds the position of Head of Corporate Image and External Relations and Chairman of the Board of Directors of CAMST S.c.a.r.l..

Marco Pedroni. He graduated in Economics at the University of Modena. From 1988 to 1991 he worked at IFOA, the Training Centre of the Chambers of Commerce. From 1992 to 2013 he worked at Coop Nordemilia (today Coop Consumatori Nordest Coop. a r.l.) as Head of Training and Organizational Development until 1994, as Head of Controlling and Organization until 1997, as director of Supermarkets Division until 2001, as Chairman of the Board of Directors until 2013. He held various positions including: 2005-2010 Director of Unipol Banca S.p.A., 2002-2011 Director of Holmo S.p.A., 2003-2010 Director of Soped S.p.A., 2011-2012 Director of POSTO S.p.A., 2003-2013 Director of Centrale Adriatica Società Cooperativa, 2001-2013 Chairman of Coop Consumatori Nordest Soc. Coop. a r.l., 2008-2013 Director of Immobiliare Nordest S.p.A.. He currently holds a number of positions including: Chairman of Coop Italia Soc. Cooperativa, of PAR.COOP.IT S.p.A., Unipol Gruppo Finanziario S.p.A., Finsoe S.p.A., Unipol Assicurazioni S.p.A., Comunicare S.p.A., Par.Co S.p.A., Fondiaria - SAI S.p.A., Premafin Finanziaria S.p.A. - Holding di Partecipazioni Finanziaria, and Centrale Italiana Società Consortile a r.l..

Nicla Picchi. She earned a degree in Law. Senior partner of the law firm Picchi e Associati, in which she mainly follows the areas of commercial, EU and international trade law. From 2009 to 2010 she was Chairman of the Supervisory Board of UniCredit Banca, 2007-2010 Director of UniCredit Banca, since 1999 she has been involved in legal studies in the area of business and international trade law, from 1991 to 1999 in the area of consulting for the internationalization of firms. She currently holds the position of Director of SABAF S.p.A., Chairman of the Eastern Lombardy Board of Unicredit, Chairman of the Supervisory Board of: SABAF S.p.A., ALFA ACCIA S.p.A., GEFRAF S.p.A. and FARINGOSI S.p.A..

Barbara Tadolini. She obtained a degree in Economics from the University of Genoa. She is registered in the Register of Auditors and in the Board of Chartered Accountants of Genoa. From 2000 to 2010 she was Director of the Board of Genoa, 2004-2006 Statutory Auditor of Grandi Navi Veloci, 2005-2011 representative of the Board of Chartered Accountants of Genoa before the National Social Security Fund of Certified Public

Accountants. Among the other positions currently held there are the following: since 1991 trustee in bankruptcy and technical consultant to the Court of Genoa, since 1999 Statutory Auditor of Burke & Novi S.r.l., since 2000 Chairman of the Board of Statutory Auditors of Porto di Arenzano S.p.A., since 2011 Chairman of the Board of Statutory Auditors of Eco Eridania S.p.A., since 2012 Statutory Auditor of Luxottica S.p.A. and Director of the National Social Security Fund of Certified Public Accountants.

Francesco Vella. He graduated in Law at the University of Bologna, is Professor of Commercial Law at the University of Bologna and admitted to the Bar Association of Bologna. After earning his PhD in commercial law, he taught in the Faculty of Economics at the University of Modena, where he became Associate Professor in 1992 and temporary Full Professor in 1998 and in 2001 he became permanent Full Professor at the Faculty of Law, University of Bologna, where he currently teaches in the Master's Degree. 2006-2010 Director of Unicredit Banca S.p.A., 2005-2011 Director of Fiere Internazionali di Bologna S.p.A., 2010-2012 Chairman of the Alma Mater S.r.l. Foundation. He has held various corporate positions: since 2008 Director of ATC S.p.A., since 2009 Chairman of the Board of Statutory Auditors of Luxottica Group S.p.A., since 2006 Director of Unipol Gruppo Finanziario S.p.A., since 2007 member of the Supervisory Board of Simest S.p.A., since 2008 member of the Supervisory Board of Hera S.p.A., since 2009 member of the Supervisory Board of CAMST Soc. Coop a.r.l..

Mario Zucchelli. Over the years he has held many positions including: 1994-1998 Director of Unipol Banca S.p.A., 1997-2009 Director of Finube S.p.A., of which he was Vice Chairman from 2001 to 2006, Director of Unipol Merchant S.p.A., 2002-2008 Director of Ariete S.p.A., 2001-2011 Director of Holmo S.p.A., of which he was Chairman from 2006 and Chief Executive Officer from 2007, 2008-2012 Director of Pharmacoop S.c. a r.l.. Currently he holds various corporate positions including: since 1989 Chairman of Coop Estense S.c. a r.l., since 1995 Vice Chairman of Sofinco S.p.A., since 1995 Director of Finsoe S.p.A. (of which he was Chairman and Chief Executive Officer from 2006 to 2010), since 2003 Director of Centrale Adriatica Società Cooperativa, since 2006 Chairman of Finest s.r.l., since 2009 Board Member of Spring 2 S.r.l. (of which he was Chairman from 2009 to 2010), since 2011 Chairman of Apulia Supermercati S.r.l., since 1995 Director of Unipol Gruppo Finanziario S.p.A..

Offices held by directors

The following table shows the partnerships and corporations in which each Fonsai director in office is, or has been over the five years preceding the Date of the Updated Information Document, a member of the governing, management or supervisory bodies, or is the owner of "qualified" shares (greater than 2% of the share capital in listed companies and 10% in unlisted companies), with an indication of their respective status as at the Date of the Updated Information Document.

Name	Company	Office held or status as shareholder	Status as at the Date of the Updated Information Document
Fabio Cerchiai	Edizione S.r.l.	Director	In office
	Fondiarina - Sai S.p.A.	Chairman of the Board of Directors	In office
	Quadrivio Group S.p.A.	Director	In office
	Arca Assicurazioni S.p.A.	Chairman of the Board of Directors	In office
	Arca Vita S.p.A.	Chairman of the Board of Directors	In office
	Atlantia S.p.A.	Chairman of the Board of Directors	In office
	Autostrade per l'Italia S.p.A.	Chairman of the Board of Directors	In office
	Cerved Group S.p.A.	Chairman of the Board of Directors	In office
	FEST Fenice Servizi Teatrali S.r.l.	Chairman of the Board of Directors	In office
	Milano Assicurazioni S.p.A.	Chairman of the Board of Directors	In office
	Siat - Società italiana Assicurazioni e Riassicurazioni S.p.A.	Chairman of the Board of Directors	In office
	Impregilo S.p.A.	Chairman of the Board of Directors	In office
	Impregilo S.p.A.	Director	Discontinued
	Polymnia Venezia S.r.l.	Director	Discontinued
	Veneto Banca Società Cooperativa per Azioni	Director	Discontinued
	Gualtieri e Associati S.r.l.	Chairman of the Board of Directors	Discontinued
	Fondazione Ravello	Chairman of the Board of Directors	Discontinued
	Italiana Valutazione Rischi S.p.A.	Chairman of the Board of Directors	Discontinued

	Meliorbanca S.p.A.	Chairman of the Board of Directors and Chairman of the Executive Committee	Discontinued
Pierluigi Stefanini	Finsoe S.p.A.	Director	In office
	Manutencoop Facility Management S.p.A.	Member of the Supervisory Board	In office
	Unipol Assicurazioni S.p.A.	Director	In office
	Unipol Banca S.p.A.	Director	In office
	Unipol Gruppo Finanziario S.p.A.	Chairman of the Board of Directors	In office
	Fondiarica – SAI S.p.A.	Vice Chairman of the Board of Directors	In office
	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Chairman of the Board of Directors	In office
	Milano Assicurazioni S.p.A.	Vice Chairman of the Board of Directors	In office
	Euresa Holding S.A.	Vice Chairman of the Board of Directors	In office
	Euresa GEIE	Vice Chairman of the Board of Directors	In office
	BNL S.p.A.	Director	Discontinued
	Banca Monte dei Paschi di Siena S.p.A.	Director	Discontinued
	Aeroporto Guglielmo Marconi di Bologna S.p.A.	Director	Discontinued
Carlo Cimbri	Holmo S.p.A.	Director	Discontinued
	Unipol Gruppo Finanziario S.p.A.	Chief Executive Officer and General Manager	In office
	Fondiarica – SAI S.p.A.	Chief Executive Officer	In office
	Milano Assicurazioni S.p.A.	Chief Executive Officer	In office
	Unipol Assicurazioni S.p.A.	Chief Executive Officer	In office
	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	In office
	Gemina S.p.A.	Director	In office
	Unipol Banca S.p.A.	Director	In office
	Nomisma S.p.A.	Director	In office
	Euresa Holding S.A.	Director	In office
	Euresa GEIE	Director	In office
	Inter Mutuelles Assistance SA	Member of the Supervisory Board	In office
	Unisalute S.p.A.	Chairman of the Board of Directors	Discontinued
	Linear Assicurazioni S.p.A.	Chairman of the Board of Directors	Discontinued
	Navale Assicurazioni S.p.A.	Chairman of the Board of Directors	Discontinued
	Navale Vita S.p.A. (now Linear Life S.p.A.)	Chairman of the Board of Directors	Discontinued
Francesco Berardini	Unipol Merchant S.p.A.	Director	Discontinued
	Coop Consorzio Nord Ovest S.c. a r.l.	Director	In office
	Fondiarica – Sai S.p.A.	Director	In office
	Coop Italia S.c. a r.l.	Director	In office
	Distribuzione Roma Srl	Director	In office
	Finsoe S.p.A.	Director	In office
	Unipol Gruppo Finanziario S.p.A.	Director	In office
	Coop Liguria Società Cooperativa	Chairman of the Board of Directors	In office
	Talea S.p.A.	Chairman of the Board of Directors	In office
	SIAT - Società Italiana Assicurazioni e Riassicurazioni S.p.A.	Vice Chairman of the Board of Directors	In office
	Unipol Assicurazioni S.p.A.	Vice Chairman of the Board of Directors	In office
	Ligurpart 2 S.p.A.	Sole Administrator	Discontinued
	Coop Editrice Consumatori Soc. Coop.	Director	Discontinued
	Holmo S.p.A.	Director	Discontinued
	Simgest S.p.A.	Chairman of the Board of Directors	Discontinued
Milva Carletti	Fondiarica – Sai S.p.A.	Director	In office
	Altair IFM S.p.A.	Director	Discontinued
	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	Discontinued
Lorenzo Cottignoli	Assicoop Firenze S.p.A.	Director	In office
	Assicoop Siena S.p.A.	Director	In office
	Fondiarica – Sai S.p.A.	Director	In office
	C.C.F.S. Soc. Coop.	Director	In office
	Carimonte Holding S.p.A.	Director	In office
	CMC Immobiliare S.p.A.	Director	In office

	Cooperare S.p.A.	Director	In office
	Cooperativa Muratori & Cementisti - C.M.C. di Ravenna Soc. Coop.	Director	In office
	Federcoop Nullo Baldini Soc. Coop.	Director	In office
	Finanza Cooperativa S.c.p.A.	Director	In office
	Finsoe S.p.A.	Director	In office
	Pegaso Finanziaria S.p.A.	Director	In office
	Saiagricola S.p.A.	Director	In office
	SCS Azioninnova S.p.A.	Director	In office
	Federazione delle Cooperative della provincia di Ravenna S.c.p.A.	General Manager	In office
	Consorzio Italia For Palestine	Chairman of the Board of Governors	In office
	Assicoop Ravenna S.p.A.	Chairman of the Board of Directors	In office
	Assicoop Romagna Futura S.r.l.	Chairman of the Board of Directors	In office
	Federazione delle Cooperative della provincia di Ravenna S.c.p.A.	Chairman of the Board of Directors	In office
	Greentechnology S.r.l.	Chairman of the Board of Directors	In office
	Tecnagri Project S.r.l.	Chairman of the Board of Directors	In office
	Unagro S.p.A.	Chairman of the Board of Directors	In office
	Cefla Società Cooperativa	Statutory Auditor	In office
	Legacoop Ravenna	Vice Chairman of the Board of Directors	In office
	Valore e Sviluppo S.p.A.	Sole Administrator	Discontinued
	Assicoop Romagna S.p.A.	Director	Discontinued
	Due Tigli S.p.A.	Director	Discontinued
	Edizioni Diabasis S.r.l.	Director	Discontinued
	Gruppo Cevico Soc. Coop. Agricola	Director	Discontinued
	Holmo S.p.A.	Director	Discontinued
	Unipol Merchant - Banca per le Imprese S.p.A.	Director	Discontinued
	Consorzio Cooperativo Finanziario per lo Sviluppo (C.C.F.S.) S.oc. Coop.	Chairman of the Board of Statutory Auditors	Discontinued
	Aziende Agricole GIV - Soc. Coop. Agricola R.L.	Statutory Auditor	Discontinued
	Unipol Merchant - Banca per le Imprese S.p.A.	Statutory Auditor	Discontinued
	Cooperfactor S.p.A.	Vice Chairman of the Board of Directors	Discontinued
	Villaggio Olimpico S.r.l.	Vice Chairman of the Board of Directors	Discontinued
Ernesto Dalle Rive	Coop Consorzio Nord Ovest .S.c. a r.l.	Director	In office
	Coop Italia S.c.r.l.	Director	In office
	Fondiarìa –Sai S.p.A.	Director	In office
	Distribuzione Roma S.r.l.	Director	In office
	Finsoe S.p.A.	Director	In office
	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	In office
	PROMO.GE.CO S.r.l.	Director	In office
	Unipol Assicurazioni S.p.A.	Director	In office
	Unipol Gruppo Finanziario S.p.A.	Director	In office
	Nova Coop Soc. Coop.	Chairman, CEO and General Manager	In office
	Energya S.p.A.	Director	Discontinued
	Holmo S.p.A.	Director	Discontinued
Ethel Frasinetti	Coop Italia S.c.r.l.	Chairman of the Supervisory Board	Discontinued
	Coop Adriatica S.c.a.r.l.	Director	In office
	Fondiarìa –Sai S.p.A.	Director	In office
	Fondazione del Monte di Bologna e Ravenna	Director	In office
	SCS Azioninnova S.p.A.	Director	In office
	Voli Group Società Cooperativa	Director	In office
	Assicoop Bologna S.p.A.	Director	Discontinued
Vanes Galanti	NOT Available Soc. Coop.	Director	Discontinued
	Unipol Gruppo Finanziario S.p.A.	Director	In office
	Fondiarìa –Sai S.p.A.	Director	In office
	Unipol Assicurazioni S.p.A.	Chairman of the Board of Directors	In office

	Venezia Tronchetto Real Estate S.p.A.	Vice Chairman of the Board of Directors and CEO	Discontinued
	Torbole RE S.r.l.	Sole Administrator	Discontinued
	Policentro Sviluppo S.p.A.	Director	Discontinued
	ABI Merlata S.r.l.	Director	Discontinued
	Cascina Merlata S.p.A.	Director	Discontinued
	Coopsud	Director	Discontinued
	Finsoe S.p.A.	Director	Discontinued
	Holmo S.p.A.	Director	Discontinued
	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	Discontinued
	Arsenali S.r.l.	Chairman of the Board of Directors	Discontinued
	CH Property S.r.l.	Chairman of the Board of Directors	Discontinued
	HBS Immobiliare S.r.l.	Chairman of the Board of Directors	Discontinued
	Inexo S.r.l.	Chairman of the Board of Directors	Discontinued
	Outlet Soratte S.r.l.	Chairman of the Board of Directors	Discontinued
	Parcor S.r.l.	Chairman of the Board of Directors	Discontinued
	Parma Logistic S.r.l.	Chairman of the Board of Directors	Discontinued
	Sirecc S.r.l.	Chairman of the Board of Directors	Discontinued
	Sunny Village S.r.l.	Chairman of the Board of Directors	Discontinued
	C.E.S.I.	Special Attorney	Discontinued
	Cesi Immobiliare S.r.l.	Vice Chairman of the Board of Directors	Discontinued
	Meridiana S.r.l.	Vice Chairman of the Board of Directors	Discontinued
	Stores Development S.r.l.	Vice Chairman of the Board of Directors	Discontinued
	Sun Re S.r.l.	Vice Chairman of the Board of Directors	Discontinued
	Unicum S.r.l.	Vice Chairman of the Board of Directors	Discontinued
Giorgio Ghiglieno	Fondiarina – Sai S.p.A.	Director	In office
	The Royal Bank of Scotland N.V.	Attorney	Discontinued
	The Royal Bank of Scotland Public Limited Company	Attorney	Discontinued
Massimo Masotti	FI.BO S.p.A.	Chief Executive Officer	In office
	Fondiarina – Sai S.p.A.	Director	In office
	Cooperare S.p.A.	Director	In office
	Hope S.r.l.	Director	In office
	Pegaso Finanziaria S.p.A.	Director	In office
	Promorest S.r.l.	Director	In office
	Abitare Albate Soc. Coop. a r.l.	Chairman of the Board of Statutory Auditors	In office
	Abitare Lomazzo Soc. Coop. a r.l.	Chairman of the Board of Statutory Auditors	In office
	Caleidoscopio S.c.r.l.	Chairman of the Board of Statutory Auditors	In office
	Cieffessecci soc. coop.	Chairman of the Board of Statutory Auditors	In office
	Consorzio Eureka	Chairman of the Board of Statutory Auditors	In office
	Dè Toschi S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Dinamica S.C.a r.l.	Chairman of the Board of Statutory Auditors	In office
	Il Raccolto società cooperativa agricola	Chairman of the Board of Statutory Auditors	In office
	Inventori di Viaggio soc. coop.	Chairman of the Board of Statutory Auditors	In office
	Sviluppo Calderara S.r.l.	Auditor of the Accounts and Statutory Auditor	In office
	Consorzio Acli Lavoro	Single Auditor	In office
	Consorzio Libra soc. coop.	Single Auditor	In office
	Insieme Azienda Consortile		
	Interventi Sociali Valli del Reno, Lavinio e Samoggia	Single Auditor	In office
	Aclichef – Soc. Cooperativa	Statutory Auditor	In office
	C.C.F.S. società cooperativa a r.l.	Statutory Auditor	In office
	Cefla Capital Service S.p.A.	Statutory Auditor	In office
	Charis Soc. consortile cooperativa sociale	Statutory Auditor	In office
	CIICAI Soc. Cooperativa	Statutory Auditor	In office
	Consorzio Abitare – società cooperativa a r.l.	Statutory Auditor	In office
	Consorzio Cenasca Service	Statutory Auditor	In office
	Consorzio Sol.Co. Como	Statutory Auditor	In office
	Enaip Lombardia Fondazione	Statutory Auditor	In office
	Immobiliare CIICA, S.p.A.	Statutory Auditor	In office
	Immobiliare CIICAI S.p.A.	Statutory Auditor	In office
	Labor S.p.A.	Statutory Auditor	In office
	Nuova C.L.S. Cooperativa di	Statutory Auditor	In office

	lavoro e servizi		
	Pomodoro Viaggi S.r.l.	Statutory Auditor	In office
	Sicuritalia Servizi Fiduciari Scrl	Statutory Auditor	In office
	Sicuritalia Servizi Integrati Scrl	Statutory Auditor	In office
	Società Cooperativa Sociale Varietà	Statutory Auditor	In office
	Sviluppo S.r.l.	Statutory Auditor	In office
	Unilog Group S.p.A.	Statutory Auditor	In office
	Edilco – Compagnia Edilizia Bologna - S.r.l.	Sole Administrator	Discontinued
	Agefin S.p.A. in liquidation	Director	Discontinued
	Hope S.r.l.	Director	Discontinued
	UGF S.p.A.	Director	Discontinued
	Comunità solidali	Chairman of the Board of Statutory Auditors	Discontinued
	Consorzio Abitare – società cooperativa a r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Pomodoro Viaggi S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Zaccanti S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Consorzio ACLI Lavoro – Soc. Coop. a.r.l.	Independent Auditor	Discontinued
	Il Raccolto società cooperativa agricola	Independent Auditor	Discontinued
	Virgilio S.r.l.	Independent Auditor	Discontinued
	Inventori di Viaggio soc. coop.	Auditor	Discontinued
	AL.FA. Dopo di Noi s.r.l. in liq.	Statutory Auditor	Discontinued
	CIICAI Holding S.p.A.	Statutory Auditor	Discontinued
	Conapi Soc. Coop	Statutory Auditor	Discontinued
	Cooperfactor S.p.A.	Statutory Auditor	Discontinued
	Dinamica S.C.a r.l.	Statutory Auditor	Discontinued
	Esedra Energia Società Cooperativa Sociale	Statutory Auditor	Discontinued
	Finprest S.r.l.	Vice Chairman of the Board of Directors	Discontinued
Maria Rosaria Maugeri	Fondiarìa –Sai S.p.A.	Director	In office
Maria Lilla Montagnani	Fondiarìa –Sai S.p.A.	Director	In office
Maria Antonietta Pasquariello	CNS Consorzio Nazionale Servizi Società	Member of the Supervisory Board	In office
	Fondiarìa –Sai S.p.A.	Director	In office
	CAMST Soc. Coop. A.R.L.	Chairman of the Board of Directors	In office
	Gustitalia S.r.l.	Vice Chairman of the Board of Directors	In office
	Gustitalia S.r.l.	Sole Administrator	Discontinued
	Hotel Villaggio Città del Mare S.p.A. in liquidation	Vice Chairman of the Board of Directors	Discontinued
Marco Pedroni	Coop Italia Soc. Cooperativa	Chairman of the Board of Directors	In office
	Fondiarìa –Sai S.p.A.	Director	In office
	Par.co S.p.A.	Director	In office
	Comunicare S.p.A.	Director	In office
	Finsoe S.p.A.	Director	In office
	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	In office
	Unipol Gruppo Finanziario S.p.A.	Director	In office
	Centrale Italiana Soc. Consortile a r.l.	Director	In office
	PAR.COOP.IT S.p.A.	Chairman of the Board of Directors e CEO	In office
	Unipol Assicurazioni S.p.A.	Director	In office
	Coop Consumatori Nordest Soc. Coop	Chairman of the Board of Directors	Discontinued
	Spring 2 S.r.l.	Chairman of the Board of Directors	Discontinued
	Mantova TV S.p.A.	Director	Discontinued
	Distribuzione Roma S.r.l.	Director	Discontinued
	POSTO S.p.A.	Director	Discontinued
	Unipol Banca S.p.A.	Director	Discontinued
	Centrale Adriatica Soc. Cooperativa	Director	Discontinued
	Immobiliare Nordest S.p.A.	Director	Discontinued
	Refincoop S.p.A.	Director	Discontinued
	Soped S.p.A.	Director	Discontinued

	Holmo S.p.A.	Director	Discontinued
Nicla Picchi	Lexolution S.r.l.	Director	In office
	Fondiarìa – Sai S.p.A.	Director	In office
	Sabaf S.p.A.	Director	In office
	Unicredit Banca S.p.A.	Director	Discontinued
	Lexolution S.r.l.	Shareholder	In office
	Picchi & Associati	Partner	In office
Barbara Tadolini	ECO Eridania S.p.A.	Chairman of the Board of Statutory Auditors	In office
	ECO Travel S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Fondiarìa – Sai S.p.A.	Director	In office
	Paderno Energia S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Porto di Arenzano S.p.A.	Chairman of the Board of Statutory Auditors	In office
	TEAM Ambiente S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Luxottica Group S.p.A.	Statutory Auditor	In office
	Salmoiraghi & Viganò S.p.A.	Statutory Auditor	In office
	Vistasì S.p.A.	Statutory Auditor	In office
Francesco Vella	Coveri S.r.l.	Statutory Auditor	Discontinued
	Unipol Banca S.p.A.	Director	In office
	Fondiarìa – Sai S.p.A.	Director	In office
	Luxottica Group S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Fiere Internazionali di Bologna S.p.A.	Director	Discontinued
	ATC Trasporti S.p.A.	Director	Discontinued
	Unicredit Banca S.p.A.	Director	Discontinued
	Unipol Gruppo Finanziario S.p.A.	Director	Discontinued
	Alma Mater S.r.l.	Chairman of the Board of Directors	Discontinued
	ATC S.p.A.	Chairman of the Board of Directors	Discontinued
Mario Zucchelli	Fondazione Alma Mater	Chairman of the Board of Directors	Discontinued
	Centrale Adriatica Soc. Coop.	Director	In office
	Fondiarìa – Sai S.p.A.	Director	In office
	Coop Italia Soc. Coop.	Director	In office
	Finsoe S.p.A.	Director	In office
	Spring 2 S.r.l.	Director	In office
	Unipol Gruppo Finanziario S.p.A.	Director	In office
	Coop Estense S.c. a r.l.	Chairman of the Board of Directors	In office
	Finest S.r.l.	Chairman of the Board of Directors	In office
	Sofinco S.p.A.	Vice Chairman of the Board of Directors	In office
	Finest S.r.l.	Chief Executive Officer	Discontinued
	Ariete S.p.A.	Director	Discontinued
	Atrikè S.p.A.	Director	Discontinued
	Banca Popolare dell'Emilia Romagna	Director	Discontinued
	Coop Italia Soc. Coop.	Member of the Supervisory Board	Discontinued
	Distribuzione Roma S.r.l.	Director	Discontinued
	Pharmacoop S.p.A.	Director	Discontinued
	Società Immobiliare Commerciale Estense S.p.A.	Director	Discontinued
	Apulia Supermercati S.r.l.	Chairman of the Board of Directors	Discontinued
	DICO S.p.A.	Chairman of the Board of Directors	Discontinued
	Primo Discount S.p.A.	Chairman of the Board of Directors	Discontinued
	Società Esercizi Commerciali '95 S.r.l. in liq.	Chairman of the Board of Directors	Discontinued
	Spring 2 S.r.l.	Chairman of the Board of Directors	Discontinued
	Finsoe S.p.A.	Chairman and Chief Executive Officer	Discontinued
	Holmo S.p.A.	Chairman and Chief Executive Officer	Discontinued
	Finube S.p.A.	Vice Chairman of the Board of Directors	Discontinued

Executive Committee and other committees

The Board of Directors has appointed an Executive Committee from its members together with a number of other committees with the role of providing advice and proposals to the Board of Directors. The resolutions passed by the advisory committees are not binding on the Board of Directors.

(a) Executive Committee

Pursuant to Article 18 of the Articles of Association, the Board of Directors has granted the Executive Committee, currently made up of three members, advisory functions with the task of collaborating in the

identification of development policies and guidelines for the strategic and operational plans to be submitted to the Board of Directors.

The Board of Directors has also granted the Executive Committee specific powers which must in any case be exercised in observance of the pre-set value limits.

The Executive Committee is made up of the following members:

Name	Position
Fabio Cerchiai	Chairman
Pierluigi Stefanini	Vice Chairman
Carlo Cimbri	Chief Executive Officer

(b) Advisory committee

The advisory committees consist of the Remuneration Committee and the Control and Risks Committee.

In particular:

- *The remuneration committee*: the meeting of the Board of Directors of 8 May 2013 appointed the following as members of the remuneration committee, the directors Francesco Vella (Chairman), Giorgio Ghiglieno and Maria Rosaria Maugeri, all independent. Whereas the membership of the remuneration committee complies with the Operations with Related Parties Regulations, the Remuneration Committee identifies with the Committee of Independent Directors, that shall express a prior, reasoned, opinion on resolutions (differing from that approved by the General Meeting or the Board of Directors in the context of a total amount decided in advance by the General Meeting) in the field of the remuneration of the board of directors of the Company including any positions occupied or carried out in subsidiary companies, where such remuneration, although satisfying the related requirements, does not comply with the remuneration policy approved by the General Meeting.

- *Control and risks committee*: the Meeting of the Board of Directors of 8 May 2013 appointed the following as members of the Control and Risks Committee: the Directors Massimo Masotti (Chairman), Maria Lillà Montagnani and Nicola Picchi, all independent. The Control and Risks Committee identifies with the Independent Directors' Committee, that shall provide its prior, reasoned opinion to be submitted to the Board of Directors for the operations with related parties of so-called "lesser importance" as defined in the Operations with Related Parties Regulation.

Manager in charge of financial reporting

The manager in charge of financial reporting is Massimo Dalfelli.

Board of Statutory Auditors

The Board of Statutory Auditors, appointed by the General Meeting of the Shareholders of 24 April 2012, will continue to hold office up to the General Meeting convened to approve the Financial Statements relating to the accounting period closing on 31 December 2014, and is made up of the following persons:

Name	Office	Place and date of birth
Giuseppe Angiolini	Chairman	Milan, 18 June 1939
Sergio Lamonica ⁽¹⁾	Statutory Auditor	Rome, 4 September 1943
Giorgio Loli	Statutory Auditor	Livorno, 23 August 1939

Maria Luisa Mosconi

Alternate Auditor

Varese, 18 May 1962

Giovanni Rizzardi

Alternate Auditor

Brescia, 29 January 1949

- (1) Mr. Sergio Lamonica, formerly alternate auditor, took over the office of statutory auditor following the resignation of Mr. Antonio D'Ambrosio on 4 December 2013, and will remain in office until the next annual general meeting (see press release of Fonsai dated 4 December 2013).

All members of the Board of Statutory Auditors are domiciled for the office at the registered office of Fonsai in Turin, Corso Galileo Galilei 12.

None of the members of the board of statutory auditors have any family relationships with other members of the board of statutory auditors, with members of the board of directors and other senior corporate officers of the Acquiring Company.

The statutory auditors in office at the Date of the Updated Information Document are not in any of the conditions of incompatibility provided for by applicable law and are in possession of the necessary requirements of eligibility, integrity, professionalism and independence.

The following is a brief curriculum vitae of each member of the board of statutory auditors.

Giuseppe Angiolini. He obtained a degree in Economics from the Bocconi University in Milan. From 1964 to 1979 he worked at various levels of responsibility for Peat, Marwick and Mitchell & Co., from 1979 to 1988 he was Partner and Chairman of Peat Marwick Consulting (Italy) S.p.A., from 1988 to 1997 Partner and Chairman of KPMG S.p.A., Senior Partner of KPMG Italia, KPMG Europe Director, and KPMG International Director, from 1997 to 2001 Partner of KPMG S.p.A. and Corporate Finance Partner of KPMG Advisory Italy. He currently performs professional work for industrial, finance and insurance companies. He holds the position of Director at Gemina S.p.A., Pellegrini S.p.A. and Aeroporti di Roma S.p.A.; Chairman of the Board of Statutory Auditors of Fondiaria-Sai S.p.A., Milano Assicurazioni S.p.A. and Fisia Italimpianti S.p.A..

Sergio Lamonica. He graduated in Economic Sciences. He is a member of the Board of Certified Public Accountants, of the Association of Journalists, of the Register of Auditors and since 2000 has been registered with the Register of Technical Consultants at the Court of Milan. He was Partner of Andersen Worldwide for 23 years covering, over time, the positions of Managing Partner, including Practice Director, Chief Executive Officer and Chairman of Arthur Andersen MBA - Management & Business Advisors S.r.l., Chief Executive Officer of Andersen Insurance Consulting Services S.r.l., Director of Arthur Andersen S.p.A., Managing Director European Litigation Practice. From 2000 to 2008 he was Chief Executive Officer of Omniconsulting S.r.l.; from 2002 to 2008 he was Affiliate of the London office of LECG, whose Italian branch opened in 2005, thus becoming its Chief Executive Officer. Currently he holds the position of Chairman of the Board of Statutory Auditors of Compagnia Italtroli S.p.A.; Statutory Auditor of Fonsai, Petroli Investimenti S.p.A., Società Petrolifera Gioia Tauro S.p.A., Meridionale Petroli S.r.l.; Chairman of the Supervisory Board of Compagnia Italtroli S.p.A..

Giorgio Loli. He graduated in Economics at the University of Bologna. Registered in the Register of Auditors. He has been a Chartered Accountant since 1968. He performed professional practice from 1964 to 1972 at Peat, Marwick, Mitchell & Co. (now KPMG), he was admitted to the partnership in 1972 and has held various roles including Head of the research department, Head of the office in Milan, Head of accounting audit for Italy, member of the Italian Board of Directors, Member of the European Partnership Board, responsible for relations with all foreign offices. In 1998, his partnership with KPMG ended and he began working as a Chartered Accountant, lending services to businesses and households of entrepreneurs, in regard of governance, management and control. He currently holds the position of Chairman of the Board of Statutory Auditors at A & C S.p.A., Coesia S.p.A., Finprema S.r.l., GD S.p.A., Isoil Impianti S.p.A., Residenziale Immobiliare 2004 S.p.A., Sabiem S.p.A., Polaroid Eyewear S.r.l.; Statutory Auditor of Maire Tecnimont S.p.A., Parmalat S.p.A., Fondiaria-Sai S.p.A., Isoil Industria S.p.A., Verde Moscova Soc. Coop.; Director of the Consortium of the district of Porto Santa Teresa di Gallura.

Maria Luisa Mosconi. She has a degree in Business Administration, is Chartered Accountant and registered with the Register of Auditors, the Register of Technical Consultants at the Court of Milan and the Association of Trustees in Bankruptcy of the Court of Milan. She works as a Certified Public Accountant. Currently, she

holds various corporate positions including: statutory member of the Supervisory Board of Banca Popolare di Milano S.c.a.r.l.; statutory member of the supervisory board of Prysmian S.p.A., Azienda Trasporti Milanese S.p.A., ATM S.p.A., Immobiliare Lombarda S.p.A., Finadin – Finanziaria di Investimenti S.p.A., Saiagricola S.p.A., Immobiliare Fondiaria-SAI S.r.l., Immobiliare Milano Assicurazioni S.r.l., Campo Carlo Magno S.p.A., Napoli Metro Engineering S.r.l., Metal-Work S.p.A., SEA Handling S.p.A., S.A.C.B.O. S.p.A., The Walt Disney Company Italia S.r.l.; director of Biancamano S.p.A..

Giovanni Rizzardi. He graduated in Economics at the University of Parma. He has been a certified public accountant since 1981. Over the years he has held many positions including trustee in bankruptcy and judicial commissioner in important insolvency proceedings. Currently he holds various corporate positions including: Liquidator of Punto Azzurro Holding S.r.l.; judicial commissioner of Fonderie F.lli Mora di Giovanni S.p.A., Chairman of the Board of Statutory Auditors of Ecofert S.r.l., ATIG S.r.l., Pegasus S.p.A., CIB 95 S.r.l., Sanimet S.p.A., Girpa S.p.A., Casa dei Popolari S.r.l., Alfa Contract S.r.l., MTV Steel S.r.l., Statutory Auditor of Metamer S.r.l., Bai S.r.l., Fogliata S.p.A., Bonaldi Motori S.p.A., Bonaldi Tech S.p.A., B.V.A. Leasing S.p.A., Comfortauto S.r.l., Garda SGR S.p.A., Bonaldi S.p.A., Lorenzo Bonaldi S.r.l., Phoenix S.r.l., La Rova S.r.l.; Chairman of the Supervisory Board of Autostrade Lombarde S.p.A., Brebeni S.p.A., Atig S.r.l.; Auditor of the Industrial Association of Brescia, of the Brescia Community Foundation and the Association of Brescia Municipalities.

Positions held by the Statutory Auditors

The following table shows the partnerships and corporations in which each Fonsai auditor in office is, or has been in the five years preceding the Date of the Updated Information Document, member of the administrative, management or supervisory bodies, or holder of “qualified” shares (greater than 2% of the share capital in listed companies and 10% in unlisted companies), with information as to their status as at the Date of the Updated Information Document.

Name	Company	Office held or status as member	Status as at the Date of the Updated Information Document
Giuseppe Angiolini	ADR S.p.A.	Director	In office
	Fondiaria – SAI S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Generale Mobiliare Interessenze Azionarie S.p.A.	Director	In office
	Pellegrini S.p.A.	Director	In office
	Milano Assicurazioni S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Fisia Italimpianti S.p.A.	Chairman of the Board of Statutory Auditors	In office
	AMR S.p.A. (in liquidation)	Chairman of the Board of Statutory Auditors	Discontinued
	Efigestioni SGR S.p.A. in liq.	Chairman of the Board of Statutory Auditors	Discontinued
	Monticchio Gaudianello S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Efibanca S.p.A.	Statutory Auditor	Discontinued
	Efimmobiliare S.p.A.	Statutory Auditor	Discontinued
	Prelios S.p.A.	Director	Discontinued
Sergio Lamonica	Compagnia Italtroli S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Fondiaria – SAI S.p.A.	Statutory Auditor	In office
	Società Petroli Gioia Tauro Srl	Auditor	In office
	Meridionale Petroli S.r.l.	Auditor	In office
	Petroli Investimenti S.p.A.	Auditor	In office
	SBI SpA	Auditor	In office
	AIAF Formazione e Cultura S.r.l.	Director	Discontinued
Giorgio	Omiconsult S.r.l.	Member	Discontinued
	A & C S.p.A.	Chairman of the Board of Statutory Auditors	In office

Loli		Auditors	
	Fondiarina – SAI S.p.A.	Statutory Auditor	In office
	Coesia S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Decal-Depositi Costieri Calliope S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Finprema S.p.A.	Chairman of the Board of Statutory Auditors	In office
	G.D. S.p.A.	Chairman of the Board of Statutory Auditors	In office
	IPI S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Isoil Impianti S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Polaroid Eyewear S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Residenziale Immobiliare 2004 S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Sasib S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Parmalat S.p.A.	Statutory Auditor	In office
	Verde Moscova Soc. coop. in liq.	Statutory Auditor	In office
	Isoil Industria S.p.A.	Statutory Auditor	In office
	Maire Tecnimont S.p.A.	Statutory Auditor	In office
	Milano Assicurazioni S.p.A.	Statutory Auditor	In office
	Consorzio del Porto di Santa Teresa di Gallura	Director	In office
	Poli e Associati S.r.l.	Director	Discontinued
	Perennius Capital Partners SGR S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Unicredit S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Perennius Capital Partners Holding S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Unicredit Audit Società consortile p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Studioarte S.r.l. (in liquidation)	Chairman of the Board of Directors	Discontinued
	Acer Italy S.r.l.	Statutory Auditor	Discontinued
	Maire Tecnimont S.p.A.	Statutory Auditor	Discontinued
	Polaroid Italia S.r.l. in liquidation	Statutory Auditor	Discontinued
	URE S.c.p.A.	Statutory Auditor	Discontinued
	ITS S.p.A.	Member	In office
Maria Luisa Mosconi	Biancamano S.p.A.	Director	In office
	Fondiarina – SAI S.p.A.	Alternate Auditor	In office
	Conceria Gaiera Giovanni S.p.A.	Director	In office
	Banca Popolare di Milano S.c.a.r.l.	Supervisory Director	In office
	Green Hunter Group S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Green Hunter S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Azienda Trasporti Milanesi S.p.A.	Statutory Auditor	In office
	Campo Carlo Magno S.p.A.	Statutory Auditor	In office
	Finadin – Finanziaria di Investimenti S.p.A.	Statutory Auditor	In office
	Immobiliare Fondiaria-Sai S.r.l.	Statutory Auditor	In office
	Immobiliare Lombarda S.p.A.	Statutory Auditor	In office
	Immobiliare Milano Assicurazioni S.r.l.	Statutory Auditor	In office
	Metal Work S.p.A.	Statutory Auditor	In office
	Napoli Metro Engineering S.r.l.	Statutory Auditor	In office
	Prysmian S.p.A.	Statutory Auditor	In office
	Saiaagricola S.p.A.	Statutory Auditor	In office
	Sea Handling S.p.A.	Statutory Auditor	In office
	Società per l'Aeroporto Civile di Bergamo-Orio al Serio S.p.A.	Statutory Auditor	In office

	The Walt Disney Company Italia S.r.l.	Statutory Auditor	In office
	DOC POINT - S.r.l.	Director	Discontinued
	Super B - S.r.l.	Director	Discontinued
	Industria Tessile per l'Abbigliamento e l'Arredamento I.T.A. S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Meridiano Quinto S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Metro Engineering S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Regina Catene Calibrate S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Sai Holding Italia S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	SEA Energia S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Server S.r.l. Unipersonale	Chairman of the Board of Statutory Auditors	Discontinued
	Agenzia Mobilità Ambiente e Territorio S.r.l.	Statutory Auditor	Discontinued
	Agricar S.p.A.	Statutory Auditor	Discontinued
	BancaSai S.p.A.	Statutory Auditor	Discontinued
	Disney XD Italia S.r.l.	Statutory Auditor	Discontinued
	Malpensa Logistica Europa S.p.A.	Statutory Auditor	Discontinued
	Milano Assicurazioni S.p.A.	Statutory Auditor	Discontinued
	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Statutory Auditor	Discontinued
	Screen Service Broadcasting Technologies S.p.A.	Statutory Auditor	Discontinued
	Società per azioni Esercizi Aeroportuali S.E.A.	Statutory Auditor	Discontinued
	Sviluppo Sistema Fiera S.r.l. in liq.	Statutory Auditor	Discontinued
	Risanamento S.p.A.	Statutory Auditor	Discontinued
Giovanni Rizzardi	Fondiarica – SAI S.p.A.	Alternate Auditor	In office
	Alfa Contract S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Casa dei Popolari S.r.l.	Chairman of the Board of Statutory Auditors	In office
	GIRPA S.p.A. in liquidation	Chairman of the Board of Statutory Auditors	In office
	MTV Steel S.r.l. in liquidation	Chairman of the Board of Statutory Auditors	In office
	Tintoria Lombarda di Fasoli Aldo S.p.A.	Chairman of the Board of Statutory Auditors	In office
	B.V.A. Leasing S.p.A.	Statutory Auditor	In office
	BAI Brescia Antincendi International S.r.l.	Statutory Auditor	In office
	Bonaldi - Società per azioni	Statutory Auditor	In office
	Bonaldi Motori Tech S.p.A.	Statutory Auditor	In office
	Bonaldi Motori S.p.A.	Statutory Auditor	In office
	Fogliata S.p.A.	Statutory Auditor	In office
	Garda - Società di Gestione del Risparmio S.p.A.	Statutory Auditor	In office
	La Rova S.r.l.	Statutory Auditor	In office
	Phoenix S.r.l.	Statutory Auditor	Discontinued
	Banca Popolare di Cremona S.p.A.	Director	Discontinued
	A2A S.p.A.	Supervisory Director	Discontinued
	Pegasus S.p.A. in liquidation	Chairman of the Board of Statutory Auditors	Discontinued
	A2A Servizi alla Distribuzione S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	AbruzzoEnergia S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	ASM Distribuzione Elettricità S.r.l.	Chairman of the Board of Statutory	Discontinued

	Auditors	
ASM Energy S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
ASM Servizi S.p.A. in liquidation	Chairman of the Board of Statutory Auditors	Discontinued
Assoenergia S.p.A. in liquidation	Chairman of the Board of Statutory Auditors	Discontinued
BAS - Omniservizi S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
Ecofert S.r.l. in liquidation	Chairman of the Board of Statutory Auditors	Discontinued
Ergon Energia S.r.l. in liquidation	Chairman of the Board of Statutory Auditors	Discontinued
IMPREFIMM S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
Ostros Energia S.r.l. in liquidation	Chairman of the Board of Statutory Auditors	Discontinued
Mazzano '75 - Società Cooperativa a rl	Chairman	Discontinued
ASM Reti S.p.A.	Statutory Auditor	Discontinued
Autostrade Lombarde S.p.A.	Statutory Auditor	Discontinued
BAS.COM S.p.A.	Statutory Auditor	Discontinued
Bonaldi Tech S.p.A.	Statutory Auditor	Discontinued
BY YOU S.p.A.	Statutory Auditor	Discontinued
COBRA AMC S.p.A.	Statutory Auditor	Discontinued
Comfortauto S.r.l.	Statutory Auditor	Discontinued
Itradeplace S.p.A.	Statutory Auditor	Discontinued
Lorenzo Bonaldi - S.r.l.	Statutory Auditor	Discontinued
Metamer S.r.l. - Metanizzazione		
Meridionale Vendite	Statutory Auditor	Discontinued
Morgante S.r.l.	Statutory Auditor	Discontinued

Other senior corporate officers

The following table provides information relating to other Fonsai senior officers as at the Date of the Updated Information Document.

Name	Office	Place and date of birth
Maurizio Castellina	Head of the function “Administration, Planning and Control Operations”	Bologna, 23 October 1957
Franco Ellena	Head of “General Insurance Department”	Carignano (Turin), 21 July 1947
Roberto Giay	Head of the function “Corporate Legal and Investments”	Pinerolo (Turin). 10 November 1965
Matteo Laterza	Head of the function “Life and Finance”	Bari, 8 October 1965
Giuseppe Santella	Head of the function “Human Resources and Organization”	Avesnes sur Helpe (France), 14 March 1960
Gian Luca Santi	Head of the function “Real Estate and Diversified Companies “	Bologna, 4 September 1964

All other Fonsai senior corporate officers are domiciled for the office at the registered office of Fonsai in Turin, Corso Galileo Galilei 12.

None of the senior corporate officers have any family relationships with other senior corporate officers, with members of the boards of directors and of the statutory auditors of the Acquiring Company.

The following is a brief curriculum vitae of the other senior corporate officers, with a description of their skills and experience in running businesses.

Maurizio Castellina. After obtaining a diploma in accountancy, he began his career at Manutencoop becoming its Chief Financial Officer. From 1987 to 1988 he worked for Unifinass (later Unipol Finanziaria, now Finsoe) where he held the position of Personal Loans Office Manager. He has held various senior management and directive roles in Group companies such as Unintesa SIM S.p.A., Ifiro, Lavoro e Previdenza Service. In October 1999 he was called to manage the administrative area of Unipol Banca, of which he has been Vice General Manager - Administrative Management Area since December 2003. From May 2005 to June 2007 he held the position of Joint General Manager, from 2003 to 2007 he served as Chief Executive Officer of Unipol SGR, and from 2007 to April 2010 also Vice Chairman. From 2010 to 2013 he was Director of the Compagnia Assicuratrice Linear S.p.A.. He is currently General Manager of the Area Administration, Planning and Control and Operations of Unipol Gruppo Finanziario S.p.A., holds the position of Manager in charge of financial reporting in accordance with the provisions of Article 154-*bis* of the TUF and Article 13 of the By-laws of Unipol Gruppo Finanziario S.p.A., Head of Administration, Planning and Control, Operations of Unipol Assicurazioni S.p.A.. He also holds the offices of Director of Unipol Assicurazioni S.p.A., Unipol Banca S.p.A., Unisalute S.p.A., Centri Medici Unisalute S.r.l. and Euromilano S.p.A. and Chairman and Chief Executive Officer of Ambra Property S.r.l., Sole Administrator of Comsider S.r.l. and Covent Garden BO S.r.l.; Chairman of Unipol SGR S.p.A., Midi S.r.l., Smallpart S.p.A., Unifimm S.r.l. and Punta di Ferro S.r.l.; Chairman of APB Car Service S.r.l., Director of Atahotels S.p.A., Chairman of Auto Presto & Bene S.p.A., since 2012 Director of Fondiaria-SAI Servizi Tecnologici S.p.A., Chairman of Gruppo Fondiaria-SAI Servizi Società Consortile S.r.l., Chairman of Immobiliare Lombarda S.p.A., Director of Marina di Loano S.p.A., Director of Premafin Finanziaria – S.p.A. Holding di Partecipazioni, Director of Saiagricola S.p.A., Vice Chairman of Unipol Finance S.r.l..

Franco Ellena. From 1989 to 1998 he was Chief Commercial Officer of Previdente - Fondiaria Group, 1998-2004 Insurance Director of Meie Assicurazioni and Meieaurora Assicurazioni. From 2004 to 2005 he held the position of Commercial General Manager of Aurora Assicurazioni S.p.A.. 2006-2007 Joint General Manager of Aurora Assicurazioni S.p.A., 2008-2009 Vice Commercial General Manager of Unipol Gruppo Finanziario S.p.A., 2010-2011 Joint Commercial General Manager of UGF Assicurazioni S.p.A.. He has held various positions including: Director of Unipol Assicurazioni S.p.A., Unipol Banca S.p.A., Unisalute S.p.A., Linear Life S.p.A. and Assicoop Bologna S.p.A.. He currently holds the office of General Manager of the Insurance Business of Unipol Assicurazioni S.p.A., Chairman of Europa Tutela Giudiziaria – Compagnia di Assicurazioni S.p.A., Liguria Società di Assicurazioni S.p.A., Pronto Assistance Servizi Società Consortile e Responsabilità Limitata; Director of SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni.

Roberto Giay. He graduated in Economics at the Faculty of Economics of Turin. From 1993 to 1998 he worked at the unit “General Secretariat and Investments - Corporate Group Services” of SAI S.p.A., from 1998 to 2000 he operated as Head of “Legal and Corporate Affairs” at SIBER S.p.A. and from 2000 to 2003, following the merger of SIBER S.p.A. into the Vemer-Siber Group S.p.A., he took over the responsibility of the unit “Legal and Corporate Affairs - Investor Relations” of the same. He currently holds the position of General Manager of Legal, Corporate Affairs and Investments at Unipol Gruppo Finanziario S.p.A. where he has been working since 2003, Head of Legal, Corporate Affairs and Investments at Unipol Assicurazioni S.p.A., Fondiaria-SAI S.p.A. and Milano Assicurazioni S.p.A.; Chief Executive Officer of Premafin Finanziaria – S.p.A. – Holding di Partecipazioni, Chairman of Finadin–S.p.A. Finanziaria di Investimenti and Unipol Finance S.r.l.; Vice Chairman of Arca Assicurazioni S.p.A., Arca Vita S.p.A. and Incontra Assicurazioni S.p.A.; Vice Chairman and Chief Executive Officer of Smallpart S.p.A.; Director of Ambra Property S.r.l., Atahotels Compagnia Italiana Aziende Turistiche Alberghiere S.p.A., Centri Medici Unisalute S.r.l., Compagnia Assicuratrice Linear S.p.A., Linear Life S.p.A., Midi S.r.l., Pegaso Finanziaria S.p.A., Popolare Vita S.p.A., Punta di Ferro S.r.l., SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni, Sorin S.p.A., Unifimm S.r.l., Unipol Assicurazioni S.p.A., Unisalute S.p.A. and Vivium S.A..

Matteo Laterza. He obtained a degree in Business Economics from the Luigi Bocconi University. From 1990 to 1998 he held several important positions at Eptafund S.p.A., from 1998 to 2003 he was Investment Director of asset management at Eptafund SGR, from 2004 to 2005 he was responsible for equity portfolio management at San Paolo IMI Asset Management, from 2005 to 2008 he was Chief Investment Officer at Eurizon Vita S.p.A. and from 2009 to April 2010 he was Director of UGF Merchant S.p.A.. He currently holds the office of Head of Life Finance and Security deposits of Unipol Assicurazioni S.p.A. and General Manager of Finance Division of Unipol Gruppo Finanziario S.p.A., General Manager of Unipol SGR S.p.A., Chairman of BIM Vita

S.p.A., Liguria Vita S.p.A. and Sai Mercati Mobiliari - Società di Intermediazione Mobiliare S.p.A.; Chief Executive Officer of Popolare Vita S.p.A.; Director of Arca Assicurazioni S.p.A., Arca Vita S.p.A., Linear Life S.p.A. and Unipol Finance S.r.l..

Giuseppe Santella. He graduated in Law at the University of Milan. Over the years he has held various positions of responsibility in Human Resources and Industrial Relations at major industrial and banking/financial enterprises. Beginning his career in the Personnel Dept. and General Affairs Management of Enel, he later served as Head of Industrial Relations of Schindler Italy, from 1991 to 1993 he was Head of Industrial Relations of the former Franco Tosi of Legnano (Ansaldo Energia - Finmeccanica Group) and from January 1994 he became Personnel Manager of Ansaldo Termosud and from 1997 Chief of Staff of Ocean (BRANDT Group). From May 2001 to January 2007 he held the position of Head of Human Resources of the DEXIA Crediop banking group. Among the main positions held from 1998 to 2000, he was Representative of the General Mechanics Group in the Mechanical Industries Section and Director on the Board of Directors of the General Mechanics Group of the Industrial Association of the Province of La Spezia and from June 2000 to April 2001, Member of the Board of Federmeccanica. Since 2001 he has also been a member of the Technical Committee of Labor Legislation and Technical Committee of ABI and today a member of the Consultative Group on Industrial Relations of ANIA. He currently holds the position of Director of Human Resources and Organization of Unipol Gruppo Finanziario S.p.A., Head of Human Resources and Organization of Unipol Assicurazioni S.p.A., Vice Chairman of Linear Life S.p.A. and BancaSai S.p.A.; Director of Arca Assicurazioni S.p.A., Arca Vita S.p.A., Centri Medici Unisalute S.r.l., SIAT - Società Italiana Assicurazioni e Riassicurazioni – per azioni, Atahotels S.p.A., Marina di Loano S.p.A., Fondazione Unipolis, Unipol Banca S.p.A., of Compagnia Assicuratrice Linear S.p.A., of Unisalute S.p.A., Director of Gruppo Fondiaria – SAI Servizi S.c.r.l..

Santi Gian Luca. He graduated in Economics at the University of Bologna. Over the years he has held various positions of responsibility at important banking/finance enterprises such as Banca Commerciale Italiana, Ferruzzi Finanziaria/Montedison, Rolo Banca 1473, Banca Popolare di Novara, Banco Popolare di Verona e Novara, Banca Antonveneta and Banca Monte dei Paschi di Siena. He currently holds the position of General Manager of Real Estate and Diversified Companies of Unipol Gruppo Finanziario S.p.A., Head of Real Estate Unipol Assicurazioni S.p.A., Chairman of Immobiliare Fondiaria-SAI S.r.l., Immobiliare Milano Assicurazioni S.p.A., Marina di Loano S.p.A., Sai Investimenti Società di Gestione del Risparmio S.p.A., Villa Ragionieri S.r.l., Atahotels S.p.A., Vice Chairman of Casa di Cura Villa Donatello – S.p.A., Liguria Società di Assicurazioni S.p.A., Centro Oncologico Fiorentino Casa di Cura Villanova S.r.l., Vice Chairman and Chief Executive Officer of Immobiliare Lombarda S.p.A.; Director of Centri Medici Unisalute S.r.l., Compagnia Assicuratrice Linear S.p.A., of Unisalute S.p.A., Vivium S.A., Arca Assicurazioni S.p.A., Arca vita S.p.A., Linear Life S.p.A. and Saiagricola S.p.A. Società Agricola.

Offices held by other senior corporate officers

The following table shows the partnerships and corporations in which the other Fonsai senior corporate officers in office are, or have been in the five years preceding the Date of the Updated Information Document, members of the administrative, management or supervisory bodies, or holders of “qualified” shares (greater than 2% of the share capital in listed companies and 10% in unlisted companies), with information as to their status as at the Date of the Updated Information Document.

Name	Company	Office held or status as shareholder	Status as at the Date of the Updated Information Document
Maurizio Castellina	Comsider S.r.l.	Sole Administrator	In office
	Covent Garden BO S.r.l.	Sole Administrator	In office
	Atahotels S.p.A.	Director	In office
	Centri Medici Unisalute S.r.l.	Director	In office
	Euromilano S.p.A.	Director	In office
	Fondiaria – SAI Servizi tecnologici S.p.A.	Director	In office
	Marina di Loano S.p.A.	Director	In office
	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	In office
	Saiagricola S.p.A.	Director	In office

	Unipol Assicurazioni S.p.A.	Director	In office
	Unipol Banca S.p.A.	Director	In office
	Unisalute S.r.l.	Director	In office
	APB Car Service S.r.l.	Chairman of the Board of Directors	In office
	Auto Presto & Bene S.p.A.	Chairman of the Board of Directors	In office
	Gruppo Fondiaria – SAI Servizi Società Consortile S.r.l.	Chairman of the Board of Directors	In office
	Immobiliare Lombarda S.p.A.	Chairman of the Board of Directors	In office
	Midi S.r.l.	Chairman of the Board of Directors	In office
	Punta di Ferro S.r.l.	Chairman of the Board of Directors	In office
	Smallpart S.p.A.	Chairman of the Board of Directors	In office
	Unifimm S.r.l.	Chairman of the Board of Directors	In office
	Unipol SGR S.p.A.	Chairman of the Board of Directors	In office
	Unipol Finance S.r.l.	Vice Chairman of the Board of Directors	In office
	Ambra Property	Chairman and Chief Executive Officer	In office
	Unipol SGR S.p.A.	Chief Executive Officer	Discontinued
	Compagnia Assicuratrice Linear S.p.A.	Director	Discontinued
	SIAT - Società Italiana Assicurazioni e Riassicurazioni S.p.A.	Director	Discontinued
	UGF Private Equity SGR S.p.A.	Director	Discontinued
	Unicard S.p.A.	Director	Discontinued
	Unipol Leasing S.p.A.	Director	Discontinued
	Unipol Merchant S.p.A.	Director	Discontinued
	Agefin S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	SRS S.p.A.	Chairman of the Board of Directors	Discontinued
	Ageprest S.p.A.	Statutory Auditor	Discontinued
	CSE Consorzio Servizi Bancari	Statutory Auditor	Discontinued
	Unipol SGR S.p.A.	Vice Chairman of the Board of Directors	Discontinued
Franco Ellena	SIAT – Società Italiana Assicurazioni e Riassicurazioni – per Azioni	Director	In office
	Europa Tutela Giudiziaria - Compagnia di Assicurazioni S.p.A.	Chairman of the Board of Directors	In office
	Liguria Società di Assicurazioni S.p.A.	Chairman of the Board of Directors	In office
	Pronto Assistance S.p.A.	Chairman of the Board of Directors	In office
	Pronto Assistance Servizi Società Consortile a responsabilità Limitata	Chairman of the Board of Directors	In office
	Assicoop Bologna S.p.A.	Director	Discontinued
	Assicoop Modena & Ferrara S.p.A.	Director	Discontinued
	Linear Life S.p.A.	Director	Discontinued
	Navale Assicurazioni S.p.A.	Director	Discontinued
	Navale Vita S.p.A.	Director	Discontinued
	Unipol Assicurazioni S.p.A.	Director	Discontinued
	Unipol Banca S.p.A.	Director	Discontinued
	Unisalute S.p.A.	Director	Discontinued
Roberto Giay	Finadin – S.p.A. Finanziaria di Investimenti	Chairman of the Board of Directors	In office
	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Chief Executive Officer	In office
	Arca Assicurazioni S.p.A.	Vice Chairman of the Board of Directors	In office
	Arca Vita S.p.A.	Vice Chairman of the Board of Directors	In office
	Incontra Assicurazioni S.p.A.	Vice Chairman of the Board of Directors	In office
	Smallpart S.p.A.	Vice Chairman of the Board of Directors and CEO	In office
	Ambra Property S.r.l.	Director	In office
	Atahotels Compagnia Italiana Aziende Turistiche Alberghiere S.p.A.	Director	In office
	Centri Medici Unisalute S.r.l.	Director	In office
	Compagnia Assicuratrice Linear S.p.A.	Director	In office
	Linear Life S.p.A.	Director	In office
	Midi S.r.l.	Director	In office
	Punta di Ferro S.r.l.	Director	In office
	SIAT – Società Italiana	Director	In office

	Assicurazioni e Riassicurazioni – per Azioni		
	Unifimm S.r.l.	Director	In office
	Unipol Assicurazioni S.p.A.	Director	In office
	Unipol Finance S.r.l.	Chairman of the Board of Directors	In office
	Unisalute S.p.A.	Director	In office
	Vivium S.A.	Director	In office
	Sorin S.p.A.	Director	In office
	Popolare Vita S.p.A.	Director	In office
	Pegaso Finanziaria S.p.A.	Director	In office
	Unipol Assicurazioni S.p.A. (formerly UGF Assicurazioni)	Vice Chairman of the Board of Directors	Discontinued
	Director di Finanziaria Bolognese FI.BO. S.p.A.	Director	Discontinued
	BNL Vita S.p.A. (now BNP Paribas Cardif Vita S.p.A.)	Vice Chairman of the Board of Directors and CEO	Discontinued
	Navale Assicurazioni S.p.A.	Director	Discontinued
	SRS S.p.A.	Vice Chairman of the Board of Directors and CEO	Discontinued
	Unieuropa S.r.l.	Sole Administrator	Discontinued
	Unipol Merchant S.p.A.	Director	Discontinued
	Unipol Banca S.p.A.	Director	Discontinued
Matteo Laterza	Popolare Vita S.p.A.	Chief Executive Officer	In office
	Arca Assicurazioni S.p.A.	Director	In office
	Arca Vita S.p.A.	Director	In office
	Linear Life S.p.A.	Director	In office
	Saint George Capital Management S.A.	Director	In office
	Unipol Finance S.r.l.	Director	In office
	Unipol SGR S.p.A.	General Manager	In office
	BIM Vita S.p.A.	Chairman of the Board of Directors	In office
	Liguria Vita S.p.A.	Chairman of the Board of Directors	In office
	Sai Mercati Mobiliari – Società di Intermediazione Mobiliare S.p.A.	Chairman of the Board of Directors	In office
	BNL Vita S.p.A.	Director	Discontinued
	Unipol Merchant S.p.A.	Director	Discontinued
Giuseppe Santella	Arca Assicurazioni S.p.A.	Director	In office
	Arca Vita S.p.A.	Director	In office
	Unisalute S.p.A.	Director	In office
	Centri Medici Unisalute S.p.A.	Director	In office
	Linear Life	Vice Chairman of the Board of Directors	In office
	Compagnia Assicuratrice Linear S.p.A.	Director	In office
	Atahotels S.p.A.	Director	In office
	BancaSai S.p.A.	Vice Chairman of the Board of Directors	In office
	Gruppo Fondiaria – SAI Servizi Srl	Director	In office
	Marina di Loano S.p.A.	Director	In office
	SIAT – Società Italiana Assicurazioni e Riassicurazioni – S.p.A.	Director	In office
	Unipol Banca S.p.A.	Director	In office
	Navale Assicurazioni S.p.A.	Director	Discontinued
	Ambra Property S.r.l.	Director	Discontinued
	UGF Assicurazioni S.p.A.	Director	Discontinued
Gian Luca Santi	Compagnia Assicuratrice Linear S.p.A.	Director	In office
	Atahotels S.p.A.	Chairman of the Board of Directors	In office
	Immobiliare Fondiaria – SAI S.r.l.	Chairman of the Board of Directors	In office
	Immobiliare Milano Assicurazioni S.p.A.	Chairman of the Board of Directors	In office
	Marina di Loano S.p.A.	Chairman of the Board of Directors	In office
	Sai Investimenti Società di Gestione del Risparmio S.p.A.	Chairman of the Board of Directors	In office
	Villa Ragionieri S.r.l.	Chairman of the Board of Directors	In office
	Casa di Cura Villa Donatello S.p.A.	Vice Chairman of the Board of Directors	In office
	Centro Oncologico Fiorentino Casa	Vice Chairman of the Board of Directors	In office

di Cura Villanova S.r.l.		
Immobiliare Lombarda S.p.A.	Vice Chairman of the Board of Directors and CEO	In office
Liguria Società di Assicurazioni S.p.A.	Vice Chairman of the Board of Directors	In office
Linear Life S.p.A.	Director	In office
Saiagricola S.p.A. Società Agricola	Director	In office
Vivium S.A.	Director	In office
Unisalute S.p.A.	Director	In office
Centri Medici Unisalute S.p.A.	Director	In office
Arca assicurazioni S.p.A.	Director	In office
Arca vita S.p.A.	Director	In office
Hines Italia SGR S.p.A.	Director	Discontinued
Antoniana Veneta Popolare Ass.ne S.p.A.	Vice Chairman of the Board of Directors	Discontinued
Antoniana Veneta Popolare Vita S.p.A.	Vice Chairman of the Board of Directors	Discontinued
CO.E.M. S.p.A.	Vice Chairman of the Board of Directors	Discontinued
MPS Investments S.p.A.	Vice Chairman of the Board of Directors	Discontinued
Finest S.p.A.	Director	Discontinued

At the Date of the Updated Information Document, to the knowledge of Fonsai, none of the directors, statutory auditors and other Fonsai senior corporate officers have, over the past five years, been convicted in relation to offenses of fraud or bankruptcy or have been associated, in the discharge of their duties, with procedures of receivership or liquidation, or have been subjected to official public prosecution and/or sanctions by statutory or regulatory authorities (including designated professional associations) in the performance of their duties, or have been disqualified from administrative, management or supervisory offices of Fonsai or from the administrative or management offices of other companies, except as indicated below.

Francesco Berardini (Fonsai Director and Vice Chairman of Unipol Assicurazioni): (i) is a defendant, in his capacity as legal representative of Coop Liguria, in the criminal proceedings Reg. No. 14610/11/21 of the Public Prosecutor's Office of the Court of Genoa for the offense referred to in Arts. 426 and 449 of the Italian Criminal Code (offense of culpable damage entitled "flood, landslide or avalanche"), criminal proceedings currently pending before the Judge for the preliminary hearing of the Court of Genoa and still in the preliminary hearing stage; (ii) was convicted, in his capacity as legal representative of Coop Liguria, by criminal decree of the Court of Chiavari in criminal proceedings No. 5002993/2010/21 for the offense under Art. 5 of Law 283/62 (regulating hygiene in the production and sale of foodstuffs and beverages), against which opposition was filed.

Mario Zucchelli (Fonsai director): in relation to the position of Chairman of the Board of Directors of DICO S.p.A. covered from 27 October 2010 to 17 April 2013, received news on 2 May 2013 of a criminal lawsuit filed by the ASL (Healthcare Unit) 6 of Livorno with the Public Prosecutor's Office of Livorno, for an alleged failure to comply with work safety regulations. The Public Prosecutor in charge, on 29 May 2013, requested the dismissal of the case.

Maria Luisa Mosconi (alternate auditor of Fonsai): IVASS, by decision of 18 February 2010, ordered the removal of Ms. Maria Luisa Mosconi from the offices of alternate auditor of Fonsai and statutory auditor of Milano Assicurazioni, as she had come to be within the scope of applicability of the hindering condition pursuant to Art. 3, paragraph 4, of Ministerial Decree No. 186/1997 and Art. 45 of the IVASS Regulation No. 10/2008, as she held the position of statutory auditor in the company Helm Finance SGR S.p.A. (not part of the Fondiaria-SAI Group) placed in compulsory liquidation. Please note that the boards of directors of Fonsai and Milano Assicurazioni then in office had failed to state her removal on the assumption that the regulatory provisions mentioned above had been suspended by order of the Regional Administrative Court of Lazio issued on 27 November 2009 and in consideration of the unambiguous and constant administrative jurisprudence that had previously cancelled or suspended similar regulatory provisions relating to the banking and financial sector and to listed companies.

The interested party immediately lodged an appeal with the Regional Administrative Court of Lazio requesting the annulment of the order due to the previous suspension of the effectiveness of the IVASS measures and, as appropriate, of the regulatory provisions on the subject, which, as noted above, had already been effectively suspended by the Regional Administrative Court of Lazio. The Chairman of Section III-ter of the Regional

Administrative Court of Lazio, by a order of 5 March 2010, stating that the conditions of extreme gravity and urgency required by the regulations in force had been met, accepted the application for suspension of the measures with which IVASS had ordered the removal of the applicants from offices held in the companies. Such acceptance was confirmed by the Regional Administrative Court of Lazio by order following the Council Chamber decisions of 25 March 2010. As a result of the above, Ms. Maria Luisa Mosconi was thus reinstated in the offices of alternate auditor of Fonsai and statutory auditor of Milano Assicurazioni, an office - the latter -, which Ms. Mosconi resigned from on 26 April 2012 pursuant to paragraph 1 of Art. 36 of the Decree Law of 6 December 2011, converted into Law No. 214 of 22 December 2011 (the so-called “interlocking offices” legislation). In the Council Chamber of 17 June 2010, the Regional Administrative Court of Lazio considered the appeal filed by the person concerned to be well-founded on the merits and therefore definitively annulled Article 3, paragraph 4, of Ministerial Decree of 24 April 1997 No. 186 and Article 4 and Article 45 of the IVASS Regulation No. 10/2008, resulting in the cancelling effectiveness of the subsequent provisions of 18 February 2010 by which IVASS had, in accordance with Article 76, paragraph 2, of Legislative Decree No. 209/2005, declared the applicant’s removal from the offices held by the same.

Moreover, it should be noted that upon request of IVASS, the Board of Directors of Fonsai then in office, at its meeting of 10 May 2012, on the basis of the documentation provided by Ms. Mosconi, had in any case considered that there were no elements such as to hinder the evaluation that Ms. Mosconi was uninvolved with respect to the facts which had led to the crisis of the company Helm Finance SGR S.p.A.. Ms. Maria Luisa Mosconi, always in relation to the events that affected the above-mentioned company in regard of the office that she held within the same, was subjected to an administrative penalty of Euro 13,000, imposed by Consob on 30 September 2010, for violation of Article 40, paragraph 1, letter a), of the TUF, with regard to behavior required of asset management companies, and Articles 65, paragraph 1, letter c) and 66, paragraph 1, of Consob Resolution No. 16190/2007, in relation to the provision of collective asset management services. The aforesaid decision was appealed before the Regional Administrative Court of Lazio, before which the proceeding is still pending.

Finally, Ms. Mosconi, as a member of the board of statutory auditors pro tempore of Milano Assicurazioni, with reference to the administrative proceeding initiated by Consob on 18 December 2012 - in which the Authority, among other things, charged the then members of the board of statutory auditors of Milano Assicurazioni with numerous violations of Art. 149, paragraph 1, of the TUF (see Paragraph 1.2.16 of the Updated Information Document) – was ordered by Consob with resolution No. 18725 of 6 December 2013, to pay an administrative fine amounting to Euro 283,000.

Additional relevant information

Takeover Bid of Banca Nazionale del Lavoro

In connection with the attempted mandatory takeover bid on ordinary shares of Banca Nazionale del Lavoro S.p.A., started by UGF in July 2005, - with reference to which Consob, with resolution dated 16 April 2009, had imposed on, among others, Mr. Carlo Cimbri (Chief Executive Officer of Fonsai, Milano Assicurazioni and Unipol Assicurazioni and Director of Premafin) administrative fines totaling Euro 580,000 for the alleged violation of Arts. 122, paragraphs 1 and 5, of the TUF (relating to the disclosure of Shareholders’ Agreements) and 120 of the TUF (relating to reporting requirements of major holdings). Such sanction was subsequently annulled by the Court of Appeal of Bologna in its judgment of 18 December 2009, - it should be noted that the Court of Milan had, by order of 18 September 2009, ordered that Mr. Pierluigi Stefanini (Chairman of Premafin, Vice Chairman of Fonsai and Milano Assicurazioni, as well as director of Unipol Assicurazioni) and Mr. Carlo Cimbri in their respective capacities as Chairman and Chief Executive Officer of UGF, be committed for trial together with several other parties and representatives of other banks and of the financial world. Mr. Pierluigi Stefanini was indicted for the offense of market manipulation; Mr. Carlo Cimbri was indicted for the offense of market manipulation and interference with the exercise of the functions of public supervisory authorities. On 31 October 2011, the Ordinary Court of Milan acquitted Mr. Pierluigi Stefanini, while it recognized the criminal responsibility for the crimes attributed to Mr. Carlo Cimbri. On 30 May 2012, the Court of Appeal of Milan, second criminal section, partially amending the first-instance judgment, acquitted all of those charged with the crime of market manipulation. Mr. Carlo Cimbri was also fully acquitted of the indictment of interfering with the supervisory functions of Consob, with the formula “due to his not having committed the act”, while the conviction of the other parties charged with the same offense was confirmed.

On 6 December 2012, the (Italian) Court of Cassation, fifth Criminal section, cancelled the judgment of the Court of Appeal of Milan in the part where said judgment, partially amending the first-instance judgment, had acquitted all of those charged with the crime of market manipulation, referring the case to another section of the Milan Court of Appeal for a new trial. On 6 December 2013, as part of review trial, the Court of Appeal of Milan, third Criminal section, despite the statute of limitations of the aforementioned offense, again acquitted all parties charged with the crime of insider trading because the crime does not exist, reserving the right to file the reasons therefor by 31 January 2014. Once the reasons have been filed, the Attorney General may again appeal the ruling before the Court of Cassation.

Bank of Italy

It should be noted that as a result of the inspections carried out by the Bank of Italy at Unipol Banca in 2008, regarding the Bank's operations in the period 2005-2008, by decision of 14 October 2009, administrative fines were imposed on members of the governing, management and control bodies of Unipol Banca, including Mr. Carlo Cimbri (Chief Executive Officer of Fonsai, Milano Assicurazioni and Unipol Assicurazioni and Director of Premafin), Mr. Piero Collina (Director of Unipol Assicurazioni and Vice Chairman of Premafin), Mr. Marco Pedroni (Director of Fonsai, Unipol Assicurazioni and Premafin), Mr. Pierluigi Stefanini (Chairman of Premafin, Vice Chairman of Fonsai and Milano Assicurazioni and Director of Unipol Assicurazioni) and Mr. Roberto Chiusoli (alternate auditor of Unipol Assicurazioni), for irregularities due to deficiencies in the organization and internal controls of certain operating departments and failing to prepare surveillance reports. Unipol Banca complied with the payment of such penalties, thereafter enforcing claims against the persons concerned.

Moreover, at the conclusion of the investigation on Unipol Merchant (now merged into Unipol Banca), launched in September 2009, and which relates to the inspection of management and compliance profiles, as well as to the Bank's credit and operational risks, with a measure dated 16 November 2010, administrative fines were imposed on members of the governing, management and control bodies of Unipol Merchant, including Mr. Carlo Cimbri, for irregularities due to deficiencies in the Company's organization, internal controls and credit management, and Mr. Roberto Chiusoli for irregularities due to deficiencies in controls. Unipol Merchant complied with the payment of such penalties, thereafter enforcing claims against the persons concerned.

At the Date of the Updated Information Document, to the knowledge of Fonsai, none of the directors, statutory auditors and senior corporate officers of Fonsai have interests in potential conflict with the obligations arising from the office or position held within Fonsai or the Unipol Group. In this regard, it should be noted that the members of the governing and control bodies of Fonsai and of Unipol Group companies, in cases of resolutions in regard of, and/or execution of, transactions involving potential conflicts of interest and/or with related parties are required to comply with the applicable provisions of law and internal regulations issued pursuant to the Code of Conduct and with industry regulations designed to regulate relevant cases in terms of the existence of a specific interest in the completion of a transaction. In particular:

- pursuant to Article 2391 of the Italian Civil Code, the Directors must inform the other directors and the board of statutory auditors of any interest which, on their own account or on behalf of third parties, they may have in regard of a transaction involving the company, and such delegated bodies must refrain from carrying out the transaction with respect to which they hold such interest;
- pursuant to Article 2391-*bis* of the Italian Civil Code, the Standard 9.c.1. of the Code of Conduct, and Article 4 of Regulations for transactions with related parties, Fonsai adopted the procedure for carrying out transactions with related parties;
- pursuant to the IVASS Regulation No. 25 of 27 May 2008, Fonsai adopted specific provisions aimed at regulating the rules of procedure, the decision-making processes and the quantitative limits of intercompany transactions and transactions with related parties carried out by the same.

To the knowledge of Fonsai, it should be noted that, as at the Date of the Updated Information Document, none of the members of the board of directors and of the board of statutory auditors of Fonsai, as well as other senior corporate officers, hold shares of Fonsai, Premafin and Milano Assicurazioni, except for the alternate auditor Ms. Maria Luisa Mosconi, who owns 14,490 shares of Milano Assicurazioni S.p.A..

Moreover, Fonsai is not aware of any agreement or understanding with major shareholders, customers,

suppliers or others, based on which the members of the board of directors and of the board of auditors or any other senior corporate officers of Fonsai were chosen.

Finally, none of the members of the board of directors and of the board of statutory auditors or other senior corporate officers of Fonsai agreed to restrictions on the disposal, within a certain period of time, of any Fonsai securities that they may have held.

Regarding the disclosures required by Consob regulations (Articles 152-*sexies* et seq. of the Issuers' Regulation) as regards transparency of transactions carried out directly or through a third party by the members of the board of directors, board of statutory auditors and other "relevant parties" or by persons closely related to them (internal dealing), the board of directors of Fonsai adopted an internal procedure that, in the absence of regulatory obligations in such respect, provides for the above-mentioned persons' duty to abstain from carrying out transactions involving Fonsai shares, or financial instruments linked thereto, at certain times of the year (blocking periods) prior to the meetings of the board of directors convened to review and/or approve:

- (a) the annual draft budget and interim financial reports;
- (b) the results of the first and third quarters of each financial year;

and other specific periods established by the same board of directors or by the Chairman or by the Chief Executive Officer.

Auditing firm

Fonsai's General Meeting of 30 July 2013 resolved to appoint the Auditing firm PricewaterhouseCoopers S.p.A. with its Registered Office in Milan at Via Monte Rosa 91, as the legal auditor of the accounts for the accounting periods 2013-2021.

COMPANY RESULTING FROM THE MERGER

With respect to the governance structure of the Company Resulting from the Merger, subject to the adjustments that will be made to implement the specific corrective Measures required by IVASS (see Chapter 1, Paragraph 1.1.6 of the Updated Information Document), it is expected that UnipolSai will retain the same governance structure of the Acquiring Company as at the Date of the Updated Information Document.

Merged Companies

Premafin

Identifying elements

Premafin Finanziaria Società per Azioni - Holding di Partecipazioni S.p.A. is a stockholding company formed under Italian law, with shares issued and listed on the MTA, is subject to the activities of direction and co-ordination by UGF, pursuant to Articles 2497 et seq. of the Italian Civil Code, forming part of the Unipol Insurance Group, registered on the Registry of Insurance Groups under no. 046.

Premafin has its Registered Office in Bologna at Via Stalingrado 37, and its registration number at the Bologna Companies Register and its tax code is 07416030588 and its VAT registration number 01770971008.

Company Purposes

The Company has as its objects, the exercise, but not in dealings with the general public, of the activity of the acquisition of shareholdings in businesses, companies, bodies, consortia and associations both in Italy and abroad, the financing and technical and financial co-ordination of the same, the sale-purchase, exchange and the holding of private and public securities; the promotion and development of real estate activities including building development generally, the construction, sale-purchase, exchange, division into lots, the licensing and management, renting, leasing, and the taking on lease of real estate, works and maintenance plant. The Company will be able to acquire and conserve tangible and intangible assets in its own interests and in those of its invested companies. It will, in any case, be able to carry out all actions and operations and initiate all relations considered useful or necessary for the achievement of its Company Purposes in such form and with

such procedures as are recognized the most convenient by the Administrative body both in Italy and abroad. The Company will be entitled to provide surety and other guarantees in the interests of its invested companies whether the same are subsidiary or associated companies.

The Company cannot take on the functions of co-ordination and direction laid down by current law, against controlled insurance businesses or against businesses controlled by the latter.

The Company is part of the Unipol Insurance Group. In this capacity it is required to observe the indications UGF adopts in the exercise of the activities of direction and co-ordination for the implementation of the instructions imparted by the Insurance Supervisory Authority in the interests of a stable and efficient management of the Unipol Insurance Group. The Directors provide the Group Holding Company with all data and information for the issue of instructions.

Company share capital

At the Date of the Updated Information Document Premafin's share capital is equal to Euro 480,982,831.02, fully paid-up, divided into 2,151,580,097 ordinary shares without indication of their nominal value, of which 1,741,239,877 are not quoted.

At the Date of the Updated Information Document Premafin did not hold any of its own shares, while it did hold a total of 340,889,164 ordinary shares of the Acquiring Company representing 37.03% of the ordinary share capital, of which 302,437,718 directly, representing 32.8534% of the ordinary share capital and 38,451,446 indirectly through Finadin, representing 4.177% of the ordinary share capital.

Ownership structure and Shareholders' Agreements

For more information, see Chapter 2, Paragraphs 2.1.3 and 2.1.4 of the Updated Information Document.

Description of Business Activities

Premafin operates as a share holding company. After having held important shareholdings and assets in the real estate business, over recent years it has concentrated for the most part on the insurance sector with the shareholding in the share capital of Fonsai (with its direct holding in the ordinary share capital of 32.853% and its indirect holding of 4.177% through Finadin) and in Milano Assicurazioni (with its indirect holding in the latter company's ordinary share capital of 63.764%), continuing to carry out, through its direct and indirect subsidiaries, activities of real estate promotion and development.

Composition of the Company Bodies

Board of Directors

The board of directors of Premafin, appointed by the shareholders' meeting on 18 September 2012, supplemented on 13 November 2012 by co-option of three non-executive directors in lieu of as many resigning directors, and further modified at the shareholders' meeting held on 30 April 2013, will remain in office until the Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2014.

The members of the board of directors are as follows:

name	Office	Place and date of birth
Pierluigi Stefanini ⁽²⁾	Chairman	Sant'Agata Bolognese (Bologna), 28 June 1953
Piero Collina ^{(2) (3)}	Vice Chairman	Bologna, 24 February 1946
Roberto Giay ⁽¹⁾	Chief Executive Officer	Pinerolo (Turin), 10 November 1965
Giovanni Antonelli ⁽²⁾	Director	Trapani, 4 May 1957
Rino Baroncini ^{(2) (3) (4)}	Director	Imola (Bologna), 25 March 1957
Maurizio Castellina ⁽²⁾	Director	Bologna, 23 October 1957
Carlo Cimbri ⁽²⁾	Director	Cagliari, 31 May 1965

Silvia Cipollina ⁽²⁾⁽³⁾⁽⁴⁾	Director	Alessandria, 24 July 1961
Ernesto Dalle Rive ⁽²⁾⁽³⁾	Director	Torino, 2 December 1960
Silvia Frigo ⁽²⁾⁽³⁾⁽⁴⁾	Director	Lonigo (Vicenza), 3 May 1967
Marco Pedroni ⁽²⁾	Director	Montecchio Emilia (Reggio Emilia), 4 February 1959
Luciana Ravicini ⁽²⁾⁽³⁾⁽⁴⁾	Director	Milan, 10 January 1959
Luigi Reale ⁽²⁾⁽³⁾⁽⁴⁾	Director	Siracusa, 1 July 1955

(1) Executive Director.

(2) Non-executive Director.

(3) Independent Director pursuant to the Code of Conduct.

(4) Independent Director pursuant to Art. 148, third paragraph, of the TUF.

The members of the Board of Directors are domiciled for the office at the registered office of Premafin, in Bologna, Via Stalingrado 37.

None of the members of the board of directors have any family relationships with the other members of the board of directors, the members of the board of statutory auditors and other senior corporate officers of Premafin.

The directors in office at the Date of the Updated Information Document comply with the requirements of integrity and professionalism pursuant to the applicable laws.

The table below shows a brief curriculum vitae of each member of the Board of Directors of Premafin.

Pierluigi Stefanini. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Pietro Collina. A graduate in Political Science at the University of Bologna and registered with the Register of Auditors. In the course of his career he has been: 1973-1976 Fiscal Policy Coordinator for Lega delle Cooperative e Mutue in the Province of Bologna, 1974-1978 Vice Chairman of the Consorzio Cooperative Costruzioni, 1978-1997 Chairman of ACAM S.c.r.l., 1987-1989 Chairman of FINEC S.p.A., 1994-1998 Chairman of S.T.S. S.p.A., 2006-2010 Chairman of Autostrada Estense S.c.p.A., 1995-1997 Director of Banec S.p.A. (now Unipol Banca S.p.A.), from 2002 to April 2010 Director of Unipol Banca S.p.A., 2003-2011 Director of HERA S.p.A., 2011-2012 Director of Sesto Immobiliare S.p.A.. He currently holds a number of positions, including: Chairman of the Management Board of Consorzio Cooperative Costruzioni, Director of Holmo S.p.A., Finsoe S.p.A., Unipol Gruppo Finanziario S.p.A., Spring 2 S.r.l., Unipol Assicurazioni S.p.A. and Holcoa S.p.A..

Roberto Giay. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Giovanni Antonelli. He carries out his main activities within the Cefla Group, where he holds and has held various positions of increasing responsibility, including in its subsidiaries. Cefla is a cooperative enterprise based in Imola, operating in four different areas of business and in particular in the sectors of: civil and industrial plant technology for the recovery and production of energy, even from alternative sources (Cefla Impianti Group), set-up of outlets for modern distribution (Cefla Arredamenti Group), paint systems and drying of varnish on wood (Cefla Finishing Group) and production of equipment for the dental industry (Cefla Dental Group). In the Cefla Group, he holds the following positions: Director of Cefla Capital Services S.p.A., Chairman of the company Cefla Finishing do Brasil. Outside the Cefla Group he also holds a number of positions including Vice Chairman of Finsoe S.p.A., Vice Chairman of Unipol Gruppo Finanziario S.p.A. and Chairman and Chief Executive Officer of the company Holmo S.p.A..

Rino Baroncini. He carries out his main activities within the CESI Group, where he holds and has held various positions of increasing responsibility, including in its subsidiaries. CESI Società Cooperativa, based in Imola, is a construction company, operating throughout the country, whose business is primarily oriented to the sectors of residential, tertiary and industrial construction, transport and urban planning infrastructure, artistic and

monumental restoration and interventions to protect the environment and the territory. In addition to this activity, CESI carries significant operations in real estate, both in residential construction and in the promotion, production and placing on the market of large commercial facilities and office buildings. Inside the CESI Group he holds the positions of Chairman of Cesi Immobiliare S.r.l. and Cesi RE S.r.l., Errichten S.r.l., Trademart S.r.l., Outlet Soratte S.r.l., Parcor S.r.l., Parma Logistic S.r.l., Sirecc S.r.l., Sunny Village S.r.l., Arsenali S.r.l., HBS Immobiliare S.r.l. and Inexo S.r.l.. He holds the position of Sole Administrator of the company Torbore Real Estate S.r.l. and Vice Chairman and Chief Executive Officer of the company VTRE S.r.l.. Outside the CESI Group, he holds the position of Director of the company Pentagruppo S.p.A., Asscooper Consorzio Cooperativo, Assicoop Imola S.p.A., Consorzio Cave Scarl, Immofil S.r.l., Meridiana S.r.l. and Uicum S.r.l.; he is a member of the Board of Directors of Consorzio CO&GE and a member of the General Council of Fondazione Cassa di Risparmio Imola. He is a member of the Presidential Council of Legacoop Imola and member of the Presidency of the Italian National Association of Labor and Production Cooperatives.

Maurizio Castellina. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Carlo Cimbri. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Silvia Cipollina. A law graduate, in 1992 she earned her Ph.D. in Tax Law devoting her time to academic work. From 1992 to 2001 she held the position of Associate Professor of Tax Law at the Faculty of Economics, University of Udine; from 2001 to 2005 she was Associate Professor of Tax Law at the Faculty of Law, University of Pavia, from 2005 to 2008 temporary Full Professor of Tax Law at the same faculty; since 2008 she has been permanent Full Professor of Tax Law again in the Faculty of Law of the University of Pavia. She is also a member of the Academic Board of the PhD in Tax Law at the University of Milan “Bicocca”. Among other experiences there are the participation from 2002 to 2006 in the Advisory Committee for the enforcement of anti-avoidance rules at the Italian Revenue Service, in 2006 in the study Commission on industrial districts, from 2008 to 2011 adviser to the Minister of Economy and Finance.

Ernesto Dalle Rive. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Silvia Frigo. A law graduate, lawyer admitted to the Bar of Padua, she practices law at a law and tax firm in such city. She has extensive experience in advising on both civil and commercial contractual matters as well as in litigation at the national and international level.

Marco Pedroni. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Luciana Ravicini. She has a degree in Economics, Chartered Accountant, she has been practicing in Brescia. She is a member of the Board of Chartered Accountants of Brescia, and of the Register of Auditors, as well as the Register of Auditors of Local Authorities and the Association of Technical Consultants III commercial category instituted at the Court of Brescia. In addition to practicing as a certified public accountant at the firm of which she is a partner, which is among the first and most important ones in the regional area, and as Auditor in industrial and financial companies, she holds and has held positions within the Boards of Statutory Auditors of various companies. She holds a number of positions including Chairman of the Board of Statutory Auditors of the companies Boldarino S.p.A., Hony Investimenti S.p.A. and Valbona S.r.l.. She is Statutory Auditor of the companies Sige S.r.l., Finsippe S.r.l., Autobase S.r.l., Artebianca S.r.l., Bival S.r.l., Bonera Holding S.r.l., Bonera S.p.A., Uniqa Bonera S.r.l., Saottini Auto S.p.A., G.ECO S.r.l. and DOC Servizi Società Cooperativa. She is also a member of the Supervisory Board of the company West Energy S.p.A..

Luigi Reale. Chartered Accountant, graduated in Economics, he has practiced in Milan since 1983. He is registered with the National Board of Certified Public Accountants of Milan and with the Institute of Statutory Auditors, as well as with the Register of Technical Consultants at the Court of Milan and the Register of Criminal Experts at the Court of Milan in the corporate valuation and control sector. He has extensive experience in corporate and tax consultancy, also as an Associate of a primary international professional firm, as well as in the control and management of corporate affairs. He has held a number of management and control positions in companies belonging to important national and/or international groups and in listed

companies, including foreign companies, holding the office of Statutory Auditor or Independent Director, and, in such capacity, member of Board committees. Other assignments include the technical advice to the Public Prosecutor of Milan in criminal proceedings relating to bankruptcy proceedings and bankruptcy offenses, as well as Trustee in Bankruptcy of the Court of Milan, and Arbitrator in arbitration proceedings. In civil matters, he has also carried out a number of technical assignments as advisor to the private party and by appointment of the Court of Milan. The main offices he currently holds are: Independent Director of Biancamano S.p.A., a company in which he also holds the position of Lead Independent Director and member of the Board committees; Independent Director of Risanamento S.p.A., in which he also holds the position of member of Board committees; Chairman of the Board of Statutory Auditors of Bioera S.p.A. and Trelleborg Engineered Systems S.p.A.; Statutory Auditor of the companies Goglio S.p.A. and Energ.it S.p.A. and Director of Italconsult S.p.A..

Offices held by Directors

The following table shows the partnerships and corporations in which each director of the company in office is, or has been in the five years preceding the Date of the Updated Information Document, a member of the governing, management or supervisory bodies or owner of “qualified” shares (greater than 2% of the share capital in listed companies and 10% in unlisted companies), with information as to their status as at the Date of the Updated Information Document.

Name	Company	Office held or status as shareholder	Status as at the Date of the Updated Information Document
Pierluigi Stefanini	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Piero Collina	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Vice Chairman of the Board of Directors	In office
	CCC – Società Cooperativa	Chairman of the Management Board	In office
	Holmo S.p.A.	Director	In office
	Finsoe S.p.A.	Director	In office
	Holcoa S.p.A.	Director	In office
	Spring 2 S.r.l.	Director	In office
	Unipol Assicurazioni S.p.A.	Director	In office
	Unipol Gruppo Finanziario S.p.A.	Director	In office
	Sesto Immobiliare S.p.A.	Director	Discontinued
	Unipol Banca S.p.A.	Director	Discontinued
	Hera S.p.A.	Director	Discontinued
	Consorzio NOG.MA.	Vice Chairman of the Board of Directors	Discontinued
Roberto Giay	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Giovanni Antonelli	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	In office
	Holmo S.p.A.	Chairman and CEO	In office
	Cefla Finishing do Brasil	Chairman	In office
	Finsoe S.p.A.	Vice Chairman	In office
	Unipol Gruppo Finanziario S.p.A.	Vice Chairman	In office
	Cefla Capital Services S.p.A.	Director	In office
	Cefla Capital Services S.p.A. do Brasil	Chairman	Discontinued
	Cefla Finishing Equipment China	Chairman	Discontinued
	Cefla S.C.	Chairman	Discontinued
	Estate US	Chairman	Discontinued
	Primavera S.r.l.	Chairman	Discontinued
	Sozhou Victor Medical Equipment China	Chairman	Discontinued
	CCC - Società Cooperativa	Vice Chairman	Discontinued
	Immobiliare TRE – BI S.r.l.	Sole Administrator	Discontinued
	Nectar Imaging S.r.l.	Sole Administrator	Discontinued
	CCS FR Srl France	Director	Discontinued
Rino Baroncini	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	In office

	Arsenali S.r.l.	Chairman	In office
	Cesi Società Cooperativa	Chairman	In office
	CESI Immobiliare S.r.l.	Chairman	In office
	CESI RE S.r.l.	Chairman	In office
	Errichten S.r.l.	Chairman	In office
	HBS Immobiliare S.r.l.	Chairman	In office
	Inexo S.r.l.	Chairman	In office
	Outlet Soratte S.r.l.	Chairman	In office
	Parcor S.r.l.	Chairman	In office
	Parma Logistic S.r.l.	Chairman	In office
	Sirecc S.r.l.	Chairman	In office
	Sunny Village S.r.l.	Chairman	In office
	Trademart S.r.l.	Chairman	In office
	VTRE S.r.l.	Vice Chairman and CEO	In office
	Torbole Real Estate S.r.l.	Sole Administrator	In office
	Asscooper Cons. Cooperativo a r.l.	Director	In office
	Assicoop S.p.A.- Imola	Director	In office
	Consorzio Cave Scarl	Director	In office
	ImmoFil S.r.l.	Director	In office
	Meridiana S.r.l.	Director	In office
	Pentagruppo S.p.A.	Director	In office
	Unicum S.r.l.	Director	In office
	Fondazione Cassa di Risparmio di Imola	Member of General Board	In office
	FIN.CESI S.r.l. – Imola	Chairman	Discontinued
	Gerico Cons. Cooperativo	Vice Chairman	Discontinued
	Soped S.p.A.	Vice Chairman	Discontinued
	COOPFOND S.p.A. – Roma	Director	Discontinued
	Idea Nuova S.r.l. in liquidation	Director	Discontinued
Maurizio Castellina	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Carlo Cimbri	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Silvia Cipollina	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	In office
	Retinsieme S.r.l.	Director	In office
Ernesto Dalle Rive	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Silvia Frigo	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	In office
Marco Pedroni	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Luciana Ravicini	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	In office
	Boldarino S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Hony Investimenti S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Valbona S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Artebianca S.p.A.	Statutory Auditor	In office
	Autobase S.r.l.	Statutory Auditor	In office
	Bival S.p.A.	Statutory Auditor	In office
	Bonera Holding S.p.A.	Statutory Auditor	In office
	Bonera S.p.A. Sole Shareholder	Statutory Auditor	In office
	DOC Servizi Soc. Coop.	Statutory Auditor	In office
	Finsippe S.r.l.	Statutory Auditor	In office
	G.ECO S.r.l.	Statutory Auditor	In office
	Ostros Energia S.r.l. in liquidation	Statutory Auditor	In office
	Saottini Auto S.p.A.	Statutory Auditor	In office
	Sige S.r.l.	Statutory Auditor	In office
	Uniqa Bonera S.r.l. Sole Shareholder	Statutory Auditor	In office
	West Energy S.p.A.	Member of Supervisory Board	In office
	Citman S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Futura Energia Società Agricola Semplice	Director	Discontinued
	Icogest S.r.l.	Director	Discontinued

	Critefi S.i.m. S.p.A.	Statutory Auditor	Discontinued
	Dinamica S.p.A.	Statutory Auditor	Discontinued
	Mafeco S.r.l.	Statutory Auditor	Discontinued
	Piovani S.p.A. in liquidation	Statutory Auditor	Discontinued
	Toifin S.p.A.	Statutory Auditor	Discontinued
Luigi Reale	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	In office
	Montebello Residence S.r.l.	Shareholding of 35%	In office
	Bioera S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Trelleborg Engineered Systems Italy S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Biancamano S.p.A.	Director	In office
	Class Digital Service S.r.l.	Director	In office
	Risanamento S.p.A.	Director	In office
	E.Class S.p.A.	Director	In office
	Italconsult S.p.A.	Director	In office
	PMF News Editori S.p.A.	Director	In office
	Goglio S.p.A.	Statutory Auditor	In office
	Goglio Cofibox S.p.A.	Statutory Auditor	In office
	Rotomail S.p.A.	Statutory Auditor	In office
	Novartis Animal Health S.p.A.	Statutory Auditor	In office
	Funivie Seggiovie S. Martino S.p.A.	Statutory Auditor	In office
	Guy Carpenter & Company S.r.l.	Statutory Auditor	In office
	Lungomare Pirandello 8 S.r.l.	Statutory Auditor	In office
	PrintGraph Waterless S.p.A.	Statutory Auditor	In office
	Energ.it S.p.A.	Statutory Auditor	In office
	Retiva S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	CDD S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Del Monte Italy S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Uquifa Italia S.r.l. in liquidation	Chairman of the Board of Statutory Auditors	Discontinued
	Colore Net Europe S.r.l. in liq.	Chairman of the Board of Statutory Auditors	Discontinued
	Milano Immobiliare Finanziaria S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Immobiliare Andronica S.p.A.	Director	Discontinued
	Siram S.p.A.	Statutory Auditor	Discontinued
	Nidec Answer Drives S.r.l.	Statutory Auditor	Discontinued
	Ciba Vision S.r.l.	Statutory Auditor	Discontinued
	Gestifin S.p.A.	Statutory Auditor	Discontinued
	Lyreco Italia S.p.A.	Statutory Auditor	Discontinued
	MTV Pubblicità S.r.l.	Statutory Auditor	Discontinued
	Nidec ASI S.p.A.	Statutory Auditor	Discontinued
	Pierrel S.p.A.	Statutory Auditor	Discontinued
	Silval S.r.l.	Statutory Auditor	Discontinued
	Tungaloy Italia S.r.l.	Statutory Auditor	Discontinued
	Del Bono Aerosol S.r.l. in liq.	Statutory Auditor	Discontinued
	Edel Italia S.r.l. in liquidation	Statutory Auditor	Discontinued
	Sutor Mantellassi Luxury S.r.l. in liq.	Statutory Auditor	Discontinued
	Intermedia Broker S.p.A. in liq.	Statutory Auditor	Discontinued
	Irene S.r.l. in liq.	Statutory Auditor	Discontinued
	Provimi Italia S.r.l. in liq.	Statutory Auditor	Discontinued
	Rettagliata Servizi S.r.l.	Statutory Auditor	Discontinued

Advisory Committees for the Board of Directors

The advisory committees are the remuneration committee and the Control and Risks Committee.

In particular:

- *The remuneration committee*: is made up of three independent non-executive directors: Luigi Reale (Chairman), Silvia Cipollina and Silvia Frigo. Providing the membership of the remuneration committee complies with the Operations with Related Parties Regulations, it is also identified as the committee of independent directors that shall express its prior, reasoned opinion on resolutions (differing from those passed by the General Meeting or by the Board of Directors in the context of a total amount decided in advance by

the General Meeting) in the matter of the remuneration of directors of the Company when such remuneration, satisfying the related requirements, does not comply with the remuneration policies approved by the General Meeting.

- *Control and risks committee*: is made up of three independent non-executive directors: Silvia Cipollina (Chairman), Silvia Frigo and Luciana Ravicini. The Control and Risks Committee is also identified as the Independent Directors' Committee that shall provide its prior, reasoned opinion to be submitted to the Board of Directors for the operations with related parties of so-called "lesser importance" as defined in the Operations with Related Parties Regulations.

Manager in charge of financial reporting

The manager in charge of financial reporting is Giuseppe Nassi.

Board of Statutory Auditors

The Board of Statutory Auditors was appointed by the General Meeting of 2 May 2011, integrated with other members by the General Meeting of 18 September 2012. It will remain in office up to the approval of the Financial Statements for the 2013 accounting period. At the Date of the Updated Information Document, following the resignation of the statutory auditor Antonio D'Ambrosio and of the alternate auditor Stefano Conticello on 4 December 2013, it is composed of the following members:

Name	Office	Place and date of birth
Vittorio De Cesare	Chairman	Naples, 31 August 1935
Alessandra Trigiani ⁽¹⁾	Statutory Auditor	Foggia, 29 October 1966
Domenico Livio Trombone	Statutory Auditor	Potenza, 31 August 1960

(1) Ms. Alessandra Trigiani, former alternate auditor, took over the office of statutory auditor following the resignation of Mr. Antonio D'Ambrosio and Mr. Stefano Conticello on 4 December 2013, and will remain in office until the next annual general meeting or until the effective date of the Merger, if earlier (see press release of Premafin dated 4 December 2013).

All members of the Board of Statutory Auditors are domiciled for the office at the registered office of Premafin, in Bologna, Via Stalingrado 37.

None of the members of the supervisory board has a family relationship with the other members of the board of statutory auditors, with members of the board of directors and other senior corporate officers of Premafin.

The statutory auditors in office at the Date of the Updated Information Document were not in any of the situations of incompatibility provided for by applicable law and were in possession of the necessary requirements of eligibility, integrity and professionalism.

The following is a brief curriculum vitae of each member of the board of statutory auditors of Premafin.

Vittorio De Cesare. He has a degree in Economics, is a Certified Public Accountant, Auditor, registered with the Register of Technical Consultants at the Court of Milan. At the firm of which he is a partner, he practices as chartered accountant with particular regard to litigation. He served as Auditor of various companies, the main one being Napoletana Gas S.p.A..

Alessandra Trigiani. She has a degree in Economics, is a Certified Public Accountant and Official Auditor. As well as performing these activities, she has held and holds positions in the Boards of Statutory Auditors of various companies. She currently holds the office of Statutory Auditor of Premafin, CO.AMM. IMM. S.r.l. and ISAIA & Isaia S.p.A..

Domenico Livio Trombone. He graduated in Economics at the University of Modena, is a member of the

Board of Chartered Accountants, registered with the Register of Auditors and Partner in professional association made up of 4 partners and 3 professional staff. He is Judicial Commissioner and Liquidator in the following Arrangements with Creditors: Cibec S.p.A., Distillerie Toschi S.p.A., Ligmor S.p.A., collaborator of the Business Training School Sada Plus, member of the research commission on Boards of Statutory Auditors of the Board of Chartered Accountants of Modena, Technical Consultant in criminal proceedings against Directors and statutory auditors of listed and unlisted companies, involving corporate crime, bankruptcy and crime against property, he is also Trustee in Bankruptcy and Judicial Commissioner and Liquidator at the Court of Modena, Assistant in bankruptcy proceedings pending before the Court of Potenza, Technical Consultant at the Court of Modena in criminal and civil proceedings relating to crimes and disputes in the financial and bankruptcy sector, voluntary Liquidator, by appointment of the Chief Judge of the Court of Naples, of Biraghi Industriale S.r.l.. He was Chairman of the Board of Statutory Auditors of Arca Impresa SGR S.p.A. and Cassa di Risparmio di Cento S.p.A., and a Director of Funivie Folgarida Marilleva S.p.A.. To date, he has held various corporate positions including: Chairman of the Board of Statutory Auditors of Unipol Assicurazioni S.p.A., Systema Compagnia di Assicurazioni S.p.A., Cooperativa Immobiliare Modenese Società Cooperativa; Auditor of Unipol Gruppo Finanziario S.p.A., Arca Assicurazioni S.p.A., Arca Vita S.p.A., Popolare Vita S.p.A., Cooperare S.p.A., Coopsette Società Cooperativa, CPL Concordia Società Cooperativa, Acacia 2000 S.r.l. , Unipol Finance S.r.l.; Chief Executive Officer of Carimonte Holding S.p.A.; Sole Administrator of Torre Guiducci S.r.l., Vignoladue S.r.l., CIEC S.r.l., Chairman of the Board of Directors of Società Gestione Crediti Delta; Vice Chairman of Gradiente Sgr S.p.A.; Director of Gitani S.r.l. and Prelios Integra S.p.A..

Offices Held by the Statutory Auditors

The following table lists the partnerships and corporations, other than Premafin, in which each of the company's auditors in office is, or has been in the five years preceding the Date of the Updated Information Document, a member of the governing, management or of supervisory bodies, or holder of "qualified" shares (greater than 2% of the share capital in listed companies and 10% in unlisted companies), with information as to their status as at the Date of the Updated Information Document.

Name	Company	Office held or status as shareholder	Status as at the Date of the Updated Information Document
Vittorio De Cesare	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Chairman of the Board of Statutory Auditors	In office
	Finadin S.p.A.	Statutory Auditor	In office
Domenico Livio Trombone	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Statutory Auditor	In office
	Compagnia Italiana Esercizi Commerciali C.I.E.C. S.r.l.	Shareholding of 85%	In office
	Studio Trombone Dottori Commercialisti Ass.	Shareholding of 51%	In office
	Carimonte Holding S.p.A	Chief Executive Officer	In office
	City Contractor Società Consortile a r.l.	Director	In office
	Compagnia Italiana Esercizi Commerciali C.I.E.C. S.r.l.	Sole Administrator	In office
	Gitani S.r.l.	Director	In office
	Prelios Integra S.p.A.	Director	In office
	Società Gestione Crediti Delta S.p.A.	Chairman of the Board of Directors	In office
	Torre Guiducci S.r.l.	Sole Administrator	In office
	Vignoladue S.r.l.	Sole Administrator	In office
	Acacia 2000 S.r.l.	Statutory Auditor	In office
	Cooperare S.p.A.	Statutory Auditor	In office
	CoopSette Società Cooperativa	Statutory Auditor	In office
	CPL Concordia Società Cooperativa	Statutory Auditor	In office
	Cooperativa Immobiliare Modenese Soc. Cooperativa	Chairman of the Board of Statutory Auditors	In office
	Impresa di Investimenti Innovativi S.p.A.	Chairman of the Board of Statutory Auditors	In office

	Gradiente SGR S.p.A.	Vice Chairman of the Board of Directors	In office
	Unipol Assicurazioni S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Arca Assicurazioni S.p.A.	Statutory Auditor	In office
	Arca Vita S.p.A.	Statutory Auditor	In office
	Popolare Vita S.p.A.	Statutory Auditor	In office
	Systema Compagnia di Assicurazioni S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Unipol Gruppo Finanziario S.p.A.	Statutory Auditor	In office
	Unipol Finance S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Cambiamo S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Cassa di Risparmio di Cento S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	HSST – MO S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Ospedale di Sassuolo S.p.A.	Statutory Auditor	Discontinued
	Serenissima SGR S.p.A.	Director	Discontinued
	Gallinari S.r.l.	Director	Discontinued
	Valli di Sole Pejo e Rabbi	Director	Discontinued
	Cooperare Due S.p.A.	Statutory Auditor	Discontinued
	Tutto per l'Imballo S.p.A.	Statutory Auditor	Discontinued
	Hotel Executive S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Funivie Folgarida Marilleva S.p.A.	Director	Discontinued
	Arca Impresa Gestioni SGR S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
Alessandra Trigiani	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Alternate Auditor	In office
	Agrisolar S.r.l.	Bare ownership	In office
	Europa Communication	Shareholding of 20%	In office
	Farris S.r.l.	Shareholding of 18,5%	In office
	TRE A S.r.l.	Shareholding of 33%	In office
	CO.AMM.IMM S.r.l.	Statutory Auditor	In office
	ISAIA & Isaia S.p.A.	Statutory Auditor	In office
	Directa S.r.l.	Statutory Auditor	Discontinued
	Fiera Milano Media S.p.A.	Statutory Auditor	Discontinued
	Liette S.p.A. in liquidation	Statutory Auditor	Discontinued
	U.F.P. Italia S.r.l. in liquidation	Statutory Auditor	Discontinued

Other Senior Corporate Officers

The following table provides information concerning the General Manager of Premafin as at the Date of the Updated Information Document.

Name	Office	Place and date of birth
Andrea Novarese	General Manager	Milan, 12 August 1968

The General Manager of Premafin is domiciled for the office at the secondary office of Premafin in Milan, Via Daniele Manin 37.

The General Manager has no family relationships with the members of the board of directors and of the board of statutory auditors of Premafin.

The following is a brief curriculum vitae of the General Manager, where his expertise and experience gained in the field of business management emerge.

Andrea Novarese. Graduated in corporate finance at Bocconi University, he developed his professional experience in corporate finance at Caretti & Associati S.p.A., and thus within the private equity sector of the Mediobanca group. In 2001 he arrived at Premafin Finanziaria S.p.A. Holding di Partecipazioni holding the position of Head of Investments. Following the merger of Fondiaria Assicurazioni S.p.A. into SAI Società Assicuratrice Industriale S.p.A., he assumed responsibility for the Investments & Diversified Activities Department of Fondiaria-SAI. In April 2007 he was appointed Vice General Manager of Fondiaria-SAI, Head of the Investments and Corporate Development Dept. - M&A - and, in January 2011, he became Head of M&A and Foreign Investments. As part of his activities he is also involved in several non-profit initiatives, including the European Institute of Oncology, the Monzino Cardiology Centre and the CERBA Foundation.

Offices Held by the General Manager

The following table indicates the partnerships and corporations, other than Premafin, where the company's General Manager in office is, or has been in the five years preceding the Date of the Updated Information Document, a member of the governing, management or supervisory bodies, or holder of "qualified" shares (greater than 2% of the share capital in listed companies and 10% in unlisted companies), with information as to his status as at the Date of the Updated Information Document.

Name	Company	Office held or status as shareholder	Status as at the Date of the Updated Information Document
Andrea Novarese	Finadin S.p.A.	Chief Executive Officer	In office
	DDOR NOVI SAD	Director	In office
	Centro Cardiologico Monzino S.p.A.	Vice Chairman	Discontinued
	Fondazione Europea di Oncologia	Vice Chairman	Discontinued
	Istituto Europeo di Oncologia S.r.l.	Vice Chairman	Discontinued
	Meliorbanca S.p.A.	Vice Chairman	Discontinued
	Industria e Innovazione S.p.A.	Director	Discontinued
	Meridiano Quinto S.r.l.	Director	Discontinued
	Portofino Vetta S.r.l.	Director	Discontinued
	Alerion S.p.A.	Director	Discontinued
	Atahotels S.p.A.	Chief Executive Officer	Discontinued
	BancaSai S.p.A.	Director	Discontinued
	Bipiemme Vita S.p.A.	Director	Discontinued
	Genextra S.p.A.	Director	Discontinued
	Gilli S.r.l.	Director	Discontinued
	Igli S.p.A.	Director	Discontinued
	Impregilo S.p.A.	Director	Discontinued
	Popolare Vita S.p.A.	Director	Discontinued
	SAI Holding Italia S.p.A.	Director	Discontinued
	Saifin S.p.A.	Director	Discontinued
	Gemina S.p.A.	Director	Discontinued
	Finsai International S.A. in liquidation	Director	Discontinued
	Sainternational S.A. in liquidation	Director	Discontinued
	Sailux S.A.	Director	Discontinued

At the Date of the Updated Information Document, to the knowledge of Premafin, none of the directors, auditors, nor the General Manager, were in the last five years convicted in relation to offenses of fraud or bankruptcy nor were associated, in the discharge of their duties, with procedures of receivership or liquidation, or were subjected to official public prosecution and/or sanctions by statutory or regulatory authorities (including designated professional associations) in the performance of their duties, nor were disqualified from governing, management or supervisory offices of Premafin or from the office of direction or management of other companies, except for the following.

Director Rino Baroncini, in his capacity as Chairman of CESI, is being charged with the crime pursuant to Art. 314 of the Italian Criminal Code (entitled "embezzlement"), in the criminal trial No. 14469 /04 R.G.N.R., currently pending in the First Instance trial phase before the Court of Bologna. The dispute concerns the alleged irregular allocation, during construction activities, of excavation and road surface removal material with the scope of work under the agreement with the Municipality of Imola performed between 2000 and 2001. The charges for crime pursuant to Art. 314 of the Italian Criminal Code are being brought on the basis that, being the road a public thoroughfare - albeit built at the expense of a private entity - the manufacturers qualify as "in charge of public service". The defendant responded on the merits by stating the absolute regularity of the works also with respect to the allocation of the material in question.

With reference to Mr. Pierluigi Stefanini, Mr. Carlo Cimbri, Mr. Piero Collina and Mr. Marco Pedroni, please refer to the description in Chapter 2, Paragraph 2.1, Section "Acquiring Company" herein.

At the Date of the Updated Information Document, to the knowledge of Premafin, none of the directors, statutory auditors, or the General Manager, have interests in potential conflict with the obligations arising from the office or position held within Premafin or the Unipol Group. In this regard, it should be noted that the

members of the governing and control bodies of Premafin and of Unipol Group companies, in cases of resolutions in regard of, and/or execution of, transactions involving potential conflicts of interest and/or with related parties, are required to comply with the applicable provisions of law and internal regulations issued pursuant to the Code of Conduct and with industry regulations designed to regulate relevant cases in terms of the existence of a specific interest in the completion of a transaction. In particular:

- pursuant to Article 2391 of the Italian Civil Code, the Directors must inform the other directors and the board of statutory auditors of any interest which, on their own account or on behalf of third parties, they may have in regard of a transaction involving the company, and such delegated bodies must refrain from carrying out the transaction with respect to which they hold such interest;
- pursuant to Article 2391-*bis* of the Italian Civil Code, the Standard 9.c.1. of the Code of Conduct, and Article 4 of Regulations on transactions with related parties, Fonsai adopted the procedure for carrying out transactions with related parties;

To the knowledge of Premafin, it should be noted that, as at the Date of the Updated Information Document, none of the members of the Company's board of directors and board of statutory auditors, nor the General Manager, hold shares of Premafin, Fonsai and Milano Assicurazioni.

Moreover, Premafin is not aware of any agreement or understanding with major shareholders, customers, suppliers or others, based on which the members of the board of directors and of the board of auditors or the General Manager were chosen.

Finally, none of the members of the board of directors and of the board of statutory auditors, nor the General Manager, agreed to restrictions on the disposal, within a certain period of time, of any securities of Premafin and/or of the Acquiring Company that they may have held.

Regarding the disclosures required by Consob regulations (Articles 152-*sexies* et seq. of the Issuers' Regulation) as regards transparency of transactions carried out directly or through a third party by the members of the board of directors, board of statutory auditors and other "relevant parties" or by persons closely related to them (internal dealing), the board of directors of Premafin adopted an internal procedure that, in the absence of regulatory obligations in such respect, provides for the above-mentioned persons' duty to abstain from carrying out transactions involving Premafin shares, or financial instruments linked thereto, at certain times of the year (blocking periods) prior to the meetings of the board of directors convened to review and/or approve:

- (a) the annual draft budget and interim financial reports;
- (b) the results of the first and third quarters of each financial year;

and other specific periods established by the same board of directors or by the Chairman or by the Chief Executive Officer.

Auditing firm

Premafin's General Meeting held on 30 July 2013 decided to appoint the Auditing firm PricewaterhouseCoopers with its Registered Office in Milan at Via Monte Rosa 91, as the legal auditors of the accounts for the 2013-2021 accounting periods.

Unipol Assicurazioni

Identifying elements

Unipol Assicurazioni S.p.A. is a company with sole shareholder subject to activities of direction and co-ordination by UGF pursuant to Articles 2497 et seq. of the Italian Civil Code. It is part of the Unipol Insurance Group - registered on the Registry of Insurance Groups under no. 046.

It is authorized to carry out the business of insurance pursuant to the IVASS decree no. 2542 of 3 August 2007 (Official Gazette no. 195 of 23 August 2007) and is registered in Section I of the IVASS Registry of Businesses under no. 1.00159.

Unipol Assicurazioni has its Registered Office in Bologna at Via Stalingrado 45 and its registration number at the Bologna Companies Register, tax code and VAT registration number is 02705901201.

Unipol Assicurazioni's shares are not listed.

Company Purposes

The Company's Objects are the exercise, both in Italy and abroad, of all branches of insurance, re-insurance and capitalization permitted by the law.

The Company will also be able to manage forms of supplementary pensions pursuant to the law in force as subsequently amended and supplemented, it may initiate, constitute and manage open pension funds pursuant to Legislative Decree 21 April 1993, no. 124, as subsequently amended and supplemented and to Legislative Decree 5 December 2005, no. 252 as subsequently amended and supplemented.

Within the limits of the above activities and providing always that the same is permitted under the legislation in force governing the exercise of insurance business, the Company will be able, including through shareholdings in other companies, to carry out all operations involving moveable and immoveable property together with all financial operations considered necessary or useful for the achievement of the Company Purposes. It may also acquire, whether directly or indirectly, shareholdings in other companies with particular regard for insurance and/or re-insurance businesses, provide loans including the provision of collateral or personal security including, for example, surety and guarantees for the benefit of group companies or third parties. Finally, it will be able to take on, in any form, the representation of other Italian and foreign insurance businesses.

The Company is part of the Unipol Insurance Group. In this capacity it is required to observe the indications given by the parent company in the exercise of the activities of direction and co-ordination to implement the provisions of the Insurance Supervisory Authority in the interests of a stable and efficient management of the Unipol Group. The Directors of the company provide the parent company with all data and information necessary to the issue of instructions.

Company share capital

At the Date of the Updated Information Document Unipol Assicurazioni's share capital to equal Euro 259,056,000.00 divided into 259,056,000 registered ordinary shares each with a nominal value of Euro 1.00.

Euro 113,766,000.00 of the share capital is allocated to Non-life insurance and re-insurance business while Euro 145,290,000.00 is allocated for the Life insurance and re-insurance business.

On 8 August 2013 the Company's Extraordinary General Meeting resolved on an increase in the Company's share capital with the ingress of new divisible funds, of a total maximum amount of Euro 600 million, without share premium, to be paid in cash by the issue of new ordinary shares each with a nominal value of Euro 1.00, with related ordinary rights, to be offered in option pursuant to Article 2441 of the Italian Civil Code to the sole shareholder UGF, and to be effected on one or more occasions by the final time limit of 30 June 2014.

The completion of the above increase in share capital by Unipol Assicurazioni is intended to strengthen the asset-base of the Acquiring Company following the merger given the development programs and with a view of maintaining stable and appropriate asset levels as laid down by the law in force, but it is in any case subject to the resolutions passed for the definitive approval of the merger by the competent company bodies of each of the companies participating in the merger in accordance with the provisions of the Merger Plan and the absence of opposition from company creditors within the time limits laid down by Article 2503 of the Italian Civil Code or the overcoming of such opposition in accordance with the procedures described therein. In more detail, the aforementioned capital increase for Unipol Assicurazioni will be implemented once the aforementioned condition precedent has taken place, and in any event, before the execution of the deed of Merger pursuant to Art. 2504 of the Italian Civil Code.

At the Date of the Updated Information Document, Unipol Assicurazioni did not hold any of its own shares or shares of other companies participating in the merger.

Ownership structure and Shareholders' Agreements

For more information, see Chapter 2, Paragraphs 2.1.3 and 2.1.4 of the Updated Information Document.

Description of Business Activities

Unipol Assicurazioni's main business activities are concentrated in the insurance sectors, particularly in the damages and life sectors and supplementary pensions, particularly in the setting up and management of open and contract pension funds. Unipol Assicurazioni uses a network for the distribution of its insurance products which, as at 30 September 2013, was made up of 1,428 agencies in which there were 2,341 operating agents and 3,636 sub-agency points of sale. Unipol Assicurazioni also places its life products with the use of the bank offices of Unipol Banca and through the network of financial promoters of Simgest S.p.A. and Credit Suisse Italy S.p.A.

Composition of the Company Bodies

Board of Directors

Unipol Assicurazioni's Board of Directors was appointed by the General Meeting of the Shareholders of 24 April 2013 and will remain in office for the three-year period 2013, 2014 and 2015 up to the date of the General Meeting convened for the approval of the Financial Statements relating to the 2015 accounting period. The membership of the Board is made up of the following persons:

Name	Office	Place and date of birth
Vanes Galanti ⁽²⁾	Chairman	Imola (Bologna), 15 November 1949
Francesco Berardini ⁽²⁾	Vice Chairman	Genoa, 11 July 1947
Carlo Cimbri ⁽¹⁾	Chief Executive Officer	Cagliari, 31 May 1965
Maurizio Castellina ⁽²⁾	Director	Bologna, 23 October 1957
Piero Collina ⁽²⁾	Director	Bologna, 24 February 1946
Ernesto Dalle Rive ⁽²⁾	Director	Turin, 2 December 1960
Fabrizio Davoli ⁽²⁾	Director	Poviglio (Reggio Emilia), 21 July 1967
Vincenzo Ferrari ⁽²⁾	Director	Nonantola (Modena), 20 August 1955
Roberto Giay ⁽²⁾	Director	Pinerolo (Turin), 10 November 1965
Enrico Migliavacca ⁽²⁾	Director	Milan, 18 April 1952
Marco Minella ⁽²⁾	Director	Bologna, 24 February 1946
Giovanni Monti ⁽²⁾	Director	Ravenna, 14 February 1956
Luigi Passuti ⁽²⁾	Director	Modena, 8 March 1960
Marco Pedroni ⁽²⁾	Director	Montecchio Emilia (Reggio Emilia), 4 February 1959
Pierluigi Stefanini ⁽²⁾	Director	Sant'Agata Bolognese (Bologna), 28 June 1953

(1) Executive Director

(2) Non-Executive Director

The members of the Board of Directors are domiciled for the office at the registered office of Unipol Assicurazioni, in Bologna, Via Stalingrado 45.

None of the members of the board of directors have any family relationships with the other members of the board of directors, the members of the board of statutory auditors and other senior corporate officers of Unipol Assicurazioni.

The directors in office at the Date of the Updated Information Document comply with the requirements of integrity, professionalism and independence pursuant to applicable law.

The table below shows a brief curriculum vitae of each member of the Board of Directors of Unipol Assicurazioni.

Vanes Galanti. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document

Francesco Berardini. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Carlo Cimbri. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Maurizio Castellina. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Piero Collina. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Ernesto Dalle Rive. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Fabrizio Davoli. He has a diploma in Accounting, has developed his career in the context of cooperative enterprises. Member of the main representative bodies of the (Italian) League of Cooperatives, including the National Directorate, he was Vice Chairman of Coopsette società cooperativa from 1999 and Chairman from 2007. Currently, he holds several other positions, including : Vice Chairman of the Board of Directors of Fondazione Coopsette; Director of Finsoe S.p.A., Holmo S.p.A., Unipol Assicurazioni S.p.A., CCPL S.p.A., Comunicare S.p.A., PAR.CO. S.p.A., CCPL Consorzio Cooperative di Produzione e Lavoro Società Cooperativa, Centro Europa Ricerche S.r.l.; Member of the Supervisory Board of Consorzio Cooperative Costruzioni - CCC Società Cooperativa and Autostrada Regionale Cispadana S.p.A..

Vincenzo Ferrari. He has a diploma in Accounting and is registered with the Register of Auditors. He began his career in 1974 at Cassa di Risparmio di Modena. 1982-1989 he worked as a tax and management advisor to companies operating in the wholesale of animal products. Since 1989 he has performed various tasks on behalf of Modena Federcoop joining Coop Estense in 1997, where he is now Chief Financial Officer.

He currently holds several other positions including: Chairman of the Board of Statutory Auditors of Distribuzione Roma S.r.l., Centrale Adriatica Società Consortile a r.l., Editrice Consumatori Società Cooperativa, Sofinco S.p.A; Statutory Auditor of Coop Italia Srl, Ospedale di Sassuolo S.p.A. and Grande Distribuzione Europea; Director of Unipol Assicurazioni S.p.A., Unicard S.p.A, Finpro Società Cooperativa, Lima S.r.l., Pharmacoop Lombardia S.r.l., Pharmacoop S.p.A..

Roberto Giay. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Enrico Migliavacca. He holds a degree in Political Sciences, from 1976 to 1980 he was Organizational Head of Legacoop Lombardia, 1977-1980 Vice Chairman of Coop Servizi, 1980-1984 Vice Chairman of the Lombardy Association of Consumer Cooperatives, 1981-1990 Chairman of the Coop Fidi Consortium (financial consortium of consumer cooperatives of Lombardy), 1980-1981 Director of Feltrinelli Libra S.p.A., 1989-1994 Director of Ferrovie Nord Milano S.p.A., 1992-1995 Chairman of Avio Nord S.r.l., 1988-1992 Vice Chairman of Ipercoop Lombardia, and up to 1994 Director, 2003-2004 Chairman of the National Institute of Education of consumer cooperatives - Coop School - Montelupo Fiorentino, 2006-2007 Chairman of Euroinfocenter (a company controlled by the Chamber of Commerce, Industry, Crafts and Agriculture of Milan), 2010-2013 Director of Tecnoservicecamere S.c.p.a., 1998-2011 Director of Unipol Gruppo Finanziario S.p.A.. He currently holds a number of positions including: Chairman of the Lombardy Association of Consumer Cooperatives, Chairman of Coop Fidi C.A.T. Società Cooperativa, Vice Chairman of Coop Editrice Consumatori Società Cooperativa, Chairman of the Association of consumer cooperatives of Northeastern Italy, Vice Chairman of the national Association of consumer cooperatives Coop, Chairman of the Pension Fund for Managers of Coop consumer cooperatives, Chairman of the Assistance Fund for Managers of Coop consumer cooperatives, Director of Chamber of Commerce, Industry, Crafts and Agriculture of Milan, Member of the Board of the Chamber of Commerce, Industry, Crafts and Agriculture of Milan, Director of Unipol

Assicurazioni S.p.A., Chairman of Ecocerved S.c. a r.l., Director of Istituto Europeo di Oncologia S.r.l., Sole Administrator of M.M.Z. S.r.l..

Marco Minella. He has a diploma in accounting. He began his career with the Conad Group, of which he was Administrative Director from 1970 to 1975 and General Manager from 1976 to 1977. Since 1993 he has been Secretary General of CAMST of which he was Chairman from 1978 to 1992. Over the years he has held various positions including: 1998-2011 Statutory Auditor of Hotel Villaggio Città del Mare S.p.A. in liquidation, 2010-2012 Director of Sogecos S.p.A.. He currently holds a number of positions including: Vice Chairman of the Board of Directors and Chief Executive Officer of Holmo S.p.A.; Vice Chairman of Gerist S.r.l.; Director of Finsoe S.p.A., Unipol Assicurazioni S.p.A., Unisalute S.p.A., Day Ristoservice S.p.A., International Fairs Bologna S.p.A..

Giovanni Monti. He has a diploma as a Surveyor and is registered in the Register of Auditors. He began his career in 1978 at the Association of Agricultural Cooperatives of Ravenna of the Provincial League of Cooperatives in Ravenna and continued with assignments in the world of local cooperatives especially in the food sector and land farming, also holding representative roles in industry Federations and Leagues. Over the years he has held various positions including: 1999-2011 Chairman and Director of Federcoop Nullo Baldini Soc. Coop., 1999-2011 Director of Tax Assistance Center Romagna Marche L.N.C.M. S.r.l., 2000-2003 Director of Promosagri Soc. Coop. Agr. (Chairman 1994-2000), 2001-2011 Member of the Provincial Council of the Province of Ravenna, 2007-2011 Vice Chairman of Legacoop Emilia Romagna, 1997-2003 Director of Tecnagri Project S.r.l.. He currently holds a number of positions including: Chairman of the Board of Directors of Cometha S.c.p.a., Lima S.r.l.; Director of Unipol Assicurazioni S.p.A., Federation of Cooperatives of the Province of Ravenna S.c.p.a., Centrale Adriatica Soc Coop, Coop Sicilia S.p.A, Coopfond S.p.A., Enercoop Adriatica S.p.A., Librerie Coop S.p.A..

Luigi Passuti. He has a diploma in accounting and is registered with the Register of Auditors. He began his career in 1979 at Coop Costruzioni in the financial and accounting areas later assuming the position of chief financial officer; since 2003 he has directed the Administration, Finance and Control Dept. and since 2011 has been Chairman of the Board of Directors. Over the years he has held various positions including: 2002-2004 Director of Campeggio Città di Bologna S.r.l., 1996-2004 Statutory Auditor of CER-GAS S.c.r.l., 2009-2010 Chairman of the Board of Real Station S.r.l., 2004-2009 Director of Steelma S.p.A., 2006-2012 Statutory Auditor of Prog.Este S.p.A.. He currently holds various positions including: Chairman of the Board of Directors of Coop Costruzioni Soc. Coop., Porta Ferrara S.r.l., In.Roma.Fi. S.r.l.; Vice Chairman of the Board of Directors of Costruzioni RE S.r.l.; Director of Holmo S.p.A., Unipol Assicurazioni S.p.A., Bologna Building Società Consortile a r.l., Cento Società a r.l., Coopsud Società Consortile a r.l., Food Managers Group Immobiliare S.r.l., Immofil S.r.l., In.Coop. Società Consortile a r.l., Lavori ACER Scarl, Marconi Express S.p.A., Otto Marzo S.r.l., People Mover Società Consortile a r.l., San Cataldo Società Consortile a r.l., SO.CO.GE. Società Consortile a r.l., Uni-Village Società Consortile a r.l.; Statutory Auditor of Finanziaria Bolognese FI.BO. S.p.A..

Marco Pedroni. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Pierluigi Stefanini. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Offices Held by Directors

The following table shows the partnerships and corporations, other than Unipol Assicurazioni, in which each director of the company in office is, or has been in the five years preceding the Date of the Updated Information Document, a member of the governing, management or supervisory bodies, or holder of “qualified” shares (greater than 2% of the share capital in listed companies and 10% in unlisted companies), with information as to their status as at the Date of the Updated Information Document.

Name	Company	Office held or status as shareholder	Status as at the Date of the Updated Information Document
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Vanes Galanti	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Francesco Berardini	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Carlo Cimbri	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Maurizio Castellina	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Piero Collina	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Ernesto Dalle Rive	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Fabrizio Davoli	CCPL S.p.A.	Director	In office
	Comunicare S.p.A.	Director	In office
	PAR.CO. S.p.A.	Director	In office
	CCPL Consorzio Cooperative di Produzione e Lavoro Società Cooperativa	Director	In office
	Centro Europa Ricerche S.r.l.	Director	In office
	Consorzio Cooperative Costruzioni - CCC Società Cooperativa	Member of the Supervisory Board	In office
	Director Autostrada Regionale Cispadana S.p.A.	Director	In office
	Coopsette Società Cooperativa	Chairman of the Board of Directors	In office
	Director di Finsoe S.p.A.	Director	In office
	Fondazione Coopsette	Vice Chairman of the Board of Directors	In office
	Holmo S.p.A.	Director	In office
	P.T.V. Programmazioni Televisive S.p.A.	Director	In office
	Refincoop S.p.A.	Director	In office
	Unipol Assicurazioni S.p.A.	Director	In office
	C.C.F.S. Consorzio Cooperativo	Director	Discontinued
	Edizioni Diabasis S.r.l.	Director	Discontinued
	Mantova TV S.p.A. in liquidation	Chairman of the Board of Directors	Discontinued
Vincenzo Ferrari	Distribuzione Roma S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Finube S.p.A.	Vice Chairman of the Board of Directors	In office
	Centrale Adriatica S. c a r.l.	Chairman of the Board of Statutory Auditors	In office
	Editrice Consumatori Soc. Coop.	Chairman of the Board of Statutory Auditors	In office
	Sofinco S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Finpro Soc. Coop.	Director	In office
	Lima S.r.l.	Director	In office
	Pharmacoop Lombardia S.r.l.	Director	In office
	Pharmacoop S.p.A.	Director	In office
	Unicard S.p.A.	Director	In office
	Unipol Assicurazioni S.p.A.	Director	In office
	Coop Italia S.c. a r.l.	Statutory Auditor	In office
	Ospedale di Sassuolo S.p.A.	Statutory Auditor	In office
	Grande Distribuzione Europea	Statutory Auditor	In office
	Simgest S.p.A.	Director	Discontinued
	Modena Prima S.r.l.	Director	Discontinued
	Finsoe S.p.A.	Director	Discontinued
	Factorcoop S.p.A.	Director	Discontinued
	Apulia Supermercati S.r.l.	Chief Executive Officer	Discontinued
	3Esse S.r.l.	Director	Discontinued
	C.C.F.S. Consorzio Coop Finanziario	Director	Discontinued
Roberto Giay	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Enrico Migliavacca	Coop Fidi C..A.T. – Soc. Coop.	Chairman of the Board of Directors	In office
	Ecocerved S.c. a r.l.	Chairman of the Board of Directors	In office
	M.M.Z. S.r.l.	Sole Administrator	In office
	Unipol Assicurazioni S.p.A.	Director	In office
	Coop Editrice Consumatori	Vice Chairman of the Board of Directors	In office
	Istituto Europeo di Oncologia S.r.l.	Director	In office

	Unipol Gruppo Finanziario S.p.A.	Director	Discontinued
	Tecnoservicecamere S.c.p.a	Director	Discontinued
Marco Minella	Gerist S.r.l.	Vice Chairman of the Board of Directors	In office
	Holmo S.p.A.	Vice Chairman of the Board of Directors and CEO	In office
	Day Ristoservice S.p.A.	Director	In office
	Fiere Internazionali di Bologna S.p.A.	Director	In office
	Finsoe S.p.A.	Director	In office
	Unipol Assicurazioni S.p.A.	Director	In office
	Unisalute S.p.A.	Director	In office
	Fondiarria - SAI S.p.A.	Director	Discontinued
	Sogecos S.p.A.	Director	Discontinued
	Hotel Villaggio Città del Mare S.p.A. in liq.	Statutory Auditor	Discontinued
Giovanni Monti	Cometha S.c.p.a.	Chairman of the Board of Directors	In office
	Lima S.r.l.	Chairman of the Board of Directors	In office
	Emiliana S.r.l.	Sole Administrator	In office
	Federazione delle Cooperative della Provincia di Ravenna S.c.p.a.	Director	In office
	Centrale Adriatica Soc. Coop.	Director	In office
	Coop Sicilia S.p.A.	Director	In office
	Coopfond S.p.A.	Director	In office
	Enercoop Adriatica S.p.A.	Director	In office
	Librerie Coop S.p.A.	Director	In office
	Unipol Assicurazioni S.p.A.	Director	In office
	Pantheon S.p.A.	Sole Administrator	Discontinued
	Centro di Assistenza Fiscale Romagna Marche S.r.l.	Director	Discontinued
	Federcoop Nullo Baldini Soc. Coop.	Director	Discontinued
	Unipol Banca S.p.A.	Vice Chairman of the Board of Directors	Discontinued
	Coop Adriatica S.c. a r.l.	Vice Chairman of the Board of Directors	Discontinued
Luigi Passuti	Coop Costruzioni Soc. Coop.	Chairman of the Board of Directors	In office
	Porta Ferrara S.r.l.	Chairman of the Board of Directors	In office
	Bologna Building Società Consortile a r.l.	Director	In office
	Cento S.r.l.	Director	In office
	Coopsud Società Consortile a r.l.	Director	In office
	Costruzioni RE S.r.l.	Vice Chairman of the Board of Directors	In office
	Food Managers Group	Director	In office
	Immobiliare S.r.l.		In office
	Holmo S.p.A.	Director	In office
	ImmoFil S.r.l.	Director	In office
	In.Coop. Società Consortile a r.l.	Director	In office
	In.Roma.Fi. S.r.l.	Chairman of the Board of Directors	In office
	Lavori ACER Scarl	Director	In office
	Marconi Express S.p.A.	Director	In office
	Otto Marzo S.r.l.	Director	In office
	People Mover Società Consortile a r.l.	Director	In office
	San Cataldo Società Consortile a r.l.	Director	In office
	SO.CO.GE. Società Consortile a r.l.	Director	In office
	Uni-Village Società Consortile a r.l.	Director	In office
	Unipol Assicurazioni S.p.A.	Director	In office
	Finanziaria Bolognese FI.BO. S.p.A.	Statutory Auditor	In office
	Cooperativa Edificatrice Italia Srl	Statutory Auditor	Discontinued
	Granulati Bologna S.r.l.	Director	Discontinued
	Prog.Este. S.p.A.	Statutory Auditor	Discontinued
	Real Station S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Steelma S.p.A. in liquidation	Director	Discontinued
	Nuovo P.C.E. Sant'Orsola Società Consortile in liq.	Director	Discontinued

	Iniziativa Bologna Nord S.r.l. in liq.	Director	Discontinued
	Nuovo Comune Società Consortile a r.l. in liq.	Director	Discontinued
	Idea Nuova S.r.l. in liquidation	Director	Discontinued
	Residenziale Turisanda S.r.l. in liq.	Director	Discontinued
Marco Pedroni	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Pierluigi Stefanini	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		

Board of Statutory Auditors

The Board of Statutory Auditors was appointed by the Ordinary General Meeting of 24 April 2013 and, pursuant to law, will remain in office for the three-year period 2013, 2014 and 2015 up to the date of the General Meeting called to approve the Financial Statements relating to the 2015 accounting period. Its membership is as follows:

Name	Office	Place and date of birth
Domenico Livio Trombone	Chairman	Potenza, 31 August 1960
Piero Aicardi	Statutory Auditor	Bologna, 21 April 1959
Carlo Cassamagnaghi	Statutory Auditor	Bresso (Milan), 21 August 1939
Laura Bianchi	Alternate Auditor	Gemmano (Rimini), 1 April 1949
Roberto Chiusoli	Alternate Auditor	Bologna, 15 September 1964

All members of the Board of Statutory Auditors are domiciled for the office at the registered office of Unipol Assicurazioni, in Bologna, Via Stalingrado 45.

None of the members of the Board of Statutory Auditors have any family relationships with the other members of the Board of Statutory Auditors, with members of the board of directors and other senior corporate officers of Unipol Assicurazioni.

None of the statutory auditors in office at the Date of the Updated Information Document were found in any of the situations of incompatibility provided for by applicable law and all were in possession of the necessary requirements of eligibility, integrity, professionalism and independence.

The following is a brief curriculum vitae of each member of the Board of Statutory Auditors of Unipol Assicurazioni.

Domenico Livio Trombone. See Chapter 2, Paragraph 2.1, Section “Merged Companies” - Premafin, of the Updated Information Document.

Piero Aicardi. He holds a degree in Economics from the University of Bologna, registered with the Board of Chartered Accountants, registered with the Register of Auditors and owner of Studio Aicardi Chartered Accountants and Lawyers. He has performed, and still performs, the functions of Trustee in Bankruptcy, Judicial Commissioner, Judicial Receiver, Judicial Liquidator, Guardian, Special Receiver and Arbitrator, as well as Surveyor, Expert, Technical Consultant, both of the party to the proceedings and of the Court, in both civil and criminal litigation, for the judicial bodies: Civil and Criminal First-Instance Courts and Courts of Appeals, and for the Public Prosecutor. From 1992 to 1994 he was a member of the Advisory Committee of the National Council of Chartered Accountants in Rome for Insolvency Proceedings. To date, he has held various corporate positions including: Chairman of the Board of Statutory Auditors of Corazza S.p.A., SO.FI.MA SpA, Statutory Auditor of Unipol Assicurazioni S.p.A., Unipol SGR S.p.A., Bonfiglioli Riduttori S.p.A., CMH S.r.l.,

CO.MA.DI.S. S.p.A., Deisa Ebano S.p.A., IMA Industries S.r.l., Chairman of the Board of Directors of S.I.S.ME.R. S.r.l. Italian Studies Society of Reproductive Medicine.

Carlo Cassamagnaghi. Registered with the Register of Auditors. Partner, for over twenty years, of Reconta Touche Ross earlier and Ernst & Young; for many years, Associate Head of Audit and signer of the audit reports and financial statements for statutory purposes and of the consolidated financial statements of several major insurance and reinsurance companies, including: La Fondiaria, Milano Assicurazioni, RAS, Unipol Assicurazioni Meie, Italian Union of Reinsurance. He currently holds a number of positions including: Chairman of the Board of Statutory Auditors of Unisalute S.p.A., Auditor of Unique S.p.A., Chairman of the Board of Statutory Auditors of Medical Centers Unisalute S.r.l., Chairman of the Board of Statutory Auditors of Europa Tutela Giudiziaria – Compagnia di Assicurazioni S.p.A., Statutory Auditor of Finitalia S.p.A., Chairman of the Board of Statutory Auditors of Fondiaria -SAI Servizi tecnologici S.p.A., Chairman of the Board of Statutory Auditors of SIAT – Società Italiana Assicurazioni e Riassicurazioni – per azioni, Statutory Auditor of Unipol Banca, Chairman of the Board of Statutory Auditors of Liguria Vita S.p.A., Statutory Auditor of Secretary Plus S.p.A., Chairman of the Board of Statutory Auditors of Liguria Società di Assicurazioni S.p.A., Statutory Auditor of Unipol Assicurazioni S.p.A., Statutory Auditor of S – Plus S.p.A. in liquidation.

Laura Bianchi. She holds a degree in Economics from the University of Bologna, registered with the Board of Chartered Accountants and registered with the Register of Auditors. From 1974 to 1983 she served as a legal, tax and corporate law consultant at the Office of Tax Assistance of the League of Cooperatives in Bologna. Since 1984 she has been a freelance Chartered Accountant. She held the office of Auditor of the Audit Committee of the Municipality of Crespellano in the period 1991-1994 and Chairman of said Board in the three years from 1994 to 1997. She has held the position of Chairman of the Audit Committee of the Municipality of Monte San Pietro from 1997 to 2003 and the Municipality of Bazzano 1997-2003. To date, she has held various corporate positions including: Chairman of the Board of Statutory Auditors of Smallpart S.p.A., Statutory Auditor of Finsoe S.p.A., Ambra Property S.r.l., Auto Presto e Bene S.p.A., Casa di Cura Villa Donatello S.p.A., Medical Centers Unisalute S.r.l., Linear Life S.p.A., Pegaso Finanziaria S.p.A., Midi S.r.l., Punta di Ferro S.r.l., Refin S.p.A., Unifimm S.r.l., Unisalute S.p.A., Hotel Villaggio Città del Mare S.p.A, in liquidation.

Roberto Chiusoli. He graduated in Economics at the University of Bologna, is registered with the Board of Chartered Accountants and with the Register of Auditors. From 1989 to 1991 he worked in the field of taxation at an associated legal and tax consulting firm; from 1991 to 1996 he carried out the audit and certification of financial statements with the Company Uniaudit S.p.A., becoming tax audit manager therein. Also in this area, he has collaborated with the independent auditing firm Ernst & Young. Since 16 September 1996 he has been a manager of Legacoop Bologna with the office of head of tax assistance and tax services coordinator of Legacoop Emilia Romagna. He is a member of the supervisory board of some companies. To date, he has held various corporate positions including: Chairman of the Board of Statutory Auditors of Unipol Banca S.p.A., Granarolo S.p.A., Camst S.c.a.r.l., Unipol Gruppo Finanziario S.p.A., BancaSai S.p.A., Casa di Cura Villa Donatello S.p.A., Member of the Supervisory Board of Manutencoop Facility Management S.p.A. and CCC Soc.coop.; Statutory Auditor of Immobiliare di Grande Distribuzione S.p.A., Atahotels S.p.A., HPS S.p.A., Compagnia Assicuratrice Linear S.p.A., De Toschi S.p.A., Linear life S.p.A., Sacmi Imola S.C. and Unipol Finance S.r.l..

Offices Held by Statutory Auditors

The following table shows the partnerships and corporations, other than Unipol Assicurazioni, in which each auditor of the company in office is, or has been in the five years preceding the Date of the Updated Information Document, a member of the governing, management or supervisory bodies, or holder of “qualified” shares (greater than 2% of the share capital in listed companies and 10% in unlisted companies), with information as to their status as at the Date of the Updated Information Document.

Name	Company	Office held or status as shareholder	Status as at the Date of the Updated Information Document
Domenico Livio Trombone	See Chapter 2, Paragraph 2.1, Section “Merged Companies” - Premafin, of the Updated Information Document		
Piero	S.I.S.ME.R. S.r.l. Società	Chairman of the Board of Directors	In office

Aicardi	Italiana Studi Medicina della Riproduzione		
	Corazza S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Esi Italia S.r.l.	Chairman of the Board of Statutory Auditors	In office
	SO.FI.M.A. S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Carofede S.r.l.	Sole Administrator	In office
	Bonfiglioli Riduttori S.p.A.	Statutory Auditor	In office
	CMH S.r.l.	Statutory Auditor	In office
	CO.MA.DI.S. S.p.A.	Statutory Auditor	In office
	Deisa Ebano S.p.A.	Statutory Auditor	In office
	IMA Industries S.r.l.	Statutory Auditor	In office
	Unipol Assicurazioni S.p.A.	Statutory Auditor	In office
	Unipol SGR S.p.A.	Statutory Auditor	In office
	Emil Europe'92 S.r.l. in liq.	Statutory Auditor	In office
	OPM S.p.A.	Statutory Auditor	Discontinued
	RC S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Sympak Corazza S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	UGF Private Equity S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Amola IA S.r.l.	Chairman of the Board of Directors	Discontinued
	Costructa S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Dida Immobiliare e Finanziaria S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	IMA Industrie Macchine Automatiche S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	MP S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Poggi Trasmissioni Meccaniche S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Serviè S.r.l.	Director	Discontinued
	Allestimenti Sabatini S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Arnest S.p.A.	Director	Discontinued
	Michelangela S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	IMA Life S.p.A.	Statutory Auditor	Discontinued
	Safe S.p.A.	Statutory Auditor	Discontinued
	Infracom Consulting S.p.A.	Statutory Auditor	Discontinued
	Alpatec S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Sesto Immobiliare S.p.A.	Director	Discontinued
	Chiesaccia Holding S.r.l.	Chairman of the Board of Directors	Discontinued
Carlo Cassamagnaghi	Unipol Assicurazioni S.p.A.	Statutory Auditor	In office
	Unisalute S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Europa Tutela Giudiziaria – Compagnia di Assicurazioni S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Finitalia S.p.A.	Statutory Auditor	In office
	Fonditaria - SAI Servizi Tecnologici S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Liguria Società di Assicurazioni S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Liguria Vita S.p.A.	Chairman of the Board of Statutory Auditors	In office
	SIAT – Società Italiana Assicurazioni e Riassicurazioni – per azioni	Chairman of the Board of Statutory Auditors	In office
	Unipol Banca	Statutory Auditor	In office
	Secretary Plus S.p.A.	Statutory Auditor	In office
	Centri Medici UniSalute S.r.l.	Chairman of the Board of Statutory	In office

	S – Plus S.p.A. in liquidation	Auditors	In office
	Start People S.p.A	Statutory Auditor	Discontinued
	Collocare S.r.l.	Statutory Auditor	Discontinued
	Arca Assicurazioni S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	BNP Paribas Vita Compagnia di Assicurazione e Riassicurazione S.p.A.	Statutory Auditor	Discontinued
	Creditras S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Allianz Telematics S.p.A.	Statutory Auditor	Discontinued
	CREYF'S Select in liquidation	Statutory Auditor	Discontinued
	Villa la Pagliaia S.r.l.	Statutory Auditor	Discontinued
	RB Vita S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Borgo San Felice S.r.l.	Statutory Auditor	Discontinued
	Agricola San Felice S.p.A.	Statutory Auditor	Discontinued
	Unipol Merchant S.p.A.	Statutory Auditor	Discontinued
	Bernese S.p.A. in Liquidazione	Chairman of the Board of Statutory Auditors	Discontinued
Laura Bianchi	Ambra Property S.r.l.	Statutory Auditor	In office
	Auto Presto e Bene S.p.A,	Statutory Auditor	In office
	Casa di Cura Villa Donatello S.p.A,	Statutory Auditor	In office
	Centri Medici Unisalute S.r.l.	Statutory Auditor	In office
	Finsoe S.p.A,	Statutory Auditor	In office
	Linear Life S.p.A,	Statutory Auditor	In office
	Pegaso Finanziaria S.p.A,	Statutory Auditor	In office
	Midi S.r.l.	Statutory Auditor	In office
	Punta di Ferro S.r.l.	Statutory Auditor	In office
	Refin S.p.A,	Statutory Auditor	In office
	Smallpart S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Unifimm S.r.l.	Statutory Auditor	In office
	Unisalute S.p.A,	Statutory Auditor	In office
	Hotel Villaggio Città del Mare S.p.A, in liq.	Statutory Auditor	In office
	Linear S.p.A.	Statutory Auditor	Discontinued
	Holmo S.p.A.	Statutory Auditor	Discontinued
Roberto Chiusoli	CCC Società Cooperativa	Supervisory Director	In office
	BancaSai S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Atahotels S.p.A.	Statutory Auditor	In office
	Camst Soc. Coop a r.l.	Chairman of the Board of Statutory Auditors	In office
	Casa di Cura Villa Donatello S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Sacmi Imola S.C.	Statutory Auditor	In office
	Compagnia Assicuratrice Linear S.p.A.	Statutory Auditor	In office
	Granarolo S.p.A.	Chairman of the Board of Statutory Auditors	In office
	De Toschi S.p.A.	Statutory Auditor	In office
	Linear Life S.p.A.	Statutory Auditor	In office
	HPS S.p.A.	Statutory Auditor	In office
	IGD SIIQ S.p.A.	Statutory Auditor	In office
	Unipol Banca S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Manutencoop Facility Management S.p.A.	Supervisory Director	In office
	Unipol Gruppo Finanziario S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Unipol Finance S.r.l.	Statutory Auditor	In office
	Banca di Bologna	Statutory Auditor	Discontinued
	Iniziative Bologna Nord S.r.l. – in liquidation	Statutory Auditor	Discontinued

Holmo S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
Unipol Merchant S.p.A.	Statutory Auditor	Discontinued
Unisalute S.p.A.	Statutory Auditor	Discontinued
Scenario S.r.l.	Statutory Auditor	Discontinued

Other Senior Corporate Officers

The following table provides information relating to other senior corporate officers of Unipol Assicurazioni at the Date of the Updated Information Document.

Name	Office	Place and date of birth
Maurizio Castellina	Head of Administration, Planning and Control, Operations	Bologna, 23 October 1957
Franco Ellena	General Manager of Insurance Area	Carignano (Turin), 21 July 1947
Roberto Giay	Head of Legal, Corporate Affairs and Investments	Pinerolo (Turin), 10 November 1965
Matteo Laterza	Chief Financial Officer, Life and Security Deposits	Bari, 8 October 1965
Giuseppe Santella	Head of Human resources and Organization	Avesnes Sur Helpe (Frosinone), 14 March 1960
Santi Gian Luca	Head of Real Estate	Bologna, 4 September 1964

All senior corporate officers of Unipol Assicurazioni are domiciled for the office at the registered office of Unipol Assicurazioni Bologna, Via Stalingrado 45.

None of the senior corporate officers have any family relationships with other senior corporate officers, with members of the board of directors and of the board of statutory auditors of Unipol Assicurazioni.

The following is a brief curriculum vitae of the senior corporate officers, wherefrom their expertise and skills gained in the field of business management emerge.

Maurizio Castellina. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Franco Ellena. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Roberto Giay. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Matteo Laterza. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Giuseppe Santella. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Gian Luca Santi. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Offices Held by Senior Corporate Officers

The following table shows the partnerships and corporations in which each senior corporate officer of the Company in office is, or has been in the five years preceding the Date of the Updated Information Document, a member of the governing, management or supervisory bodies or a holder of “qualified” shares (greater than 2% of the share capital in listed companies and 10% in unlisted companies), with information as to their status as at the Date of the Updated Information Document.

Name	Company	Office held and status as shareholder	Status as at the Date of the Updated Information Document
Maurizio Castellina		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document	
Franco Ellena		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.	
Roberto Giay		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.	
Matteo Laterza		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.	
Giuseppe Santella		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.	
Santi Gian Luca		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.	

At the Date of the Updated Information Document, to the knowledge of Unipol Assicurazioni, none of the directors, statutory auditors, or any of the senior corporate officers, were in the last five years convicted in relation to offenses of fraud or bankruptcy nor were associated, in the discharge of their duties, with procedures of receivership or liquidation, or were subject to official public prosecution and/or sanctions by statutory or regulatory authorities (including designated professional associations) in the performance of their duties, nor were disqualified from governing, management or supervisory offices of Unipol Assicurazioni or from the office of direction or management of other companies, except for the following.

The director Fabrizio Davoli, in his capacity as legal representative of Coopsette società cooperativa, was convicted by a judgment of the Court of First Instance of Forlì on 22 October 2011 for violation of Art. 44 letter b) of Presidential Decree 380/01 (regulating construction activities), with sentencing in lieu thereof with a monetary penalty pursuant to Art. 53 Law 689/81, amounting to Euro 2,280 plus payment of the corresponding fine of Euro 8,000. The appeals to the Court of Appeal of Bologna were lodged on 29 April 2011 and 2 May 2011.

The director Luigi Passuti, in his capacity as director of the company Steelma S.p.A. in liquidation and under creditor arrangement before the courts, was associated with the composition procedure for the same company.

With reference to Mr. Pierluigi Stefanini, Mr. Carlo Cimbri, Mr. Francesco Berardini, Mr. Piero Collina, Mr. Marco Pedroni and Mr. Roberto Chiusoli please refer to the description in Chapter 2, Paragraph 2.1, Section “Acquiring Company” herein.

At the Date of the Updated Information Document, to the knowledge of Unipol Assicurazioni, none of the directors, statutory auditors, or senior corporate officers, have interests in potential conflict with the obligations arising from the office or position held within Unipol Assicurazioni or the Unipol Group. In this regard, it should be noted that the members of the governing and control bodies of Unipol Assicurazioni and of Unipol Group companies, in cases of resolutions in regard of, and/or execution of, transactions involving potential conflicts of interest and/or with related parties are required to comply with the applicable provisions of law and internal regulations issued pursuant to the Code of Conduct and with industry regulations designed to regulate relevant cases in terms of the existence of a specific interest in the completion of a transaction. In particular:

- pursuant to Article 2391 of the Italian Civil Code, the Directors must inform the other directors and the board of statutory auditors of any interest which, on their own account or on behalf of third parties, they may have in regard of a transaction involving the company, and such delegated bodies must refrain from carrying out the transaction with respect to which they hold such interest;

- pursuant to IVASS Regulation No. 25 of 27 May 2008, Unipol Assicurazioni has adopted specific provisions aimed at regulating the rules of procedure, decision-making processes and quantitative limits of intercompany transactions and transactions with related party carried out by the same.

Moreover, Unipol Assicurazioni is not aware of any agreement or understanding with major shareholders, customers, suppliers or others, based on which the members of the board of directors and of the board of auditors or the senior corporate officers were chosen.

To the knowledge of Unipol Assicurazioni, it should be noted that, as at the Date of the Updated Information Document, none of the members of the Company's board of directors and board of statutory auditors, nor the other senior corporate officers, held shares of Premafin, Fonsai and Milano Assicurazioni.

Finally, none of the members of the board of directors and of the board of statutory auditors, nor the corporate officers, agreed to restrictions on the disposal, within a certain period of time, of any securities of Unipol Assicurazioni and/or of the Acquiring Company that they may have held.

Regarding the disclosures required by Consob regulations (Articles 152-*sexies* et seq. of the Issuers' Regulation) as regards transparency of transactions carried out directly or through a third party by the members of the board of directors, board of statutory auditors and other "relevant parties" or by persons closely related to them (internal dealing) of Unipol Assicurazioni, as UGF's main subsidiary pursuant to the internal procedure adopted by UGF itself, it is provided that the above-mentioned persons abstain from carrying out transactions involving UGF shares, or financial instruments linked thereto, at certain times of the year (blocking periods) prior to the meetings of the Unipol Assicurazioni board of directors convened to review and/or approve:

- (a) the annual draft budget;
- (b) interim/half yearly reporting package;
- (c) preliminary and budget data;

and other specific periods established by the same board of directors or by the Chairman or by the Chief Executive Officer of UGF.

Auditing firm

Unipol Assicurazioni's Ordinary General Meeting held on 26 April 2012 resolved to appoint the Auditing firm PricewaterhouseCoopers S.p.A. with its Registered Office in Milan at Via Monte Rosa 91, as the company's legal auditor of accounts for the accounting periods 2012 – 2020.

Milano Assicurazioni

Identifying elements

Milano Assicurazioni S.p.A. is a stockholding company formed under Italian law which has issued ordinary and savings shares listed on the MTA. It is subject to the activities of direction and co-ordination of UGF, pursuant to Articles 2497 et seq. of the Italian Civil Code. It is part of the Unipol Insurance Group, registered with the Registry of Insurance groups under no. 046.

Milano Assicurazioni is authorized to exercise insurance business activities pursuant to Ministerial Decree of 26 November 1984 published in the Ordinary Supplement no. 79 of the Official Gazette no. 357 of 31 December 1984 and registered in Section I of the Registry of Businesses maintained at IVASS under no. 1.00010. I of the Registry of Businesses maintained at IVASS under no. 1.00010.

Milano Assicurazioni has its Registered Office in Milan at via Senigallia 18/2 and its registration number at the Milan Companies Register, tax code and VAT registration number is 00957670151.

Company Purposes

The Company Purposes both for Italy and abroad are the following:

- The exercise of the business of insurance on human life in its various forms and combinations including capitalization, returns on life interests and any other insurance complimentary or relevant to life insurance;
- The exercise of any insurance different from the above;

- The exercise of re-insurance of any kind;
- The management of all forms of supplementary pensions under the current legislation together with the setting up of open pension funds and the conduct of activities accessory, or functional, to the management of pension funds;
- The acquisition of shareholdings or the representation of companies and offices operating exclusively, principally or in a secondary manner in the insurance or re-insurance field;
- The management, whether or not reciprocally, of one or more sectors or services for third parties;
- The conduct of any other operation and the acquisition of any other shareholding which is considered useful or appropriate for the Company Purposes.

The Company is part of the Unipol Insurance Group. In this capacity it is required to observe the indications given by the parent company in the exercise of the activities of direction and co-ordination to implement the provisions of the Insurance Supervisory Authority in the interests of a stable and efficient management of the Unipol Group. The Directors of the company provide the parent company with all data and information necessary to the issue of instructions.

Company share capital

At the Date of the Updated Information Document, Milano Assicurazioni's share capital is equal to Euro 373,682,600.42 divided into a total number of 1,944,800,842 shares without an indication of their nominal value of which 1,842,334,571 were ordinary shares and 102,466,271 were savings shares.

Euro 335,596,286.47 of the share capital is allocated for Non-life insurance business and Euro 38,086,313.95 is allocated to Life insurance business.

At the Date of the Updated Information Document, Milano Assicurazioni directly holds (i) 6,764,860 of its own ordinary shares, equal to 0.367% of the ordinary social capital, (ii) 99,825 ordinary shares of the Acquiring Company, equal to 0.011% of the ordinary social capital of the latter and (iii) 9,157,710 ordinary shares of Premafin, representing 0.425% of the latter's ordinary capital.

Ownership structure and Shareholders' Agreements

For further information, see Chapter 2, Paragraphs 2.1.3 and 2.1.4 of the Updated Information Document.

Description of Business Activities

Milano Assicurazioni is a first rank operator in the Italian insurance market, directly and indirectly active in the non-life and life insurance sectors, particularly through Liguria Assicurazioni S.p.A., Dialogo Assicurazioni S.p.A. and Systema Compagnia di Assicurazioni S.p.A., with consolidated annual premiums amounting of more than Euro 3,600 million and a sales network of more than 2,000 broking agencies operating throughout Italy.

The Milano Assicurazioni Group also operates in the real estate business, principally through the real estate companies Milano Assicurazioni S.r.l., Sintesi Seconda S.r.l. and Campo Carlo Magno S.p.A. It also holds all the units in the closed real estate fund Athens R.E. Fund set up and managed by its invested company SAI Investimenti SGR S.p.A. It operates in the other activities sector through the company Sogeint S.r.l. Milano Assicurazioni offers a complete and up-to-date range of insurance products for protection in all risk sectors, for savings and for supplementary pensions.

Composition of the Company Bodies

Board of Directors

Milano Assicurazioni's Board of Directors was appointed by the General Meeting of the Shareholders of 29 April 2013 for the 2013, 2014 and 2015 accounting periods, and thus, until the approbation of the 2015 financial statements.

The members of the Board are as follows:

Name	Office	Place and date of birth
Fabio Cerchiai ⁽²⁾	Chairman	Florence, 14 February 1944
Pierluigi Stefanini ⁽²⁾	Vice Chairman	Sant'Agata Bolognese (Bologna), 28 June 1953
Carlo Cimbri ⁽¹⁾	Chief Executive Officer	Cagliari, 31 May 1965
Carla Angela ⁽²⁾⁽³⁾⁽⁴⁾	Director	Rome, 28 November 1938
Gianluca Brancadoro ⁽²⁾⁽³⁾⁽⁴⁾	Director	Napoli, 8 September 1956
Cristina De Benetti ⁽²⁾⁽³⁾⁽⁴⁾	Director	Treviso, 29 April 1966
Daniele Ferrè ⁽²⁾⁽⁴⁾	Director	Busto Arsizio (Varese), 27 February 1956
Germana Ravaioli ⁽²⁾⁽³⁾⁽⁴⁾	Director	Ravenna, 30 May 1957
Antonio Rizzi ⁽²⁾⁽³⁾⁽⁴⁾	Director	Naples, 14 December 1965

(1) Executive Director.

(2) Non-Executive Director.

(3) Independent Director pursuant to the Code of Conduct.

(4) Independent Director pursuant to Art. 148, third paragraph, of the TUF.

The members of the Board of Directors are domiciled for the office at the registered office of Milano Assicurazioni, in Milan, Via Senigallia 18/2.

None of the members of the board of directors have any family relationships with the other members of the board of directors, the members of the board of statutory auditors and other senior corporate officers of Milano Assicurazioni.

The directors in office at the Date of the Updated Information Document comply with the requirements of integrity, professionalism and independence pursuant to applicable law.

The table below shows a brief curriculum vitae of each member of the Board of Directors of Milano Assicurazioni.

Fabio Cerchiai. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Pierluigi Stefanini. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Carlo Cimbri. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Carla Angela. She holds a degree in Actuarial Science from the Sapienza University of Rome, Full Professor at the same University, Faculty of Economics until 2009. Since 1964 she has been registered with the National Board of Actuaries of which she was Chairman from 2010 to 20 November 2013. She has worked as a consultant for Life and Non-Life Insurance Companies and participated in working groups for the Supervisory Authorities in relation to the ratification of European Directives for Life Insurance, the rates for motor-vehicle third-party liability, the Appointed Actuary and the Actuary Auditor. She also held important positions from 1978 to 2012 at the *Groupe Consultatif Actuariel Europeen* - of which she was Chairman from 1991 to 1993, and is currently Honorary President. She is currently member of the Board of the Italian Institute of Actuaries - of which she was Chairman from 1999 to 2007 and where she has held significant offices since 1968 - Chief Executive Officer of the *International Actuarial Association*, a member of the AFIR/ERM Section Committee of the *International Actuarial Association*.

Gianluca Brancadoro. He obtained a law degree from the University of Rome. From 1993 to 1994 he was Vice Commissioner of Federconsorzi; in 1995 he was a member of the scientific committee for the reform of

bankruptcy law, in 1996 he was appointed liquidator of Professione e Finanza SIM, in 1998 he was appointed liquidator of Banca Etrusca Salernitana, in 2002 he was appointed Chairman of the Supervisory Board of Banca di Pistoia in extraordinary administration, from 2003 to 2005 he was a member of the Ministerial Committee on company Law Reform, from 2005 to 2009 he was a Director of ISVAP, in 2011 he was appointed liquidator of Européenne de Gestion Privée S.A.. He currently holds the position of Chairman of the Supervisory Board of Gruppo Tirrenia Navigazione under extraordinary administration; Special Commissioner of the Alitalia Group - Linee Aeree Italiane in extraordinary administration and Banca Popolare di Spoleto in extraordinary administration.

Cristina De Benetti. She obtained a law degree from the University of Trieste, a degree in Economics from the University of Venice Ca' Foscari and holds a PhD in Administrative Law. Associate Professor of Public Law - Administrative Law at the University of Venice Ca' Foscari. Admitted to practice as a lawyer, an Advocate in the Supreme Court admitted to the Bar of Treviso. From 2004 to 2009 she held the position of external Coordinator of the (Italian) Attorney General's Office in the Province of Venice. She currently holds the position of legal adviser to Fondazione di Venezia; Secretary of the Board of Directors Fondazione di Venezia and the operating company Polymnia S.r.l..

Daniele Ferrè. He holds a diploma in Accountancy and subsequently ISEF (i.e. physical education). He has been registered with the Register of Auditors since 1995. From 1992 to 1995 he was Auditor of Luino Gottardo S.p.A., from 1990 to 1993 Statutory Auditor of ESSEAEFFE S.r.l., from 1983 to 1985 Statutory Auditor of Coop Edificatrice di Produzione e Lavoro S.c.a.r.l., from 2009 to 2011 Chairman of the Board of Statutory Auditors of Milano Sud S.r.l., from 1985 to 1991 Director and Vice Chairman of Coop Edificatrice S.c.a.r.l., from 1992 to 1999 Director of Coop Unione S.c.a.r.l., from 1988 to 1993 Director of Coop Lombardia S.c.a.r.l., from 1983 to 1996 Director of La Contrada S.c.a.r.l., from 1990 to 1993 Director of Nord Busto S.p.A., from 1989 to 1996 Director of Prosercoop S.c.a.r.l., from 1991 to 1995 Director of C.E.DOC. S.p.A., from 1992 to 1993 Director of Bonolatours S.r.l., from 1997 to 2003 Sole Administrator of Immobiliare FRASSINO S.r.l., from 2000 to 2008 Director of Sviluppo Metropoli SVI.ME. S.r.l., from 2004 to 2006 Sole Administrator of Immobiliare Larice S.r.l., from 2001 to 2007 Sole Administrator of Immobiliare Gallarate 86 S.r.l., from 2001 to 2011 Director of Immobiliare Betulla S.r.l., from 2008 to 2011 Sole Administrator of Opera Center S.r.l. and Immobiliare Gran Rondò S.r.l.. He currently holds the position of Statutory Auditor of the Civic Pharmacies Desio S.p.A., Coop Fidi S.r.l., Civic Pharmacies of Bergamo S.p.A.; Director of G.S.C. General Shopping Center 2 S.r.l., Ipercoop Sicilia S.p.A.; Chairman of the Board of Directors of Immobiliare Stella di Natale S.r.l., Immobiliare Ametista S.r.l., Immobiliare Acquamarina S.r.l.; Sole Administrator of Palmanova Center 2 S.r.l.; Vice Chairman of the Board of Directors of Coop Lombardia S.c., S.G.I. 2010 S.r.l. and Coop Consorzio Nord Ovest S.c.a.r.l..

Germana Ravaioli. She graduated in Economics at the University of Bologna. She is registered with the Board of Chartered Accountants, with the register of Accounting Auditors and the Register of Official Auditors. From 1981 to 1988 she was in charge of the Tax Office of the Federation of Cooperatives of the Province of Ravenna where she held the position of Head from 1988 to 1993; from 1993 to 2008 she was appointed Head of Support Services and Technical Coordinator of Federcoop Ravenna, from 1993 to 2008 she was appointed technical Director of the authorized Tax Assistance Center ROMAGNA MARCHE L.N.C.M. S.r.l.. She currently holds the post of Director of General Affairs and Financial reports of Coop Adriatica Soc. Coop.a.r.l.; Statutory Auditor of the Federation of Cooperatives of the Province of Ravenna, Inres Soc. Coop. and Centrale Adriatica Soc. Coop., Chairman of the Board of Statutory Auditors of Unagro S.p.A. and I.denticoop Soc. Coop..

Antonio Rizzi. Full Professor of Private Law at the University of Rome Tor Vergata and appeals attorney admitted to the Bar of Rome. Formerly ordinary Prosecutor, from 2011 to 2002 he assumed responsibility for the technical secretariat of the Commission for the reform of corporate law and the position of head of the Secretary Office of the State Undersecretary at the Ministry of Justice; from 1999 to 2001 he held the position of Chief of Staff of the Ministry of University and Scientific and Technological Research, from 1992 to 1999 he served as a Judge at the District Court and the civil Court of Rome. He currently holds the position of Commissioner of the Antonio Merloni S.p.A. Group, Olcese S.p.A., the IAR- SILTAL Group; Vice Chairman of the Supervisory Board of Manutencoop Facility Management S.p.A.; member of the Board of Directors of Milano Assicurazioni S.p.A..

Offices Held by Directors

The following table indicates the main partnerships and corporations where each director in office has been a member of the governing, management or supervisory bodies or partner at any time in the five years preceding the Date of the Updated Information Document with information as to their status on such date.

Name	Company	Office held or status as shareholder	Status as at the date of Updated Information Document
Fabio Cerchiai	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of Updated Information Document.		
Pierluigi Stefanini	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of Updated Information Document.		
Carlo Cimbri	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of Updated Information Document.		
Carla Angela	Atlantia S.p.A.	Director	In office
	Milano Assicurazioni S.p.A.	Director	In office
	S2C S.p.A.	Vice Chairman of the Board of Directors	Discontinued
Gianluca Brancadoro	Milano Assicurazioni S.p.A.	Director	In office
	E’UROPA – Monitoring center on European Union policies	Chairman of the Board of Directors	In office
	Unipol Banca S.p.A.	Director	Discontinued
	Finstar S.p.A.	Chairman of the Board of Directors	Discontinued
	Cofib S.p.A.	Vice Chairman of the Board of Directors	Discontinued
Cristina De Benetti	Milano Assicurazioni S.p.A.	Director	In office
	AERTRE S.p.A.	Director	In office
Daniele Ferrè	Immobiliare Futura s.r.l.	Chief Executive Officer	In office
	Immobiliare Turchese s.r.l.	Sole Administrator	In office
	Palmanova Center 2 s.r.l.	Sole Administrator	In office
	Milano Assicurazioni S.p.A.	Director	In office
	Finsoe S.p.A.	Director	In office
	G.S.C. s.r.l.	Director	In office
	Immobiliare 92 s.r.l.	Director	In office
	Immobiliare Ametista s.r.l.	Director	In office
	Marketing Trend S.p.A.	Director	In office
	Ipercoop Sicilia S.p.A.	Chief Executive Officer	In office
	Immobiliare Acquamarina s.r.l.	Chairman of the Board of Directors	In office
	Immobiliare Giada s.r.l.	Chairman of the Board of Directors	In office
	Immobiliare Stella di Natale s.r.l.	Chairman of the Board of Directors	In office
	A.F.M. Bergamo S.p.A. 3112	CEO	In office
	A.F.M. Bergamo S.p.A. 3112	Statutory Auditor	In office
	Civiche Farmacie Desio S.p.A.	Statutory Auditor	In office
	Coop Fidi C.A.T. – Società cooperativa	Statutory Auditor	In office
	Coop Consorzio Nord	Vice Chairman of the Board of Directors	In office
	Ovest Soc. Consortile a r.l.	Directors	In office
	Coop Lombardia Soc. Cooperativa a r.l.	Vice Chairman of the Board of Directors	In office
	S.G.I. 2010 s.r.l.	Vice Chairman of the Board of	In office

		Directors	
	Immobiliare Acquamarina s.r.l.	Sole Administrator	Discontinued
	Immobiliare Ardesia s.r.l.	Sole Administrator	Discontinued
	Immobiliare Giada s.r.l.	Sole Administrator	Discontinued
	Immobiliare Gran Rondò s.r.l.	Sole Administrator	Discontinued
	Opera Center s.r.l.	Sole Administrator	Discontinued
	Immobiliare Betulla S.r.l.	Chief Executive Officer	Discontinued
	Coop Lombardia Soc. Cooperativa a r.l.	Chief Executive Officer	Discontinued
	Sud Milanese S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Immobiliare Ametista s.r.l.	Chairman of the Board of Directors	Discontinued
	S.G.I. 2010 s.r.l.	Chairman of the Board of Directors	Discontinued
	I.A.N O.MI. S.p.A.	Statutory Auditor	Discontinued
	Pharmacoop Lombardia S.r.l.	Statutory Auditor	Discontinued
Germana Ravaioli	I. Denticoop Studi Specialistici Odontoiatrici Società Cooperativa	Chairman of the Board of Statutory Auditors	In office
	Milano Assicurazioni S.p.A.	Director	In office
	Unagro S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Centrale Adriatica Società Cooperativa	Statutory Auditor	In office
	Federazione delle Cooperative della provincia di Ravenna S.c.p.A.	Statutory Auditor	In office
	INRES - Istituto Nazionale Consulenza, Progettazione, Ingegneria - SC	Statutory Auditor	In office
	Faenza Sviluppo - Area Marcucci - S.r.l.	Director	Discontinued
	Farmacie Comunali di Padova S.p.A.	Director	Discontinued
	Federcoop Nullo Baldini Soc. Coop.	Director	Discontinued
	Pharmacoop Adriatica S.p.A.	Director	Discontinued
	Premafin Finanziaria S.p.A. – Holding di Partecipazioni	Director	Discontinued
	Consorzio Ravennate delle Cooperative di Produzione e Lavoro S.c.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Consorzio Sterratori Autotrasportatori Ravennati Soc. Coop. Cons.	Chairman of the Board of Statutory Auditors	Discontinued
	Cooperativa Trasporti Ravenna C.T.R. Soc. Coop. Cons.	Chairman of the Board of Statutory Auditors	Discontinued
	Dister Energia S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Futura - Mutua Territoriale	Chairman of the Board of Statutory	Discontinued

	di Prevenzione e Tutela della Salute	Auditors	
	GRAR Soc. Coop.	Chairman of the Board of Statutory Auditors	Discontinued
	Sistemi Globali S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Consorzio Sistemi - Società Cooperativa Sociale	Independent Auditor	Discontinued
	Factor S.p.A.	Statutory Auditor	Discontinued
	Simgest - Società di Intermediazione Mobiliare S.p.A.	Statutory Auditor	Discontinued
	Chiocciola S.r.l. in liquidation	Vice Chairman of the Board of Directors	Discontinued
Antonio Rizzi	Milano Assicurazioni S.p.A.	Director	In office
	Unipol Banca S.p.A.	Director	In office
	Manutencoop Facility Management S.p.A.	Vice Chairman of Supervisory Board	In office

Executive Committee and other committees

The Board of Directors has appointed an executive committee from its members together with a number of other committees with the role of providing advice and proposals to the Board of Directors. The resolutions convened by the advisory committees are not binding for the Board of Directors.

(a) Executive committee

Pursuant to Article 18 of the Company's Articles of Association, the Board of Directors has granted the executive committee, as at the Date of the Updated Information Document made up of three members, advisory functions together with the task of collaborating in the identification of development policies and guidelines for the strategic and operational plans to submit to the Board of Directors.

The Board of Directors has also granted specific powers to the executive committee in any case to be exercised within the pre-set value limits imposed.

The executive committee has the following members who, under the company's Articles of Association, are entitled to be members by virtue of the positions held in the company:

Name	Position
Fabio Cerchiai	Chairman
Pierluigi Stefanini	Vice Chairman
Carlo Cimbri	Chief Executive Officer

(b) Advisory committees

The Advisory Committees consist of the Remuneration Committee and the Control and Risks Committee. In particular:

- *Remuneration committee*: the meeting of the Board of Directors of 8 May 2013 appointed the following as members of the Remuneration Committee: directors Gianluca Brancadoro (Chairman), Carla Angela and Cristina De Benetti, all independent. Providing the membership of the Remuneration Committee complies with the provisions of the Operations with Related Parties Regulations, it is also identified as the Committee of Independent Directors that shall express its prior, reasoned opinion on resolutions (differing from that approved by the General Meeting or the Board of Directors in the context of an overall amount decided in advance by the

General Meeting) in the matter of the remuneration of directors of the Company including with reference to any appointments held or carried out in subsidiary companies whenever such remuneration, satisfying the requirements in that regard, does not comply with the remuneration policies approved by the General Meeting.

- *Control and Risks Committee*: the meeting of the Board of Directors of 8 May 2013 appointed the following as members of the Control and Risks Committee: Directors Antonio Rizzi (Chairman), Carla Angela and Cristina De Benetti, all independent. The Control and Risks Committee has also been identified as the Committee of Independent Directors that shall express its prior, reasoned opinion to submit to the Board of Directors for the operations described as being of so-called “lesser importance” with related parties as defined by the Operations with Related Parties Regulations.

Manager in charge of financial reporting

The manager in charge of financial reporting is Massimo Dalfelli.

Board of Statutory Auditors

The Board of Statutory Auditors was appointed by the General Meeting on 10 July 2012 and, pursuant to law, will remain in office up to the approval of the Financial Statements of the 2014 accounting period. The members of the Board are as follows:

Name	Office	Place and date of birth
Giuseppe Angiolini	Chairman	Milan, 18 June 1939
Francesco Bavagnoli ⁽¹⁾	Alternate Auditor	Turin, 27 September 1971
Giorgio Loli	Statutory Auditor	Livorno, 23 August 1939
Claudio De Re	Alternate Auditor	Milan, 9 August 1941
Michela Zeme	Alternate Auditor	Mede (Pavia), 2 January 1969

(1) Mr. Francesco Bavagnoli, former alternate auditor, took over the office of statutory auditor following the resignation of Mr. Antonio D'Ambrosio on 4 December 2013, and will remain in office until the next annual general meeting or until the effective date of the Merger, if earlier (see press release of Milano Assicurazioni of 4 December 2013).

All members of the Board of Statutory Auditors are domiciled for the office at the registered office of Milano Assicurazioni, in Milan, Via Senigallia 18/2.

None of the members of the board of statutory auditors has any family relationships with the other members of the board of statutory auditors, with members of the board of directors and other senior corporate officers of Milano Assicurazioni.

The statutory auditors in office at the Date of the Updated Information Document were not found in any of the situations of incompatibility provided for by applicable law and were in possession of the necessary eligibility requirements of integrity, professionalism and independence.

The following is a brief curriculum vitae of each member of the board of statutory auditors of Milano Assicurazioni.

Giuseppe Angiolini. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Francesco Bavagnoli. He obtained a degree in Business Administration from Bocconi University in Milan. Registered with the Board of Chartered Accountants and with the Register of Auditors since 2002, he has been working as a Chartered Accountant since 1998 at a professional Firm on many issues, including: negotiation assistance in extraordinary operations and transfer of shares and companies, preparation of development plans and business plans and business valuation. He is currently Associate Professor and Researcher at Universities, author of numerous publications also monographic on economic and enterprise matters, Chartered Accountant and Auditor with extensive experience in advising companies operating in the industrial and financial sectors.

Giorgio Loli. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information

Document.

Claudio De Re. He obtained a degree in Economics from Bocconi University in Milan. Registered with the Board of Accountants, he is an Official Auditor and Accounting Auditor. Since 1961 he has been working as Chartered Accountant, from 1984 to 2004 he was Statutory Auditor of RCS Editori S.p.A. and Fondiaria - SAI S.p.A., from 1989 to 2009 Statutory Auditor of Italcementi S.p.A. and from 1998 to 2008 he served as Statutory Auditor of Italmobiliare S.p.A.. He currently holds the position of Chairman of the Board of Statutory Auditors of Costalunga SAC S.p.A., Franco Tosi S.r.l., SIRAP-GEMA S.p.A., SIRAP-GEMA Insulation Systems S.r.l., Chairman of the Board of Auditors of Consorzio Castello; Auditor of the Foundation Serpero.

Michela Zeme. She obtained a degree in Business Administration from Bocconi University in Milan. Registered with the Register of Chartered Accountants and with the Register of Auditors, she has been working as a Chartered Accountant since 1999, from 2003 to 2009 she was an associate in a tax and corporate consulting firm in Milan. Since 2009, she has been a tax consultant for Italian companies, many of which are listed on the Italian Stock Exchange. Moreover, since 2004, she has been Inspector Co.Vi.Soc. – supervisory commission of professional football enterprises of the Italian Football Federation. Moreover, she holds the office of Statutory Auditor of Telecom Italia Media S.p.A., Olivetti S.p.A., Telecom Italia Sparkle S.p.A., Immobiliare Lombarda S.p.A., Pioneer Global Asset Management S.p.A., Cordusio Sim S.p.A., Unicredit Leasing S.p.A..

Offices Held by the Statutory Auditors

The following table indicates the main partnerships and corporations where each member of the Board of Statutory Auditors in office has been a member of the governing, management or supervisory bodies or a shareholder at any time in the five years preceding the Date of the Updated Information Document, together with their respective status on such date.

Name	Company	Office held or status as shareholder	Status as at the Date of the Updated Information Document
Giuseppe Angiolini	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Giorgio Loli	See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.		
Francesco Bavagnoli	Aernova S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Milano Assicurazioni S.p.A.	Statutory Auditor	In office
	Elcograf S.p.A. (formerly called Mondadori Printing S.p.A.)	Chairman of the Board of Statutory Auditors	In office
	Italfinance Securitisation Vehicle 2 S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Italfinance Securitisation Vehicle S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Italfinance RMBS S.r.l.	Statutory Auditor	In office
	Pami Finance S.r.l.	Statutory Auditor	In office
	Siirtec Nigi S.p.A.	Statutory Auditor	In office
	Venchi S.p.A.	Statutory Auditor	In office
	BP Mortgages S.r.l.	Statutory Auditor	In office
	BPL Mortgages S.r.l.	Statutory Auditor	In office
	BPV Mortgages S.r.l.	Statutory Auditor	In office
	Republit S.r.l.	Shareholder	In office
	Advam Partners SGR S.p.A.	Director	Discontinued
	Consulenza Aziendale per l'Informatica SCAI S.p.A.	Statutory Auditor	Discontinued
Claudio De Re	Mercantile Leasing S.p.A.	Statutory Auditor	Discontinued
	Starvox S.p.A.	Statutory Auditor	Discontinued
	Consorzio Castello	Chairman of the Board of Statutory Auditors	In office
	Milano Assicurazioni S.p.A.	Alternate Auditor	In office
	Franco Tosi S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Sirap Insulation S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Sirap-Gema S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Punta Ala Immobiliare S.r.l.	Statutory Auditor	In office
	Immobiliare Capra S.r.l.	Sole Administrator	Discontinued

	A.V.A. S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Axim Italia S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Binda S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Finitalia S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Gesvim S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Milano Assicurazioni S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Tesso-Tessitura Serica Solzago S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Carl Zeiss S.p.A.	Statutory Auditor	Discontinued
	Consorzio Castello	Statutory Auditor	Discontinued
	Franco Tosi S.r.l.	Statutory Auditor	Discontinued
	S.I.S.I.M.I. S.r.l.	Statutory Auditor	Discontinued
Michela Zeme	Campo Carlo Magno S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Immobiliare Fondiaria - SAI S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Immobiliare Lombarda S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Immobiliare Milano Assicurazioni S.r.l.	Chairman of the Board of Statutory Auditors	In office
	Insedimenti Avanzati nel Territorio -I.A.T. S.p.A.	Chairman of the Board of Statutory Auditors	In office
	Milano Assicurazioni S.p.A.	Alternate Auditor	In office
	Cordusio Sim - Advisory & Family Office S.p.A.	Statutory Auditor	In office
	Imholding S.r.l.	Statutory Auditor	In office
	Marina di Loano S.p.A.	Statutory Auditor	In office
	Nuove Iniziative Toscane - S.r.l.	Statutory Auditor	In office
	Olivetti S.p.A.	Statutory Auditor	In office
	Pioneer Global Asset Management S.p.A.	Statutory Auditor	In office
	Prelios S.p.A.	Statutory Auditor	In office
	Telecom Italia Media S.p.A.	Statutory Auditor	In office
	Telecom Italia Sparkle S.p.A.	Statutory Auditor	In office
	Unicredit Leasing S.p.A.	Statutory Auditor	In office
	Effe TV S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	G.B.H. S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Gepark Gestione Parcheggi S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	HIC S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	M.T. - Manifattura Tabacchi S.p.A.	Chairman of the Board of Statutory Auditors	Discontinued
	Sindacale di Pzero S.r.l.	Chairman of the Board of Statutory Auditors	Discontinued
	Atahotels Compagnia Italiana Aziende Turistiche Alberghiere S.p.A.	Statutory Auditor	Discontinued
	Aviva S.p.A.	Statutory Auditor	Discontinued
	BancaSai S.p.A.	Statutory Auditor	Discontinued
	Banco di Sicilia S.p.A.	Statutory Auditor	Discontinued
	Campo Carlo Magno S.p.A.	Statutory Auditor	Discontinued
	Credifarma - S.p.A.	Statutory Auditor	Discontinued
	Driver Servizi Retail S.p.A.	Statutory Auditor	Discontinued
	Emto S.p.A.	Statutory Auditor	Discontinued
	Finadin - S.p.A.	Statutory Auditor	Discontinued
	Ganimede Due S.r.l.	Statutory Auditor	Discontinued
	Gromis S.r.l.	Statutory Auditor	Discontinued
	Gruppo Banca Leonardo S.p.A.	Statutory Auditor	Discontinued
	Immobiliare Andronica S.p.A.	Statutory Auditor	Discontinued
	Immobiliare Zenale S.r.l.	Statutory Auditor	Discontinued
	Independent Investments S.r.l.	Statutory Auditor	Discontinued
	Industria Condensatori	Statutory Auditor	Discontinued
	Rifasamento S.p.A.	Statutory Auditor	Discontinued
	International Strategy S.r.l.	Statutory Auditor	Discontinued
	IRFIS - Finanziaria per lo Sviluppo della Sicilia S.p.A.	Statutory Auditor	Discontinued
	Italfarad S.p.A.	Statutory Auditor	Discontinued
	Jenner Center S.p.A.	Statutory Auditor	Discontinued
	La7 S.r.l.	Statutory Auditor	Discontinued
	Liguria Società Assicurazioni S.p.A.	Statutory Auditor	Discontinued
	Liguria Vita S.p.A.	Statutory Auditor	Discontinued

Milano Assicurazioni S.p.A.	Statutory Auditor	Discontinued
Pectine Italia S.p.A.	Statutory Auditor	Discontinued
Pirelli Servizi Finanziari S.p.A.	Statutory Auditor	Discontinued
Popolare Vita S.p.A.	Statutory Auditor	Discontinued
Viganò Partecipazioni S.r.l.	Statutory Auditor	Discontinued
Telecom Italia Information Technology s.r.l.	Statutory Auditor	Discontinued

Other Senior Corporate Officers

The following table provides information relating to other senior corporate officers of Milano Assicurazioni at the Date of the Updated Information Document.

Name	Office	Place and date of birth
Maurizio Castellina	Head of the function “Administration, Planning and Control, Operations”	Bologna, 23 October 1957
Franco Ellena	Head of the “General Insurance Department”	Carignano (Turin), 21 July 1947
Roberto Giay	Head of the function “Legal and Corporate Affairs and Investments”	Pinerolo (Turin), 10 November 1965
Matteo Laterza	Head of the function “Life and Finance”	Bari, 8 October 1965
Giuseppe Santella	Head of the function “Human Resources and Organization”	Avesnes sur Helpe (France), 14 march 1960
Gian Luca Santi	Head of the function “Real estate and Diversified Enterprises”	Bologna, 4 September 1964

All other senior corporate officers of Milano Assicurazioni are domiciled for the office at the registered office of Unipol Assicurazioni in Milan, Via Senigallia 18/2 .

None of the senior corporate officers have any family relationships with other senior corporate officers, with members of the board of directors or with members of the board of statutory auditors of Milano Assicurazioni.

The following is a brief curriculum vitae of the senior corporate officers, where their skills and experience gained in the field of business management emerge from.

Maurizio Castellina. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Franco Ellena. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Roberto Giay. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Matteo Laterza. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Giuseppe Santella. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Gian Luca Santi. See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.

Offices Held by the Senior Corporate Officers

The following table shows the partnerships and corporations in which each senior corporate officer in office is, or has been in the five years preceding the Date of the Updated Information Document, a member of the

governing, management or supervisory bodies or holder of “qualified” shares (greater than 2% of the share capital in listed companies and 10% in unlisted companies), with information as to their status at the Date of the Updated Information Document.

Name	Company	Office held or status as shareholder	Status as at the Date of the Updated Information Document
Maurizio Castellina		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.	
Franco Ellena		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.	
Roberto Giay		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.	
Matteo Laterza		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.	
Giuseppe Santella		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.	
Gian Luca Santi		See Chapter 2, Paragraph 2.1, Section “Acquiring Company”, of the Updated Information Document.	

At the Date of the Updated Information Document, to the knowledge of Milano Assicurazioni, none of the directors, statutory auditors, or senior corporate officers, were in the last five years convicted in relation to offenses of fraud or bankruptcy, or were associated, in the discharge of their duties, with procedures of receivership or liquidation, or subjected to official public prosecution and/or sanctions by statutory or regulatory authorities (including designated professional associations) in the performance of their duties, or were disqualified from governing, management or supervisory offices of Unipol Assicurazioni or from the direction or management offices at other companies, except for Mr. Pierluigi Stefanin and Mr. Carlo Cimbri in regard of the facts described in this Chapter 2, Paragraph 2.1, Section “Acquiring Company” and except for the following.

Ms. Michela Zeme, in relation to the office of statutory auditor at the time covered in BancaSai, as a result of the supervisory activities carried out by Consob against BancaSai and at the end of the relevant sanctioning procedure, was ordered by Consob resolution of 6 August 2008 to pay fines totaling Euro 10,300.00 and, in particular: Euro 4,700.00 (for violation of Art. 21, paragraph 1, letter d) of the TUF, relating to the duties of authorized persons in the provision of investment services and activities and accessory services and Art. 56 of Consob Regulation No. 11522/98, relating to the internal procedures which all authorized intermediaries, asset management companies and investment companies must equip themselves with); Euro 1,300.00 (for violation of Art. 63 of Consob Regulation No. 11522/98, relating to the recording of orders and operations by authorized intermediaries) and Euro 4,300.00 (for violation of Art. 57 of Consob Regulation No. 11522/98, relating to internal control procedures that all authorized intermediaries must equip themselves with). The interested party proceeded to pay the penalties.

At the Date of the Updated Information Document, to the knowledge of Milano Assicurazioni, none of the directors, statutory auditors, or senior corporate officers, have interests in potential conflict with the obligations arising from the office or position held within Milano Assicurazioni or the Unipol Group. In this regard, it should be noted that the members of the governing and control bodies of Milano Assicurazioni and of Unipol Group companies, in cases of resolutions in regard of, and/or execution of, transactions involving potential conflicts of interest and/or with related parties are required to comply with the applicable provisions of law and internal regulations issued pursuant to the Code of Conduct and with industry regulations designed to regulate

relevant cases in terms of the existence of a specific interest in the completion of a transaction. In particular:

- pursuant to Article 2391 of the Italian Civil Code, the Directors must inform the other directors and the board of statutory auditors of any interest which, on their own account or on behalf of third parties, they may have in regard of a transaction involving the company, and such delegated bodies must refrain from carrying out the transaction with respect to which they hold such interest;
- pursuant to Article 2391-*bis* of the Italian Civil Code, Standard 9.c.1. of the Code of Conduct, and Article 4 of the Regulations on transactions with related parties, Milano Assicurazioni has adopted the procedure for carrying out transactions with related parties;
- pursuant to the IVASS Regulation No. 25 of 27 May 2008, Milano Assicurazioni has adopted specific provisions aimed at regulating the rules of procedure, decision-making processes and quantitative limits of intercompany transactions and transactions with related parties carried out by the same.

To the knowledge of Milano Assicurazioni, it should be noted that, as at the Date of the Updated Information Document, none of the members of the Company's board of directors and board of statutory auditors, nor the other senior corporate officers, held shares of Milano Assicurazioni, Fonsai and Premafin.

Moreover, Milano Assicurazioni is not aware of any agreement or understanding with major shareholders, customers, suppliers or others, based on which the members of the board of directors and of the board of auditors or the senior corporate officers were chosen.

Finally, none of the members of the board of directors and of the board of statutory auditors, nor the other senior corporate officers, agreed to restrictions on the disposal, within a certain period of time, of any securities of Milano Assicurazioni and/or of the Acquiring Company that they may have held.

Regarding the disclosures required by Consob regulations (Articles 152-*sexies* et seq. of the Issuers' Regulation) as regards transparency of transactions carried out directly or through a third party by the members of the board of directors, board of statutory auditors and other "relevant parties" or by persons closely related to them (internal dealing), the board of directors of Milano Assicurazioni adopted an internal procedure that, in the absence of regulatory obligations in such respect, provides for the above-mentioned persons' duty to abstain from carrying out transactions involving Premafin shares, or financial instruments linked thereto, at certain times of the year (blocking periods) prior to the meetings of the board of directors convened to review and/or approve:

- (a) the annual draft budget and half-year report;
- (b) earnings of the first and second quarter of each financial year;

and other specific periods established by the same board of directors or by the Chief Executive Officer.

Auditing firm

The Ordinary General Meeting of Milano Assicurazioni held on 30 July 2013 resolved to appoint the Auditing firm PricewaterhouseCoopers S.p.A. with its Registered Office in Milan at Via Monte Rosa 91, as the legal auditor of the accounts for the accounting periods 2013-2021.

2.1.2 *Procedures, terms and conditions of the Merger*

Premise

The Merger is an integral part of a broader Project of Integration by Merger, which, on the Date of this Updated Information Document, has essentially been composed along the following corporate, regulatory and market lines.

On 29 January 2012, UGF and Premafin concluded the Investment Agreement, which was integrated with additional agreements made by correspondence between the parties on 22-25 June 2012 (hereinafter the “**Supplementary Agreements**”), the object of which were the reciprocal commitments assumed with regard to the realization of the Project of Integration by Merger between Fondiaria-SAI, Unipol Assicurazioni, Premafin and, possibly, Milano Assicurazioni, with the objective of protecting the current and future solvency of Premafin and Fondiaria-SAI and concurrently creating a major domestic operator in the insurance sector, able to effectively compete with the major domestic and European competitors and generate value for the shareholders of all the companies involved.

Main phases of the Project of Integration by Merger

As part of the Project of Integration by Merger– implementing the Investment Agreement– the following major activities have begun, all of which should be considered as essential and inseparable phases of the Project of Integration by Merger.

- approval by the extraordinary shareholders meeting of Fonsai of the Fonsai Capital Increase in an amount of Euro 1,100 million, in order to strengthen its own equity, pursuant to the requirements made by IVASS, with decision issued on 10 January 2012;
- approval by the extraordinary shareholders’ meeting of UGF of a share capital increase of Euro 1,100 million, in order to provide UGF with the necessary resources (i) to subscribe the Premafin Capital Increase and (ii) to provide Unipol Assicurazioni with the financial and capital resources required to contribute, within the framework of the merger, in the strengthening of Fonsai’s equity;
- the setting up by Premafin of the Restructuring Plan concerning its own debts pursuant to article 67, paragraph three, letter d) of the Bankruptcy Law and consequently, the recapitalization of Premafin through the Share Capital Increase reserved for UGF.
- the use by Premafin of the financial resources deriving from the Premafin Capital Increase in order to allow for the complete subscription by the same and by its subsidiary Finadin S.p.A. Finanziaria di Investimenti (“**Finadin**”), in the percentages pertaining to each company, of the Fonsai Capital Increase;
- the Merger of Unipol Assicurazioni and Premafin into Fonsai, which is to be considered an essential and inalienable part of the Project of Integration by Merger, in which Milano Assicurazioni has also been invited to participate.

The Merger therefore constitutes an integral part of the broader Project of Integration by Merger within the context of which:

- in the months of May, June and July 2012, UGF obtained:
 - (i) from the competent authorities (AGCM, IVASS, Banca d’Italia, foreign supervisory authorities) the exemptions and authorizations required for the acquisition of the direct control of Premafin and therefore the indirect control over Fonsai and Milano Assicurazioni; and
 - (ii) from Consob the exemptions from the mandatory launching of the takeover bid pursuant to article 106, paragraph five of the Consolidated Financial Act and articles 45 and 49 of the Issuers’ Regulation;
- on 19 July 2012, UGF subscribed and paid a total of 1,741,239,877 ordinary shares of Premafin -issued against the Premafin Capital Increase decided upon by Premafin’s extraordinary shareholders meeting held on 12 June 2012– and, through this, UGF direct acquired *de jure* control over Premafin and therefore indirectly over Fonsai and Milano Assicurazioni;

- on 13 September 2012, the execution of the Fonsai Capital Increase which had been decided by Fonsai’s extraordinary shareholders meeting held on 27 June 2012 took place with the complete subscription of 916,895,448 ordinary Fonsai shares and of 321,762,672 Category “B” Fonsai savings shares which were all offered as an option to Fonsai shareholders;
- on 14 November 2012, UGF initiated the direction and coordination activity pursuant to article 2497 et seq. of the Italian Civil Code over Premafin, Fonsai and Milano Assicurazioni;
- on 20 December 2012, (i) the Boards of Directors of the Companies Participating in the Merger approved, following the favorable opinion of their respective independent directors committees, the Merger Plan and the supporting documentation, and (ii) the Board of Directors of UGF disclosed the economic terms of the Merger and expressed its own favorable opinion on the interests of UGF and its shareholders to carry out the operation as well as regarding the convenience and correctness of the transactions conditions;
- on 27 December 2012, UGF and each of the companies participating in the Merger published an Updated Information Document related to operations of greater relevance with related parties, prepared pursuant to article 5 of the Related Parties Transactions Regulation (the “**Related Parties Document**”);
- on 28 January 2013, the Companies Participating in the Merger deposited the Merger Plan to their respective registered offices and published in their company’s web sites;
- on 25 July 2013, with its regulation no. 51-13-000148, IVASS gave its own authorization to the Merger pursuant to articles 201 et seq. of the Code of Private Insurance and 23 et seq. of the IVASS Regulation Concerning Mergers, ascertaining that the requirements for the issuing of the provision were fulfilled, whether Milano Assicurazioni participated in the Merger or not, considering the prudent management and possession of the assets for coverage of the technical provisions and the solvency margin of the Company Resulting from the Merger;
- in the first 10 days of August 2013, the Companies Participating in the Merger submitted the Merger Plan to the competent Companies Registers; the relative registrations took place on 6 August 2013 for Milano Assicurazioni and on 7 August 2013 for all the other Companies Participating in the Merger;
- on 23 September 2013, Reconta Ernst & Young, in its capacity as the common expert appointed by the Court of Turin with its provision issued on 7 December 2012, issued its report on the congruence of the Share Exchange Ratio set pursuant to article 2501-sexies of the Italian Civil Code;
- on 24 September 2013 the Companies Participating in the Merger published their notices of convocation of the Extraordinary Shareholders’ Meetings and the Special Shareholders’ Meeting of Milano Assicurazioni, and – with regard to Premafin and Milano Assicurazioni-concurrently disclosed the value of the liquidation of the shares eventually subject to withdrawn pursuant to article 2437-ter, paragraph 5, of the Italian Civil Code;
- on 24 September 2013, the Companies Participating in the Merger submitted the documents indicated under article 2501-septies of the Italian Civil Code to their respective registered offices.
- on 9 October 2013, the Information Document on the Merger, prepared pursuant to Art. 70, paragraph 6, of the Issuers’ Regulations, was made available to the public by the Companies Participating in the Merger, as well as by UGF;
- on 22 October 2013, the Addendum to the Information Document, published at the request of Consob pursuant to Art. 114, paragraph 5, of the TUF, was made available to the public by the Companies Participating in the Merger, as well as by UGF;
- on 25 October 2013, the extraordinary shareholders’ meeting of Fonsai was held on second call. On 26 October 2013, the extraordinary shareholders’ meeting of Milano Assicurazioni was held on second call. On 25 October 2013, the extraordinary shareholders’ meetings of Premafin and Unipol Assicurazioni were held on a single call. On 28 October 2013, the special meeting of Milano Assicurazioni was held on second call. All the above meetings approved the Merger;

- with effect from the filing of the aforementioned shareholders’ resolutions with the competent Companies Registers, which occurred on 31 October 2013, reckoning began of the 60-day term provided for by Art. 2503 of the Italian Civil Code for the creditors’ opposition to the Merger and the 15-day term to exercise the right of withdrawal by persons entitled thereto;
- the signing of the Merger deed is expected to take place by the end of financial year 2013.

The Project of Integration by Merger expects UGF to undersign and pay a capital increase for Unipol Assicurazioni for a total of Euro 600 million, before the date of execution of the deed of Merger. To this end, on 8 August 2013, the extraordinary shareholders’ meeting of Unipol Assicurazioni convened to increase the share capital against payment, by Euro 600 million, to be achieved through the issuing of ordinary shares with a nominal value of Euro 1.00, equal to the nominal unit value, with ordinary rights, to be assigned as an option to the sole shareholder UGF. The completion of the above increase in share capital by Unipol Assicurazioni is intended to strengthen the asset-base of the Acquiring Company following the merger given the development programs and with a view to maintaining the stable and appropriate asset levels as laid down by the law in force, but it is in any case subject to the absence of opposition from company creditors within the time limits laid down by Article 2503 of the Italian Civil Code or the overcoming of such opposition in accordance with the procedures described therein. More particularly, we will carry out the aforementioned Unipol Assicurazioni Capital Increase once the aforementioned condition precedent is fulfilled and in any case prior to the conclusion of the deed of Merger pursuant to article 2504 of the Italian Civil Code.

Restructuring Plan and Merger

As part of the Investment Agreement concluded between Premafin and UGF on 29 January 2012, in consideration of the requirements for the financial balancing and equity strengthening of Premafin on 30 March 2012 and 17 May 2012, the Board of Directors of Premafin approved the Restructuring Plan prepared with the assistance of its financial advisor Leonardo & Co. S.p.A., the soundness of which was ascertained, on 16 April 2012 and 18 May 2012, pursuant to the law, by the expert Mr. Ezio Maria Simonelli, assisted by professor Stefano Caselli.

In addition to providing for the recapitalization of the company through the Premafin Capital Increase, the Restructuring Plan aimed at achieving the subscription, both direct and indirect, through the subsidiary Finadin S.p.A. Finanziaria di Investimenti, with the portion of the Fonsai Capital Increase pertaining to it, also redefines the terms and conditions of the company’s financial indebtedness, resulting from the syndicated loan originally concluded on 22 December 2004 as subsequently amended (the “**Syndicated Loan**”) and the equity swap contract originally concluded on 15 October 2008 (the “**Equity Swap**”) in order to allow the restructuring of the debt exposure and the economic and financial rebalancing of Premafin.

In implementation of the provisions contained within the Restructuring Plan, Premafin and its own Financing Banks concluded an agreement on 13 June 2012 aimed at restructuring the Syndicated Loan, in addition to the terms and conditions of its increase deriving from the early termination of the existing Equity Swap with UniCredit S.p.A., through the withdrawal of the underlying, equal to approximately 1% of the ordinary share capital of Fonsai-prior to the Fonsai Capital Increase-and simultaneously assuming the relative debt from UniCredit S.p.A. (the “**Restructuring Agreement**”).

The Restructuring Plan is composed of two consecutive phases, the first of which (*i.e.* Phase 1) substantially relies on the execution of Premafin Capital Increase and the second (*i.e.* Phase 2) substantially relies on the completion of the Merger.

Phase 1

Pursuant to the Restructuring Plan, upon completion of Phase 1, the Restructuring Agreement provides for the entry into effect of:

- (i) the amended pre-merger financing agreement, which restructures the debt from the Syndicated Loan and the early extinction of the Equity Swap, for an amount equal to approximately Euro 368 million plus interest accrued from the last payment, postponing, among other things, the maturity to 31 December 2020 (the “**Amended Pre-Merger Financing Agreement**”);

- (ii) the new act confirming the pledge of 116,067,007 ordinary Fonsai shares prior to the 2012 regrouping, with extinction of the previous merger mechanism of integration or reduction of the pledge (the “**New Deed Confirming The Pledge**”);

The remuneration of the Amended Pre-Merger Financing Agreement is equal to the 6-month Euribor, divider 360 days, plus a total of 100 basis points. Interest will be paid as follows: (a) every six months on 30 June and 31 December of each year regarding cash interest calculated at the 6-month Euribor rate, divider 360 days, plus 75 basis points and (b) at the date of expiry of the contract (31 December 2020) regarding the PIK interest calculated at the 6-month Euribor rate, divider 360 days, plus 25 basis points. The Amended Pre-Merger Financing Agreement provides for a number of commitments, including:

- maintaining the relation between the net financial indebtedness, minus the intercompany loans allowed pursuant to the financing agreement, and the shareholders’ equity calculated on statutory data (the “**Financial Ratio**”) no higher than 1.20 plus a negative deviation of 10% which is allowed;
- maintenance of a Adjusted Solvency Margin for Premafin higher than the threshold of 100%;
- maintenance of a shareholding of at least 30% of the voting capital of Fonsai, except for cancellation of the shareholding itself as a result of the Merger;
- maintenance by UGF of a shareholding in Premafin no lower than 2/3 of the share capital with voting rights.

Failure to comply with the abovementioned commitments may, under specific conditions, or if no remedy can be brought within the appropriate period prescribed for that purpose by the Financing Banks, lead to the assignment to the agent bank of the right to (a) withdraw, (b) declare Premafin fallen from the benefit of the term and/or (c) declare the contract terminated as of right pursuant to Art. 1456 of the Italian Civil Code, thus determining the onset for Premafin of compulsory early repayment within 20 working days of the remaining loan. In particular with regard to the Adjusted Solvency Margin of the Company Resulting from the Merger, the obligation to early refund the loan could be required if the latter were to be reduced below the threshold of 100% for two consecutive communications, as provided for by the sector regulations, based on the information provided as of 31 December 2012. In such case, the exposure will have to be repaid within three months, unless otherwise decided by the Financing Banks. It is, however, agreed between the parties that - if Premafin restores the solvency margin to a level equal to or greater than 100% due to transactions initiated by the end of the financial year to which the solvency margin relates, but concluded in the six months after the reporting period during which the solvency margin has fallen below the threshold of 100%, the relevant event in question will be deemed as unverified. To this end, it is hereby noted that following approval of the Consolidated financial statements for 2012, the company communicated to its Financing Banks the Adjusted Solvency Margin recognized for 2012 which was equal to 89.9%.

Upon the occurrence of a change in the shareholding structure of Premafin such that the new controlling entity is not assigned a rating by Standard and Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc., Moody’s Investors Service and Fitch Ratings Limited, or the unsecured and unsubordinated long-term bond rating of the new controlling entity is less than BBB+, Baa1 or BBB+, assigned respectively by Standard and Poor’s Rating Services, a division of the McGraw-Hill Companies, Inc., Moody’s Investors Service and Fitch Rating Limited, the Financing Banks, in the next 60 working days from the notification by Premafin of the changes in its shareholding structure, will be entitled to require Premafin to fully repay the outstanding debt. If so requested, Premafin must repay in full within 20 working days.

On the Date of the Updated Information Document, the events contained in the main covenants, negative pledge or other clauses of the loan had not taken place.

Phase 2

Pursuant to the Restructuring Plan, the Restructuring Agreement provides (a) when phase 2 begins and provided that the Merger becomes effective by 1 February 2014, (in this regard, it should be noted that on 18 December 2013, an agreement was entered into by Premafin with the Financing Banks – with the exclusion of

GE Capital - prudentially extending the term for the operation of the above-mentioned condition precedent, from 31 December 2013 to 1 February 2014, (b) replacing the Amended Pre-Merger Financing Agreement and (c) against the extinction of the pledge over Fonsai shares, the entry into effect,

- (i) of the Amended Post-Merger Financing Agreement, which modifies the Amended Pre-Merger Financing Agreement, for an amount of approximately Euro 330 million, with the exclusion of Premafin's debt to GE Capital, introducing a repayment plan in two installments of an equal amount respectively on 31 December 2017 and on the expiry date of the loan set for 31 December 2018, and modifying the remuneration to be equal to (a) the 6-month Euribor rate plus 150 basis points up to 31 December 2016 and (b) the 6-month Euribor rate plus 200 basis points from 1 January 2017 until the expiry date (the "**Amended Post-Merger Financing Agreement**"); and
- (ii) of the financing agreement with GE Capital Interbanca S.p.A. relative only to the portion of the loan pertinent to the latter, amounting to approximately Euro 38 million, with expiration on 31 December 2020 and remuneration unchanged compared to the Amended Pre-Merger Financing Agreement (the "**GE Capital Agreement**");

and also subsequently, the issuing, by the company emerging from the Merger, of a Convertible Loan of Euro 201.8 million with expiration on 31 December 2015 (the "**Convertible Loan**"), subscribed:

- by approximately Euro 134.3 million by the Financing Banks (except for GE Capital Interbanca S.p.A.) through partial compensation applicable to the Amended Post-Merger Financing Agreement;
- approximately Euro 67.5 million from UGF, by means of resources allocated to repay the analogous amount on the Amended Post-Merger Financing Agreement.

The Amended Post-Merger Financing Agreement, and the GE Capital Agreement, provide for a series of commitments, among which the most significant are composed of:

- the maintenance of a Adjusted Solvency Margin by the Company Resulting from the Merger in excess of the 100% threshold;
- the maintenance by UGF of a shareholding in the Company Resulting from the Merger no lower than the controlling shareholding pursuant to the Code of Private Insurance.

Failure to comply with the abovementioned commitments may, under specific conditions, or if no remedy can be brought within the appropriate period prescribed for that purpose by the Financing Banks, lead to the assignment to the agent bank of the right to (a) withdraw, (b) declare UnipolSai fallen from the benefit of the term and/or (c) declare the contract terminated as of right pursuant to Art. 1456 of the Italian Civil Code, thus determining the onset for UnipolSai of compulsory early repayment within 20 working days of the remaining loan. In particular with regard to the Adjusted Solvency Margin of the Company Resulting from the Merger, the obligation to early refund the loan could be required if the latter were to be reduced below the threshold of 100% for two consecutive communications, as provided for by the sector regulations, based on the information provided as of 31 December 2012. In such case, the exposure will have to be repaid within three months, unless otherwise decided by the Financing Banks. It is, however, agreed between the parties that - if UnipolSai restores the solvency margin to a level equal to or greater than 100% due to transactions initiated by the end of the financial year to which the solvency margin relates, but concluded in the six months after the reporting period during which the solvency margin has fallen below the threshold of 100%, the relevant event in question will be deemed as unverified.

With the entry into force of the Amended Post-Merger Financing Agreement, as well as the GE Capital Agreement, compliance is no longer required by the Financing Banks with the provisions of the Financial Ratio set forth by Amended Pre-Merger Financing Agreement. Moreover, the Amended Post-Merger Financing Agreement does not require compliance with covenants, or negative pledge clauses.

Upon the occurrence of a change in the shareholding structure of UnipolSai such that the new controlling entity is not assigned a rating by Standard and Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., Moody's Investors Service and Fitch Ratings Limited, or the unsecured and unsubordinated long-term bond rating of the new controlling entity is less than BBB+, Baa1 or BBB+, assigned respectively by Standard and Poor's Rating Services, a division of the McGraw-Hill Companies, Inc., Moody's Investors Service and

Fitch Rating Limited, the Financing Banks, in the next 60 working days from the notification by UnipolSai of the change in its shareholding structure, will be entitled to require UnipolSai to fully repay the outstanding debt. If so requested, UnipolSai must repay in full within 10 working days.

Regarding the Convertible Loan, the loan will produce an annual gross interest calculated in a manner that the theoretical value of the loans on the issue date, defined on the basis of market parameters, is at least equal to their unit nominal value; the conversion price will be calculated as the arithmetic mean of the official registered prices of the ordinary shares of UnipolSai during the reporting period of three calendar months from the 11th trading day subsequent to the date the Merger acquires civil effect, increased by a premium of 10% (the “**Conversion Price**”).

Between the second and the third business days subsequent to the end of the aforementioned quarterly reporting period, the Convertible Loan will be issued and, on that date, the holders conversion right can be exercised at any time up to the fifth day that the stock exchange is open prior to the expiry date (which is expected for 31 December 2015). The Conversion Price will be calculated in accordance with the procedures described in the preceding paragraph, and hence in observance of the refund mechanism provided for on the Convertible maturity date, identified as 31 December 2015.

Furthermore, it is provided that (i) the loan will be automatically converted prior to maturity in the event that the available solvency margin of UnipolSai (understood with reference both to the company’s margin and to its adjusted solvency situation within the meaning of IVASS Regulation No. 18 of 12 March 2008), as calculated in accordance with applicable laws and regulations, and reported by UnipolSai in regular communications to the competent authority or determined by the competent authority and notified to UnipolSai, falls below the threshold set by the laws and regulations in force from time to time or as a result of the activation of the Solvency II Directive, the so-called solvency capital requirement for a period of at least six consecutive months and (ii) the conversion of the debt into shares of UnipolSai will in any case take place automatically on 31 December 2015.

Following the conversion of the Convertible Loan into shares, there will be a dilutive effect on the Acquiring Company’s outstanding capital. This effect cannot however be estimated at the Date of the Updated Information Document in quantitative terms since it is a function of the Conversion Price, which is not currently known. In order to avoid this dilutive effect, as part of the Exchange on the Key Values of the Merger, UGF including on behalf of Unipol Assicurazioni, Premafin, Fonsai and Milano Assicurazioni, have decided to initiate negotiations with the Financing Banks in order to be able to offer the Convertible Loan as an option to the shareholders of UnipolSai, with, in any case, the guarantee of subscribing any amount not opted for by the same Financing Banks and by UGF in the proportions in which they would participate in the aforementioned Convertible Loan.

On the completion of the above-mentioned comparisons, UGF and the Financing Banks, after a careful assessment, have agreed that the offer of the Convertible as an option (a financial instrument originally envisaged for qualified investors) to all UnipolSai shareholders, would give rise to a variety of technical problems deriving (i) from the minimum value of the financial instruments to be offered (currently fixed at Euro 100,000), (ii) from the procedures for the calculation of the conversion price and the connected pricing mechanism, (iii) from the maturity date, fixed at 31 December 2015, that is, a date very close to the estimated issue date and (iv) from the difficulty of adapting the Convertible’s Regulation to make it compatible with the current loans conditions with the Financing Banks.

The above elements, at least at the Date of the Updated Information Document, lead to the conclusion that the Convertible Loan should be exclusively subscribed to by the Financing Banks (with the exception of GE Capital Interbanca S.p.A.) and by UGF.

Following from the above: (i) the post-Merger Articles of Association of the Acquiring Company attached to the Merger Plan will reflect the existence of a power of attorney pursuant to article 2420-ter and art. 2443 of the Italian Civil Code which will be given to the directors of UnipolSai in order to deliberate the issuing of the Convertible Loan and the corresponding share capital increase, and therefore (ii) at the extraordinary shareholders’ meeting of Fonsai, held on 25 October 2013, the aforementioned power of attorney pursuant to Arts. 2420-ter and 2443 of the Italian Civil Code, was approved pursuant to the above.

The Issue Price of Exchange Shares for the purpose of the Convertible Loan is given by:

- (a) the arithmetic average of the official prices of the ordinary shares of the Company resulting from the Merger as recorded on the MTA for a period of three calendar months after the eleventh trading day following the effective date of the Merger; plus
- (b) a fixed premium of 10% .

These criteria are firstly intended to ensure that the conversion price takes into account trends in the market price of the shares issued by the Company Resulting from the Merger and, secondly, that the same price reflects a conversion premium consistent with the “equity” nature of the instrument by also taking into account the duration of the same.

The fact that the stock market performance refers to a quarter following completion of the Merger enables the detection of an average figure that is not affected by the effects of the Merger announcement and, therefore, one that is reasonably likely to represent the market value of the shares of UnipolSai, in line with the best valuation practice. The conversion of the bond into newly issued shares will take into account the market price of the shares for a sufficiently long period and will award bondholders a conversion premium determined by taking into account its “equity” nature and the duration of the assigned instrument, all of which in line with the practices for this kind of operations.

These criteria were considered to be fair and appropriate – pursuant to and in accordance with Arts. 2441, paragraph 6, of the Italian Civil Code and Article 158 of the TUF - also by the auditing firm Ernst & Young, which issued a special fairness opinion on 1 October 2013, available on the website of Fonsai (the “**Fairness Opinion**”).

As pointed out in the Fairness Opinion, “*the choice to refer to the performance of stock prices is, under the circumstances, also in light of the characteristics of the transaction and the recipients thereof, reasonable and not arbitrary (...) In fact, the reference to stock market prices is commonly accepted both nationally and internationally and is constantly used in professional practice in the case of companies with shares listed on regulated markets*”.

As regards the identification of the recipients of the Convertible Loan, as shown above (see also Chapter 1, Paragraph 1.2.2, of the Updated Information Document), it should be noted that, on the basis of the discussions held with the Financing Banks (with the exception of GE Capital Interbanca S.p.A.), it was considered that, due to the features and intrinsic risk of the instrument, it was more appropriate to offer the Convertible Loan to Financing Banks only (with the exception of GE Capital Interbanca S.p.A.).

Without prejudice to the foregoing, the amounts deriving from the subscription of the Convertible Loan will be allocated to full repayment (as a result of off-setting or pro rata repayment to the Financing Banks, with the exception of GE Capital Interbanca S.p.A.) of the Amended Pre-Merger Financing Agreement.

Estimates of the future diluting effect resulting from the conversion of the Convertible Loan

At the Date of the Updated Information Document, it is not possible to effect a sufficiently reliable estimate of the future diluting effect deriving from the conversion of the Convertible Loan into UnipolSai Shares. This is because of the multiplicity of variables on which such diluting effect depends making it impossible to produce a sufficiently reliable estimate as at the Date of the Updated Information Document.

As a consequence, the indications set out below do not in any case represent reliable data and sources for the purposes of deciding investment choices or voting by the savings and investment public and should be treated with purely illustrative purposes.

Without prejudice to the above, we have set out below a prospective calculation of the diluting effect based on (i) the provisions contained in the Convertible’s Regulation, (ii) the known data and estimated forecasts available as at the Date of the Updated Information Document and (iii) the assumptions listed below:

1. that the reference quarter yearly period for the calculation of the Conversion Price is represented by the three calendar months of September, October and November 2013, meaning that the Conversion Price is calculated here assuming the use of the following: (x) the arithmetical average of the official recorded prices of the Fonsai ordinary shares over the three calendar months indicated above, and (y) the recognition of a 10% premium;

2. that the shareholding structure of UnipolSai will be that illustrated under paragraph 2.1.3 of the Updated Information Document, consistently with the assumptions listed therein;
3. that the number of shares issued by the Acquiring Company serving the Merger, based on the Share Exchange Ratios, will be equal to 1,330,340,830 new ordinary shares (net of Redistributed Shares which, as at the Date of the Updated Information Document, are represented by 302,437,718 ordinary shares held by Premafin and 99,825 ordinary shares held by Milano Assicurazioni).

On the basis of all the assumptions listed above, in the case of the conversion of the Convertible Loan in its entirety into UnipolSai ordinary shares as at the Date of the Updated Information Document, the estimated diluting effect would amount to 4.38% of the ordinary share capital of the Acquiring Company.

In application of the above calculation, the shareholder UGF – even if it were to subscribe to a part of the Convertible Loan – would maintain legal control over UnipolSai also after the conversion of the Convertible Loan with its shareholding in the ordinary share capital reducing from a post-Merger percentage of about 63% to a post-conversion percentage of about 61.71% of the ordinary share capital.

Put and call options on the equity investment in Unipol Banca S.p.A.

As part of the exchange of the essential values of the merger, it has been also agreed that UGF shall provide to Fonsai a put option on the shareholding held by Unipol Assicurazioni in Unipol Banca S.p.A. of 32.26% of the relative share capital, to be exercised upon expiration of the 5th year following the date the merger acquires civil effect at a price equal to the current balance sheet value of said equity investment (and therefore equal to approximately Euro 299.4 million) against the provision by Fonsai to UGF of the corresponding call option on the same equity investment, at the same price, but allowing UGF to exercise that option for the entire time from the date the Merger acquires civil effect and the expiration of the fifth year following that date. UGF and Fonsai will proceed with the formalization of the option contract relating to Unipol Banca as part of the Merger, i.e. before the signing of the Merger deed but effectively subject to completion of the same.

Divestments contemplated within the Project of Integration by Merger

As a result of the acquisition of control by UGF over the Group Premafin/Fonsai, in compliance with the requirements of the AGCM decision, the Unipol Group is required, among other things, to assign- with the assistance of an independent advisor, of primary international standing, approved by AGCM – the following asset: (i) the whole shareholding held by Milano Assicurazioni in Liguria Assicurazioni S.p.A. and Liguria Vita S.p.A. e (ii) one or more business units formed, among others, by the trademarks “Milano Assicurazioni” and “Sasa” and business assets of Milano Assicurazioni used to the production and distribution of insurance products carried out through the sales division, so that the Unipol Group transfers to third parties, as a result of such assignments, an amount of premium income, as at 31 December 2012, equal to 1.7 billion Euro, provided that, following the divestment, its market shares at national and province level are less than 30% in both Non-Life and Life Class on the basis of IVASS data (or guarantee the assignment of the entire share acquired as a result of the acquisition of control of Premafin, if the 30% stake was held prior to the merger).

In order to identify the scope of the assets object of Divestment and to be able to start the Divestment procedure, Unipol Group made use of the services of KPMG Advisory S.p.A.

The Divestment procedure will take place in the form of a competition in which the main Italian and foreign industry operators and financial investors who may be interested have been invited to submit tenders.

On 8 May 2013, the Boards of Directors of Milano Assicurazioni and the controlling company Fonsai authorized the continuation of the transfer process and also approved, in accordance with AGCM measures, the scope object of renunciation, subordinating the effects of such resolution to the authorization of the competence of the UGF Board of Directors, received the following May 9 2013.

At the Date of the Updated Information Document, the competitive process was still ongoing and it is not possible to estimate the actual timing for completion of the Divestiture or the total consideration which may be realized against said Divestiture. Moreover, following the receipt of expressions of interest, it should be noted that a dedicated data room was arranged for and opened to interested parties and that negotiations are underway with some interested parties, to which early drafts of the contractual documentation were made available. Should the negotiations with the parties that submitted the above expressions of interest continue, the negotiation on such contract documentation is expected to start.

In this context, it should be noted that on 19 December 2013, UGF received an offer, subject to the fulfillment of various conditions, for the acquisition of the insurance business and certain assets included among the assets being divested; such offer, which was disclosed to the AGCM, also in view of its complexity and composite structure, will be the subject of necessary analysis by the relevant corporate structures, for the purpose of determinations pertaining to the decision-making bodies of the companies involved.

With regard to the sale of the investments held by Fonsai in Assicurazioni Generali S.p.A. and Mediobanca as required by AGCM, please note the following.

- (a) Sale by Fonsai of the entire stake in Assicurazioni Generali S.p.A., representing about 1%: in compliance with said Measure, Fonsai arranged to sell its entire stake in Assicurazioni Generali S.p.A. by (i) the exercise by the same Fonsai and Milano Assicurazioni and the respective counterparty banks of the “put” and “call options” with the same strike (forward sale), and (ii) direct sales on the market. Pending the intervening disposal, Fonsai abstained from the exercise of administrative rights, including voting rights, relating to the investment in question.
- (b) Sale by UGF of the entire stake held by the Premafin/Fonsai Group in Mediobanca and, pending the completion of this disposal, set-up of an escrow account with an escrow agent approved by AGCM; during the period necessary for the identification and appointment of the escrow agent, abstention (i) from the exercise of any administrative right, including voting rights, in relation to the investments held in Mediobanca and (ii) from the designation of representatives on the Board of Directors of Mediobanca and the steering committee of the latter’s Shareholders’ Agreement.

In relation to the aforementioned Measure, UGF, Fonsai and Milano Assicurazioni have given a specific assignment to Equita SIM S.p.A. for the purpose of searching for entities interested in buying the stake in Mediobanca. UGF, together with Fonsai, Milano Assicurazioni and Fonsai International S.A. have also given to BNP Paribas Securities Services S.C.A. (“**BNP Paribas**”) an irrevocable mandate to act as the custodian of the shares held by Fonsai in Mediobanca and proceeded to the opening of an escrow account, where they deposited such shares, giving specific perpetual and irrevocable instructions to BNP Paribas in regard of abstention from participation in the shareholders’ meeting of Mediobanca and exercise of the corresponding voting rights.

With reference to the above obligation to dispose of its stake in Mediobanca, it should be noted that, on 17 September 2013, as a result of a specific request by Fonsai, also on behalf of Milano Assicurazioni and Fonsai International S.A., the meeting of the parties to the shareholders’ agreement authorized the release, in advance, from said agreement of the stake held by the Premafin/Fonsai Group in view of its subsequent disposal in accordance with the Measures.

Moreover, in relation to the second part of the Measure in question, UGF, Fonsai, Milano Assicurazioni and Fonsai International S.A. have not exercised any administrative right or designated any representative on the Board of Directors of Mediobanca and on the steering committee of the latter’s shareholders’ agreement, in place of the former Fonsai Group members already removed.

On 9 October 2013, the Sellers completed the sale of 23,114,386 ordinary shares of Mediobanca, representing approximately 2.68% of the share capital through a process of “accelerated book-building” directed exclusively to qualified investors in Italy, as defined in Art. 34-ter, paragraph 1, letter b, of the Issuers’ Regulation, and to foreign institutional investors. The consideration for the sale of the Shares amounted to approximately Euro 135.2 million.

The transfer Operation is part of the sale of the entire stake held by the Sellers in the share capital of Mediobanca, equal to a total number of 33,019,886 shares (3.83% of share capital), in compliance with the Measures laid out by AGCM. The additional 9,905,500 Mediobanca shares held by Fonsai, representing 1.15% of the share capital, were not included in the transfer Operation as they were under forward sales contracts previously signed, which provided for “put” and “call” options with the same strike, the latter of which may be exercised in the period between 16 October 2013 and 14 November

2013 as provided for in such contracts. The aforementioned agreements were all settled at their due date, by physical delivery of the securities themselves (the so-called “physical delivery” method), resulting in the collection of an amount of approximately Euro 50.5 million.

The disposal of the entire investment will therefore lead to a positive financial impact of approximately Euro 177.7 million, net of related expenses, and a positive economic impact of approximately Euro 44.6 million (IAS compliant).

Change of the auditing firm of Fondiaria-Sai, Milano Assicurazioni and Premafin as part of the Project of Integration by Merger

Pursuant to Legislative Decree 39 of 27 January 2010 and Regulation 261 of 28 December 2012, following UGF’s acquisition of the controlling interest in Premafin, Fonsai and Milano Assicurazioni and given the need to assign to PriceWaterhouseCoopers, the main auditor of the Unipol Group, the assignment to carry out the legal audit of the Group’s consolidated financial statements, during the shareholders’ meetings of Fondiaria-SAI, Milano Assicurazioni and Premafin held on 30 July 2013, the mutual resolution was made to assign the legal audit to be currently handled by Reconta Ernst & Young insofar as the remaining financial periods while also assigning the legal audit for Premafin, Fondiaria-SAI and Milano Assicurazioni to PriceWaterhouseCoopers for the 2013-2021 period.

Following the effective date of the mutual termination, Reconta Ernst & Young which had issued the audit report covering the financial statements as at 31 December 2012 and therefore having a complete overview of the Acquiring Company’s assets as at such date, maintained the assignment of ascertaining the correctness of the pro forma figures as at December 2012 to be inserted in this Updated Information Document.

2.1.2.1 The values attributed to the Companies Participating in the Merger. Criteria followed for determining the Share Exchange Ratio and valuation methods followed

With the support of the respective financial advisors, on 20 December 2012 the Boards of Directors of the Companies Participating in the Merger approved the Share Exchange Ratio.

For determination of the Share Exchange Ratio, the valuation methods adopted as part of best domestic and international practices for similar transactions were used. The correctness and adequacy of the methods used and the congruence of the results obtained based on these methods were confirmed by all the financial advisers, both of the companies involved as well as of the relative related party committees, who issued special fairness opinions in this regard.

The Companies Participating in the Merger were valued on a standalone basis and therefore without taking into account potential synergies and restructuring costs resulting from the Project of Integration by Merger.

The Share Exchange Ratio and the convenience and correctness of the Merger were judged positively also by the related party committees of the Companies Participating in the Merger. To this end, the procedures for the transactions with related parties adopted by UGF, Fonsai, Premafin and Milano Assicurazioni were followed.

The date that the balance sheets were approved and used by the Companies Participating in the Merger pursuant to article 2501-quater of the Italian Civil Code is 30 September 2012.

For the purposes of assessing the Share Exchange Ratio, it was assumed that the Divestment will produce its effects after the date the Merger acquires civil effect, and it was duly considered that, prior to completion of the Merger, Unipol Assicurazioni will carry out a capital increase of Euro 600 million and distribute a dividend of Euro 150 million.

The description of the valuation methodology, adopted by each of the Companies Participating in the Merger for the purposes of determining the Share Exchange Ratio, the results deriving from the application of the aforesaid methodologies and the valuation difficulties encountered is contained within the Merger Reports, the information documents on transactions with related parties, and the fairness opinions issued by the financial advisers of the Companies Participating in the Merger.

2.1.2.2 *The elements which took place subsequent to the Exchange of Correspondence concerning the key Values of the Merger which affected the valuations*

During the valuations subsequent to the Exchange of Correspondence concerning the Key Values of the Merger, it has been taken into account the events that took place in the meanwhile (including the acquisition of control of the Premafin-Fonsai Group by UGF, completion of the Premafin Capital Increase and the Fonsai Capital Increase) as well as, prior to the execution of the deed of Merger, the Unipol Assicurazioni Capital Increase of in the amount of Euro 600 million and the payment by the latter of a dividend of Euro 150 million applicable to the profits of 2012 and furthermore additional elements indicated below:

- the variations to the business plans, which refer to all the Companies Participating in the Merger from the period from 2013 to 2015, including a substantial alignment of the provision policies of the Companies Participating in the Merger;
- the balance sheet and profit and loss results for the first nine months of 2012;
- the changes in the financial markets and the connected effects on the income statements and balance sheets of the Companies Participating in the Merger, including the changes in the market value of the securities portfolio.

The above three elements have had a favorable effect on the valuation of Unipol Assicurazioni compared to Fonsai and Milano Assicurazioni. The distribution of the Euro 150 million dividend by Unipol Assicurazioni to UGF, prior to completion of the Merger, represents a reduction in the value of Unipol Assicurazioni.

FONDIARIA-SAI

The Board of Directors of the Acquiring Company used independent financial advisers with proven professionalism and experience in this type of transactions in order to determine the economic elements of the Merger and, in particular, Goldman Sachs International (“**Goldman Sachs**”), and Citigroup Global Markets Limited (“**Citi**”, together with Goldman Sachs, the “**Fonsai Advisors**”), this latter the financial advisor of the Fonsai related parties committee. Fonsai furthermore used, for the examination of the valuation methods applied and the results of the valuations themselves, the consulting services of Professor Mario Cattaneo.

All Fonsai Advisors exhaustively described their relationships with Premafin, Fonsai and the other companies comprising the Fonsai Group and considered that they were able to provide the service requested as part of the transaction with autonomy and independence.

The methods used in the valuation process were identified according to the characteristics of the company and the activities involved in the Operation and the objectives of the valuation itself. In general, the basic principle of the valuations for determination of the Share Exchange Ratio consists in the uniformity of the analysis criteria and estimates for the Companies Participating in the Merger. This involves the selection of criteria and methods that follow the same valuation reasoning and which were the most appropriate for the companies under valuation, taking into consideration, in any case, the diversity that characterizes them, in order to propose comparable values for the determination of the Share Exchange Ratio.

In this case, in light of the operations of the Companies Participating in the Merger and the valuation practices relative to similar transactions in Italy and abroad, Goldman Sachs has identified as the main valuation method for Fonsai, Milano Assicurazioni and Unipol Assicurazioni:

- the Dividend Discount Model – “DDM”

and as control valuation methods:

- the Market Multiples Method;
- the Regression Analysis;
- the Harmonized Embedded Value Method.

In regard to the activity carried out by Citi in its position as advisor, it is hereby indicated that in carrying out its own valuation, it adopted the following methods:

- Embedded Value;
- the Dividend Discount Model - “DDM”;
- the Market Multiples Method of comparable companies;
- the Regression Analysis method.

Both of Fonsai’s Advisors, on the basis and to the extent described in their respective reports, have reached the conclusion that the consideration for the Merger that will be received by Fonsai in its capacity as the Acquiring Company, as it is set out in the Merger Plan, in the case of the merger between Fonsai and Premafin, Unipol Assicurazioni and Milano Assicurazioni and in the event of the merger between Fonsai and Premafin and Unipol Assicurazioni, is financially congruent for Fonsai shareholders different from Premafin shareholders.

Summary of the main valuation difficulties encountered by the board of directors of Fonsai

The main difficulties encountered in the valuation analysis performed were as follows:

- valuation methods of different kinds were applied and in some cases required the use of subjective assumptions and conjectures. When applying these methods, the board of directors took into account the characteristics and limitations inherent in each of them, based on professional valuation practice;
- the financial projections contained in the business plans of the Companies Participating in the Merger used for the relevant valuations, by their nature, have a degree of uncertainty about the actual predictability of the operating performance and future income, including in relation to possible changes in the market environment and macroeconomic situation;
- the high volatility of the financial markets that characterizes the current international financial environment has an impact on market valuations and the economic and financial aspects of the Companies Participating in the Merger and the comparable companies used in some valuation methodologies;
- with reference to the portfolio of real estate assets, there was a lack of uniformity in valuation for the determination of unrealized gains/losses between Fonsai and Milano Assicurazioni on one side and Unipol Assicurazioni on the other;
- the unrealized gains/losses on the securities portfolio are highly dependent on market dynamics, whose volatility may cause significant variations in the results of the valuation analysis. Also, they are subject to the effects of the different accounting treatment adopted by the various Companies Participating in the Merger;
- in the case of the main method, the board of directors of Fonsai proceeded to adjust the financial values resulting from DDM, for unrealized gains/losses on holdings of securities classified as loans or as assets held to maturity, as if the securities portfolio of all the companies involved in the Merger was classified as available for sale. Consistent with the treatment of capital losses on the securities portfolio of Life business, this adjustment takes into account an assumption (provided by the management of the companies being merged) of theoretical shadow accounting applied to unrealized gains/losses on the securities portfolio of the Life Business of the respective companies;
- the valuations performed are also dependent on the level and the adequacy of the provisions of the individual companies. To this end, the Board of Directors of Fonsai presupposed that the stand-alone business plans, approved by the respective boards of directors, included assumptions of adequate and consistent provisioning for all the Companies Participating in the Merger.

MILANO ASSICURAZIONI

The Board of Directors of Milano Assicurazioni used the services of an independent financial adviser with proven professionalism and experience in this type of transaction in order to determine economic elements of the Merger and, in particular, Rothschild S.p.A. (hereinafter, “**Rothschild**”), who is also the financial advisor of the Milano Assicurazioni related parties committee. Milano Assicurazioni furthermore used, for the examination of the valuation methods applied and the results of the valuations themselves, the consulting services of professor Angelo Provasoli (hereinafter, together with Rothschild, the “**Milano Assicurazioni Advisors**”).

It is hereby specified that both of the Milano Assicurazioni advisors were selected by the Board of Directors after having ascertained their undisputed professionalism and competence, adequate organizational structure and, based on the elements acquired and represented by the advisors themselves, the absence of situations of conflict of interest that could compromise their independence.

The Board of Directors of Milano Assicurazioni approved and implemented the valuation methodologies used by the Milano Assicurazioni Advisor to determine the Share Exchange Ratio.

In order to distribute the economic value of Fonsai and Milano Assicurazioni, both of which have both ordinary and savings shares listed on regulated markets, as per valuation practices, the conversion of the saving shares into equivalent ordinary shares (the “**EoS**”) based on the conversion ratio implicit in the stock exchange prices for these same shares with reference to a specific time period. For the purposes of the analyses carried out, it was considered that the reference interval that was the most representative was between 6 August 2012 (the date Fonsai’s Category “B” savings shares were admitted to trading) and 14 December 2012 (the reference date of the relative valuations).

In particular, for Milano Assicurazioni, Fonsai and Unipol Assicurazioni, Rothschild applied the following valuation methods:

- the Dividend Discount Model – “DDM”;
- the Market Multiples Method;
- the Linear Regression Method (Value Map);
- the Appraisal Value – SoP method.

Based on the aforementioned methodologies, Rothschild confirmed financial congruence in terms of the Share Exchange Ratio proposed to the minority shareholders of Milano Assicurazioni.

Prof. Angelo Provasoli, within the limits of his competence, concluded that the principles and estimation methods used by Rothschild for the determination of the economic values and the Share Exchange Ratio shall be coherent with the indications of the prevalent doctrine and practices and that the criteria applicable to the substance shall be reasonable and adequate, given the operating context, the information available and the specifics of the case in question.

Summary of the main valuation difficulties encountered by the board of directors of Milano Assicurazioni

The main difficulties encountered in the valuation analysis performed were as follows:

- The valuations were carried out using mainly economic-financial projections prepared by the management of the Companies Participating in the Merger and UGF. This data by its nature has a degree of uncertainty;
- The volatility and complexity of harmonization (also from an accounting point of view) to which estimates relating to issues of actuarial, provisioning, valuation of securities are subject;
- As a result of a change in the control of Premafin occurred in July 2012, there was a natural break with the management of the companies participating in Operation;

- The involvement in the Operation of companies with unlisted ordinary shares, or only part of them admitted to trading ;
- The presence of different classes of shares in the capital of the companies involved in the Operation;
- The declared intention of UGF to grant Fonsai a put option on the stake held by Unipol Assicurazioni in Unipol Banca S.p.A. against a call option to be paid to UGF;
- The uncertainty related to the potential impacts arising from the Divestiture;
- The need to harmonize the data used in the estimation processes between the Insurance Companies Participating in the Merger;
- The potential lack of valuation uniformity for the determination of gains and losses on real estate of Unipol Assicurazioni, Fonsai and Milano Assicurazioni.

PREMAFIN

The Board of Directors of Premafin used the Consulting Services of major independent advisers, in particular Leonardo & Co. S.p.A. and professor Maurizio Dallochio (the latter being also financial advisor of Premafin's related party committee, jointly "**Premafin Advisors**").

The Board of Directors of Premafin acknowledged and implemented the valuation methodologies used by Premafin Advisors in order to determine the Share Exchange Ratios.

The methods used in the valuation process were identified according to the characteristics of the company and the activities involved in the Operation and the objectives of the valuation itself. In general, the basic principle of the valuations for determination of the Share Exchange Ratio consists in the uniformity of the analysis criteria and estimates for the Companies Participating in the Merger. This involves the selection of criteria and methods with the same reasoning and that are the most appropriate for the companies under valuation, taking into consideration the diversity that characterizes them, in order to propose comparable values for determination of the Share Exchange Ratio.

In the case at hand, considering that Premafin is a holding company and that its connection with Fonsai, its major investee and the Acquiring Company in the merger, is mainly financial, the valuation approach used by Premafin Advisors in order to estimate the economic value of Premafin for the purposes of determining the financial congruence of the share exchange ratio was the NAV (i.e., the Net Asset Value), calculated on the bases of the intrinsic value of the share packages held by the company, with particular reference to the equity investments in Fonsai and the debt.

In light of the above, in order to determine in terms of the Merger the financial congruence of the Share Exchange Ratio, the Premafin Advisors used several methodologies and criteria to estimate the value of the economic capital of Fonsai, Milano Assicurazioni and Unipol, in particular:

- the Dividend Discount Model - "DDM";
- the Appraisal Value Method;
- the Market Multiples Method;
- the Regression Analysis Method (Value Map).

Both of the Premafin Advisors, on the basis and to the extent described in their respective reports, reach the conclusion that the consideration for the Merger that Premafin will receive is congruent from the financial point of view for the Premafin shareholders other than UGF shareholders.

Summary of the main valuation difficulties encountered by the board of directors of Premafin

The main difficulties encountered in the valuation analysis performed were as follows:

- Use of forecast data: the valuation methodologies adopted, besides making reference to historical profitability parameters, were based on prospective consolidated and/or statutory data of Premafin, Finadin, Fonsai, Milano Assicurazioni and Unipol Assicurazioni contained in stand-alone plans. Such data by its nature contains elements of uncertainty and is potentially subject to even significant variation in case of unpredictable changes in general and, in particular, due to the market environment and the macroeconomic scenario of reference;
- Existence of different categories of shares in Fonsai and Milano Assicurazioni (i.e., ordinary and savings shares): the calculation of the unit value of the ordinary shares of Fonsai and ordinary shares of Milano Assicurazioni, necessary for the determination of the exchange ratio, imposed the calculation of the number of ordinary shares equivalent to that of the outstanding savings shares;
- Corporate purpose of the companies involved in the merger: the different corporate purpose of the Companies Participating in the Merger required the indirect application of the principle of uniformity and comparability of the assessment criteria, which characterizes merger valuations in particular with regard to the determination of the exchange ratio;
- Volatility in financial markets: the overall market situation, which has not yet stabilized, together with the objective characteristics and complexity of the Operation, is the source of heightened volatility in the market values and parameters used in the valuation analysis performed;
- Valuation criteria: the estimates are affected by the specific characteristics and inherent limitations of the different valuation methods used.

UNIPOL ASSICURAZIONI

The Board of Directors of Unipol Assicurazioni employed the consulting services of leading independent advisers, who assisted both Unipol Assicurazioni and UGF, and in particular Gualtieri e Associati and Lazard & Co. S.r.l. (together, the “**Unipol Advisors**”).

In order to determine the reference value of Unipol Assicurazioni, Fonsai and Milano Assicurazioni, in order to determine the Share Exchange Ratio, the board of directors of Unipol Assicurazioni used the methodologies employed by the Unipol Advisors, in particular:

- the Appraisal Value/Sum of Parts;
- the Dividend Discount Model (“DDM”);
- the Market Multiples Method;
- in addition to the above valuation methods, Gualtieri e Associati also used the Linear Regression Method (Value Map).

Both Unipol Assicurazioni Advisors, on the basis and to the extent described in their respective reports, reach the conclusion that the consideration for the merger to be received by Unipol Assicurazioni is congruent from a financial point of view.

Summary of the main valuation difficulties encountered by the board of directors of Unipol Assicurazioni

The main difficulties encountered in the valuation analysis performed were as follows:

- Use of the consolidated financial statements as primary reference for the determination of adjusted shareholders’ equity and expected cash flows. The use of consolidated financial statements, which became necessary due to the broad structure of the groups to which the companies involved in Merger belong created some complexities in the process of adjustment of assets and earnings due to the presence of minority interests;
- Incomplete divisional data by business areas. The application of the sum-of-parts method required the use of economic and financial data relating to the individual business areas in which the companies involved in the merger operate, thus complicating the allocation of items to the individual business units;

- Use of forecast data. The application of different valuation techniques made it necessary to use the forecast data contained in the 2013-2015 business plans of the Companies Participating in the Merger and then take into account the degree of uncertainty which such data contains by its nature;
- Harmonization. The application of different valuation methodologies made it necessary in some cases to harmonize the input data between the Insurance Companies Participating in the Merger when used in the estimation processes;
- The existence of ordinary shares and savings shares. The calculation of the value per share in the presence of different categories required to allocate the value of the capital stock of each company on the basis of a formal policy that, according to practice, is based on the ratios between the market price of the shares of different categories observed in a period assumed to be relevant;
- Real Estate assets. For the purposes of the analysis, the valuation of real estate assets was based on data from interim financial statements as at 30 September 2012 and on appraisal carried out on behalf of the Companies Participating in the Merger for the purpose of preparing the financial statements for 2011.

2.1.2.3 *Essential characteristics of the Acquiring Company shares and effective date for the exercise of the related rights*

The ordinary shares that will be assigned by the Acquiring Company in exchange will allow the exercise of regular rights and will be subject to the dematerialization regime pursuant to article 83-bis et seq. of the TUF and the relative implementation regulations and will be inserted into the central management system administered by Monte Titoli.

The Category “B” savings shares which will be assigned by the Acquiring Company in exchange for the savings shares of Milano Assicurazioni, will allow the exercise of regular rights and will be subject to the dematerialization regime pursuant to article 83-bis et seq. of the TUF and the relative implementation regulations and will be inserted into the central management system administered by Monte Titoli.

The Acquiring Company’s newly issued ordinary shares and Category “B” savings shares will be listed on the Mercato Telematico Azionario as are the Acquiring Company’s shares which are already in circulation.

2.1.2.4 *Procedures for assigning the Acquiring Company’s shares*

Following the entry into civil effect of the Merger, all the shares of the Merged Companies will be cancelled and exchanged with ordinary and/or Category “B” saving shares of the Acquiring Company, as indicated in the Merger Plan. In order to carry out the exchange, as part of the conclusion of the Merger, the Acquiring Company will proceed as follows:

- the assignment of all the Fonsai shares owned by the Merged Companies - amounting to, as at the Date of the Updated Information Document, 302,437,718 ordinary shares held by Premafin in Fonsai and 99,825 ordinary shares held by Milano Assicurazioni in Fonsai - through redistribution thereof in order to service the exchanges, without them ever being counted in Fonsai equity as own shares; and
- additional shares will be used to increase the share capital up to a maximum amount of Euro 953,894,503.64 through a maximum number of 1,632,878,373 newly issued ordinary shares and a maximum number of 55,430,483 Category “B” savings shares, all without indication of their nominal value.

Therefore the issuing of the new shares, ordinary and Category “B” savings shares, will take place against a Share Capital Increase of Euro 0.565 for each new share issued, and consequently against a share capital increase of a maximum amount of Euro 953,894,503.64.

Within the framework of the conclusion of the Merger, the following will be cancelled without exchange (i) the ordinary shares and the saving shares of the Merged Companies owned by the Acquiring Company on the effective date of the Merger, (ii) any ordinary and saving shares of the Merged Companies owned by other Merged Companies on the effective date of the Merger, and (iii) any ordinary and savings own shares held by the Merged Companies on the effective date of the Merger.

The shareholders will not incur any expenses for the exchange transactions.

The Fonsai ordinary shares and the Category “B” saving shares to be used in the exchange will be made available to the shareholders of the Merged Companies as at the effective date of the Merger, if coinciding with a trading day, or alternatively from the first business day after the civil effective date of the Merger. This date will be announced with a special notification published on at least one newspaper distributed Nationwide.

A service will be made available to the shareholders of the Merged Companies for the rounding the number of shares applicable to them pursuant to the Share Exchange Ratio to the immediately lower or higher number, without incurring any expenses, revenue stamps or commissions. Alternatively, other procedures could be implemented to ensure the overall completion of the Merger.

Further information on the procedures for attribution of the shares, will be communicated, where necessary, in the aforementioned notification.

2.1.2.5 *Date from which the transactions of the Companies Participating in the Merger are recognized, including in terms of accounting and taxes, in the financial statements of the Acquiring Company*

The effects of the Merger, pursuant to article 2504-bis, paragraph 2, of the Italian Civil Code, will begin from the registration of the deed of the Merger before the Companies Register of the registered office of the Acquiring Company, or from the subsequent date indicated in the deed of the Merger.

With regard to the provisions of article 2501-ter, paragraph 1.6 of the Italian Civil Code, the transactions of the Merged Companies will be recognized in the financial statements of the Acquiring Company starting from the 1st of January of the year in which the Merger will become effective and from this date the fiscal effects of the merger will also begin.

Since the Merger is an intercompany transaction between companies which are subject to the control of UGF, it is possible to backdate the effects of the operation in terms of accounting (and taxation).

In this case, the provisions set forth in IFRS 3 (“Business Combinations”) do not apply. If they did apply, they would not allow backdating of the operation for accounting purposes.

Indeed, as expressly indicated in paragraph 2.c., this accounting standard does not apply to “a combination of entities or businesses under common control (paragraphs B1-B4 provide related application guidelines).

In turn, paragraph B1 of the guidelines for IFRS provides that “*a business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.*”

The Companies Participating in the Merger are coherently considered as being under common control in the financial statements of the Unipol Group, therefore IFRS 3 is not applicable in this case and, consequently, it is possible to backdate the accounting and taxation effects of the transaction.

2.1.2.6 *Tax issues emanating from the Merger*

Taxation of the Merger

For the purposes of income tax, the Merger, pursuant to article 172 of Presidential Decree 917 of 22 December 1986 (hereinafter the “**TUIR**”), is fiscally neutral; in fact no realization or distribution of capital gains or losses

of the assets belonging to the Companies Participating in the Merger occurs, including in relation to inventories and goodwill.

Any differences arising from the Merger, which could emerge upon the completion of the Merger, will not be considered as taxable income, as the Merger is not recognized in terms of the taxation of income.

Furthermore, any higher amounts that could be imputed to the equity originating from the incorporated companies will not be taxable in terms of the Acquiring Company and consequently the assets received will be assessed fiscally based on the last recognized value in terms of income taxes. However, the combined provision of paragraph 10-bis of article 172 and paragraph 2-ter of article 176 of the TUIR allows the fiscal recognition of the higher values attributed in the financial statements following the Merger to the elements of the assets which constitute tangible and intangible fixed assets, in the event of (i) exercising a specific option and (ii) payment of a substitute tax instead of the corporate income tax (IRES) and the regional income tax on production activities (IRAP).

Furthermore, article 15, paragraphs 10 to 12, of Legislative Decree 185 of 29 November 2008, governs to the realignment of the fiscal values to the higher values recognized in the financial statements on the occasion of the transfer of a company, merger or demerger (hereinafter “**Extraordinary Transactions**”). The option for the regime which was described, which also involves application of a substitute tax instead of the corporate income tax (IRES) and the regional income tax on production activities (IRAP) on the higher values to be reliant, is allowed for a company undergoing an extraordinary transaction, which in this case is the incorporated company, the Acquiring Company (or the company resulting from the merger), that is, the beneficiary company. In terms of what is expressly provided in paragraphs 10, 11 and 12 of art. 15 this regime is in partial derogation of the provisions set forth in article 176, paragraph 2-ter of the TUIR. The tax reserves recognized in the last financial statements of the incorporated companies which are still in existence on the effective date of the Merger will be considered according to the specific provisions set forth in article 172, paragraph 5 of the TUIR and, if applicable, re-established.

The Merger constitutes a transaction exempt from VAT, pursuant to Art. 2, paragraph 3, letter f), of Presidential Decree No. 633 of 26 October 1972. According to such rule, in fact, transfers of assets as a result of corporate mergers are not considered relevant to VAT.

With regard to registration tax, pursuant to Art. 4, letter b) of Part I of the Tariff annexed to Presidential Decree No. 131 of 26 April 1986, the Merger deed is subject to a fixed tax in the amount of Euro 168,00 (Euro 200,00 as from 1 January 2014).

For the shareholders, the exchange of the shareholdings held in the Merged Companies does not constitute the assignment of the securities, but a mere replacement thereof (as the securities will be cancelled due to the Merger) with the securities belonging to the Acquiring Company.

In other words, regardless of the creation of a capital gain thanks to the difference in value of the cost of the replaced shares and the current value of the received shares, any income tax relevance for the shareholders should be ruled out in regard of the share exchange. Following the Merger, in fact, the Shareholders of the Merged Companies will receive shares in exchange for shares of the Acquiring Company (ordinary and/or savings shares of category “B”, the “**Shares of the Acquiring Company**”) that will be assigned the same value for tax purposes as the shares subject to exchange owned by the same Merged Companies’ Shareholders prior to the Merger.

Taxation of Withdrawals

Shareholders of Premafin and Milano Assicurazioni that lawfully exercised the right of withdrawal to which they are entitled pursuant to and in accordance with Art. 2437, paragraph 1, letter a) and Art. 2437, paragraph 1, letter g) respectively, of the Italian Civil Code (the “**Withdrawing Shareholders**”) are entitled to a liquidation value of the ordinary shares of Premafin and savings shares of Milano Assicurazioni (the “**Consideration for Withdrawal**”) respectively amounting to Euro 0.1747 and Euro 0.6860, determined in accordance with the provisions of Art. 2437-ter of the Italian Civil Code (see Paragraph 2.1.2.7 of the Updated Information Document).

The Withdrawing Shareholders who receive the Consideration for Withdrawal as consideration for the sale of their shares during the procedure under Art. 2437-*quater*, paragraph 1, of the Italian Civil Code (Option Offer to other shareholders of Premafin and Milano Assicurazioni), or on the market under Art. 2437-*quater*, paragraph 4, of the Italian Civil Code, will create a capital gain or a capital loss equal to the difference between the Consideration for Withdrawal and the taxable value of their ordinary and/or savings shares subject to withdrawal (see below “*B) Taxation of capital gains*”).

Withdrawing Shareholders who are individuals residing in Italy whose shares will be canceled and liquidated - pursuant to and in accordance with Art. 2437-*quater*, paragraph 5 - as a result of exercising their right of withdrawal will create an income that may be assimilated to a dividend, determined as the difference between the Consideration for withdrawal and the taxable value of their ordinary and/or savings shares subject to withdrawal (see below “*A) Taxation of dividends*”).

Withdrawing Shareholders that are corporations whose shares are canceled and liquidated - pursuant to and in accordance with Art. 2437-*quater*, paragraph 5 - as a result of exercising their right of withdrawal will create a capital gain or a capital loss equal to the difference between the Consideration for Withdrawal paid by way of distribution of share capital and capital reserves and the taxable value of their ordinary and/or savings shares subject to withdrawal (see below “*B) Taxation of capital gains*”), while any portion of the Consideration for Withdrawal paid by way of distribution of profits or retained earnings will be treated as a distribution of dividend (see below “*A) Taxation of dividends*”).

Please refer to Paragraph “*G) Financial transaction taxation*” hereunder with regard to the taxation of financial transactions (FTT), which could be levied on purchasers of shares (and securities representing shares) issued by companies resident in Italy .

Investors are in any case strongly recommended to consult their own advisors regarding the tax treatment of withdrawals and to verify the nature and origin of the sums received.

Taxation arising from ownership of the Acquiring Company’s Shares

The information below summarizes the tax regime applicable to the purchase, holding and sale of shares of the Acquiring Company pursuant to applicable Italian tax law and in relation to specific categories of investors.

The following should not be understood as an exhaustive analysis of the fiscal consequences resulting from the purchase, holding and sale of the Acquiring Company’s shares.

The tax regime applicable to the purchase, holding and sale of shares, as set out below, is a mere introduction to the subject and is based on the current Italian legislation, as well as on practice existing as at the Date of the Updated Information Document, being it understood that the same may be subject to changes even with retroactive effect.

Measures could come into force in the future involving, for example, the revision of the withholding tax rates applicable to capital gains and income other than financial income or measures in regard of the substitute taxes related to the same income. The approval of such legislation amending the regulations currently in force may, therefore, affect the taxation of the Acquiring Company’s Shares as described in the following paragraphs.

Investors are in any case strongly suggested to consult their own advisors regarding the tax regime applicable to the purchase, holding and sale of the Acquiring Company’s shares and to verify the nature and origin of the amounts received.

Definitions

For the purposes of this Paragraph 2.1.2.6 of the Updated Information Document, the following terms have the meanings set forth below.

“**Sale of Qualifying Shares**”: the sale of shares, other than savings shares, rights or securities which may be acquired through shares, which, over a period of twelve months, exceed the limits for the qualification as

Qualifying Shares. The twelve-month period runs from the time when the securities and rights held represent a percentage of the voting rights or shares in excess of the aforesaid limits. For rights or securities whereby shares may be acquired, reference will be made to the percentage of the voting rights or equity investments potentially referable to such shares;

“**Non-Qualifying Shares**”: equity investments in companies listed on regulated markets other than Qualifying Shares;

“**Qualifying Shares**”: equity investments in companies listed on regulated markets consisting of the holding of shares, other than savings shares, rights or securities whereby such share may be acquired, representing an overall percentage of voting rights to be exercised in ordinary shareholders’ meetings exceeding 2% or equity or investment greater than 5%.

Taxation of Shares

A) Taxation of dividends

Dividends paid to the Shares of the Acquiring Company will be subject to the tax treatment normally applicable to dividends paid by joint-stock corporations resident in Italy for fiscal purposes. The tax regime applicable to the distribution of dividends depends on the type of recipient, as described below.

In relation to different categories of recipients, the following different methods of taxation apply.

(i) Individual taxpayers residing in Italy for tax purposes and not carrying out business activities

- Non-Qualifying Shares

Pursuant to Art. 27 of Presidential Decree No. 600 of 29 September 1973, the dividends paid to individuals residing in Italy for tax purposes on shares held not by way of business operations and not constituting Qualifying Shares are subject to a 20% withholding tax rate.

Dividends received from shares by the same parties entered into the central securities depository system managed by Monte Titoli S.p.A. (such as those issued by the Acquiring Company) are subject to a 20% substitute tax to be withheld pursuant to Art. 27-ter of Presidential Decree No. 600/1973.

In both cases, there is no obligation for shareholders to declare the dividends received in their tax returns.

The substitute tax is levied by the resident entities where the securities have been deposited, participating in the centralized deposit system managed by Monte Titoli, as well as through a tax representative appointed in Italy (in particular, a bank or an asset management firm resident in Italy, a permanent establishment in Italy of non-resident banks or investment firms or a centralized securities management firms authorized under Article 80 of the TUF), by non-resident entities (depositories) that participate in the Monte Titoli system or foreign central securities depository systems participating in the Monte Titoli system.

The substitute tax is not levied if the resident natural person shareholder entrusts the equity management of his/her shares to an authorized intermediary (the so-called “asset management system”); in this case, dividends contribute to the annual result accrued in the individual portfolio management, subject to the above-mentioned 20% withholding tax applied by the asset manager.

- Qualifying Shares

The dividends paid by Italian companies to tax resident individuals in Italy in relation to Qualifying Shares, held not by way of business operations, are not subject to any withholding tax, provided that, at the time of receipt thereof, the beneficiaries declare that the dividends relate to Qualifying Shares. The

dividends thus received must be declared in the tax return and contribute to forming the total taxable income limited to 49.72% of their amount. This rate applies to dividends originating from profits made by the Company as from the financial year following the financial year in progress at 31 December 2007, without prejudice to the levying of the previous percentage on contribution to the formation of income, i.e. 40% of the profits made up until the financial year in progress as at 31 December 2007. Moreover, starting from the distribution resolutions subsequent to those concerning the profit for the financial year in progress as at 31 December 2007, for the purpose of taxation of the recipients, any distributed dividends are considered primarily consisting in profits made by the Company up to such financial year.

(ii) Individual taxpayers residing in Italy for tax purposes and carrying out a business activity

Dividends paid to tax resident individuals in Italy on shares relating to the company are not subject to any withholding tax on condition that the right holders, on the occasion of their receipt, declare that the profits collected relate to shares with regard to business activities. The dividends thus received must be declared in the tax return and contribute to forming the total taxable income limited to 49.72% of their amount.

In case of contributing to the creation of taxable income by profits made up until the financial year in progress as at 31 December 2007, the same will contribute to the creation of the recipient's taxable income in an amount equal to 40%. It is understood that, as from the distribution resolutions following the one relating to the profit made in the financial year in progress as at 31 December 2007, for the purpose of the recipient's taxation, distributed dividends are considered primarily as consisting in profits made by the Company up to such financial year.

(iii) General partnerships, limited partnerships and equivalents as referred to in Art. 5 of the TUIR

Dividends received by a general partnership, limited partnership and equivalents (excluding simple partnerships) as referred to in Art. 5 of the Income Tax Code are not subject to any withholding tax or substitute tax and contribute to the creation of the recipient's total taxable income solely with respect to 49.72% of their amount.

(iv) Companies and entities referred to in Art. 73, paragraph 1, letters a) and b), of the TUIR resident in Italy

Dividends received by joint-stock companies and partnerships limited by shares, limited liability companies, public and private entities that have as their exclusive or main purpose the exercise of a business activity, resident in Italy for fiscal purposes, are not subject to any withholding or substitute tax and contribute to the creation of the recipient's total taxable income up to a maximum of 5% of their amount. For recipients that prepare their financial statements in accordance with IAS/IFRS, distributed profits on shares held for trading will contribute to the creation of taxable income in their entire amount in the financial year in which they were received.

(v) Institutions referred to in Art. 73, first paragraph, letter c) of the TUIR, resident in Italy for fiscal purposes

Dividends received by the entities referred to in Article 73, first paragraph, letter c) of the TUIR, i.e. by public and private institutions resident in Italy for fiscal purposes, other than companies, whose sole or principal purpose is not the exercise of a business activity, are not subject to any withholding tax or substitute tax in Italy and contribute to the creation of the total income subject to corporate income tax (I.R.E.S.) limited to 5% of their amount.

(vi) Entities exempt and excluded from corporate income tax (I.R.E.S.) resident in Italy for tax purposes

For shares, such as the shares issued by the Acquiring Company, entered in the central depository system managed by Monte Titoli, the dividends received by tax resident entities in Italy exempt from corporate income tax (I.R.E.S.) are subject to a 20% substitute tax applied by the resident operator (that has joined the central

securities depository system managed by Monte Titoli) where the shares are deposited, or, through a tax representative appointed in Italy, by the non-resident operator (depository) that has joined the Monte Titoli system or any foreign central securities depository system participating in the Monte Titoli system.

Dividends paid to entities that are exempt from corporate income tax (I.R.E.S.) pursuant to Art. 74 of the Income Tax Code (i.e., State bodies and administrations, including autonomous bodies, even if having legal personality, municipalities, consortia of local authorities, associations and organizations for collective management of state property, mountain communities, provincial and regional authorities) are not subject to a withholding or substitute tax.

(vii) Italian pension funds and Italian U.C.I.s (other than Real Estate Investment Funds)

Profits received by (a) Italian pension funds subject to the regime set forth in Legislative Decree 252/2005 and (b) Italian U.C.I.s (other than Real Estate Investment Funds) are not subject to a withholding tax or to a substitute tax. With regard to the aforementioned pension funds, such profits contribute to the creation of the overall annual operating result of the relevant portfolio according to ordinary rules, subject to an 11% substitute tax. The distributions of profits received by U.C.I.s established in Italy (other than Real Estate Investment Funds), however, are submitted to no taxation in the hands of such investment undertakings.

(viii) Italian Real Estate Investment Funds

Under Decree Law No. 351 of 25 September 2001, converted with amendments into Law No. 410 of 23 November 2001, currently in force as a result of the amendments, the distributions of profits received by Italian Real Estate Investment Funds established pursuant to Article 37 of the TUF or Article 14-*bis* of Law No. 86 of 25 January 1994, are not subject to a withholding tax or substitute tax and there is no taxation in the hands of such funds, which are not subject to income tax or to the regional tax on productive activities in Italy.

In some cases, the income earned by an Italian non-institutional Real Estate Investment Fund could be taxed, due to transparency rules, (and thus contribute to the formation of taxable income in Italy) for non-institutional investors who have a stake of more than 5% of the assets of the fund.

(ix) Entities not residing in Italy that hold shares through a permanent establishment on Italian State territory

The distributions of profits received by non-resident entities in Italy that hold shares through a permanent establishment in Italy to which the shareholding is effectively connected are not subject to any withholding tax in Italy, or to a substitute tax, and contribute to the creation of the total income of the permanent establishment to be taxed in Italy in accordance with the ordinary rules up to 5% of their amount, or for the entire amount if relating to securities held for trading by entities that apply the IAS/IFRS.

For the case where the distributions are attributable to an investment not connected to a permanent establishment in Italy of a non-resident recipient, please refer to the following paragraph.

(x) Taxpayers not residing in Italy that do not hold shares through a permanent establishment on Italian State territory

Dividends from shares or similar securities placed in the central securities depository system managed by Monte Titoli and received by taxpayers not residing in Italy without a permanent establishment on Italian State territory to which such share could be attributed are in principle subject to a 20% withholding tax, pursuant to Art. 27-*ter* of Presidential Decree 600/1973 and Article 2 of Decree Law 138/2011.

This substitute tax is applied by the resident entities where the securities are deposited, participating in the central securities depository system managed by Monte Titoli, as well as through a tax representative appointed in Italy (in particular, a bank or an asset management firm resident in Italy, a permanent establishment in Italy of non-resident banks or investment firms or a central securities depository authorized under Article 80 of the TUF), by non-resident entities participating in the Monte Titoli system or foreign central depository systems participating in the Monte Titoli system.

Shareholders not residing in Italy for tax purposes who are levied the above-mentioned 20% withholding tax on dividends, other than holders of savings shares, are entitled, against a refund request to be submitted in accordance with the terms and conditions of the law, to reimbursement of up to a quarter of the withholding tax paid in Italy pursuant to Article 27-ter of Presidential Decree 600/1973 for any tax that they can prove they have paid in a foreign country on the same profits, upon presentation to the Italian competent tax authorities of the relevant certificate from the tax authorities of the foreign State.

Alternatively to the above refund, entities resident in Countries with which Italy has signed agreements to avoid double taxation on income may request the substitute tax to be applied on dividends for the (reduced) amount as under the Convention from time to time applicable.

To this end, the entities with which the shares have been deposited participating in the central securities depository system managed by Monte Titoli must, in a timely manner, acquire:

- a declaration of the non-resident beneficial owner of the profits, containing the identification data of the same individual, showing that all the conditions to which the application of the conventional tax treatment are subordinated have been met and containing any elements that may be necessary to determine the amount of the rate applicable under the Convention;
- a certificate from the competent tax authority of the State where the beneficial owner of the profits is resident, showing the residence in such State as under the Convention.

This certification is effective until 31 March of the year following its filing.

The Italian tax authorities, however, have agreed on certain specific forms with the tax authorities of foreign States to ensure a more efficient and easy refund of, or total or partial exemption from, the withholding tax applicable in Italy. If the documentation is not submitted to the depository prior to the payment of dividends, the 20% substitute tax will be levied. In such case, the beneficial owner of the dividends may, however, request from the tax authorities a refund of the difference between the Italian substitute tax applied and the one applicable under the Convention through the appropriate refund request accompanied by the documents referred to above, to be submitted in accordance with conditions and terms of the law.

In the case in which the recipients and beneficial owners of the dividends are companies or entities (i) that are tax resident in a Member State of the European Union or in one of the States that are a party to the Agreement on the European Economic Area and included in the list to be prepared with appropriate Decree of the Ministry of Economy and Finance pursuant to Article 168-bis of the TUIR, and (ii) that are subject to tax on corporate income therein, such entities may benefit from the application of a substitute tax on dividends at the reduced rate of 1.375% on the relevant amount. Until the issue of the aforesaid Ministerial Decree, the States that are parties to the Agreement on the European Economic Area which are relevant to the levying of the tax at the aforementioned rate of 1.375% are those included in the list referred to in the Decree of the Ministry of Finance dated 4 September 1996, as amended. According to Article 1, paragraph 68, of the 2008 Finance Act, the 1.375% substitute tax only applies to dividends from profits made as from the financial year following the year in progress at 31 December 2007. For the purposes of the 1.375% substitute tax, non-resident recipients must promptly make a specific request to the depository of the shares, which is required to levy the substitute tax, accompanied by the appropriate certificate of residence and tax status granted by the competent authorities of the State to which they belong.

In case the recipients and beneficiaries of dividends are pension funds established in a Member State of the European Union or in one of the States that is a party to the Agreement on the European Economic Area and included in the list to be prepared by special decree of the Ministry of Economy and Finance pursuant to Article 168-bis of the TUIR, such entities may benefit from the application of a substitute tax on dividends at the reduced rate of 11% of the relevant amount. Until the issue of the aforesaid Decree of the Ministry of Economy and Finance, the Member States that are parties to the Agreement on the European Economic Area which are relevant to the aforementioned 11% tax rate are those included in the list found in the Decree of the Ministry of Finance dated 4 September 1996, as amended. For the purposes of the 11% substitute measure, non-resident

pension funds must promptly make a specific request to the depositary of the shares, which is required to levy the substitute tax, accompanied by appropriate documentation.

Pursuant to Article 27-*bis* of Presidential Decree 600/1973, approved in implementation of Directive No. 435/90/EEC of 23 July 1990, later remolded in Directive No. 2011/96/EU of 30 November 2011, in case the dividends are received from a company (a) that takes one of the forms provided in the Annex to the aforesaid Directive No. 2011/96/EU, (b) that is tax resident in a Member State of the European Union, without being considered, pursuant to an agreement on double taxation on income with another State, a resident outside the European Union, (c) that is subject, in the State of residence, without the possibility of qualifying for option or exemption schemes that are not geographically or temporally limited, to one of the taxes listed in the Annex to the above Directive and (d) that has held a direct investment in the Acquiring Company of not less than 10% of the share capital for an uninterrupted period of at least one year, such company will be entitled to request from the Italian tax authorities a refund of the substitute tax applied to the dividends it received.

To this end, the non-resident company must submit:

- a certificate issued by the competent tax authorities of the foreign State which proves that the non-resident company meets the above requirements; and
- documentation certifying that the conditions listed above have been met.

Furthermore, as clarified by the Italian tax authorities, upon the occurrence of such conditions and as an alternative to the submission of a request for a refund after the payment of the dividend, provided that the minimum annual holding period of the investment in the Acquiring Company has already expired at the time of the distribution of such dividend, the non-resident company may directly request the intermediary, depositary of the shares, not to apply the substitute tax by submitting the same documents as indicated above to the concerned intermediary in a timely manner. In relation to non-resident companies that are directly or indirectly controlled by entities not residing in European Union member states, the above scheme for the refund or non-enforcement of the substitute tax can only be invoked on condition that such companies prove that they do not hold shares in the Acquiring Company for the sole or principal purpose of benefiting from the tax treatment in question.

Dividends attributable to bodies or international organizations that benefit from exemption from taxation in Italy as a result of international laws or agreements ratified in Italy are not subject to the substitute tax.

(xi) Distribution of reserves as referred to in Article 47, paragraph 5, of the TUIR

The information provided in this Paragraph summarizes the tax regime applicable to distribution by the Acquiring Company - different from the cases of reduction of surplus capital, withdrawal, exclusion, redemption or liquidation – of capital reserves as referred to in Article 47, paragraph 5, of the TUIR, that is, among other things, reserves or other funds established with issue premiums, with interest adjustments paid by subscribers, non-refundable grants or capital contributions by shareholders and currency revaluation balances exempt from taxation (hereinafter also the “**Capital Reserves**”).

(a) Natural persons not carrying out business activities and tax resident in Italy

Regardless of any shareholder resolutions, the amounts received by tax resident individuals in Italy by way of distribution of Capital Reserves will be considered as a profit for the recipients within the limits and to the extent that profits were reported for the year by the distributing company and earnings retained (except for the portion thereof set aside for deferred taxation). The amounts classified as profits are subject, depending on whether or not they are Non-Qualifying Shares and/or not related to the company, to the same rules described above for dividends. The sums received by way of distribution of Capital Reserves, net, on the basis of the foregoing, of any amount that may qualify as profit, will reduce the cost of the investment recognized for tax purposes by the same amount.

It follows that, when subsequently sold, the taxable gain will be calculated as the difference between the selling price and the cost recognized for tax purposes of the investment reduced by an amount equal to the sums

received by way of distribution of Capital Reserves (net of any amount that may qualify as profit). According to the interpretation endorsed by the (Italian) tax authorities, amounts received by way of distribution of Capital Reserves, for the portion in excess of the fiscal cost of the investment, are considered as a profit to be subjected to the rules described above for dividends. Special rules may apply in relation to investments in regard of which the individual has opted for the so-called “asset management” treatment pursuant to Article 7 of Legislative Decree 461/1997.

(b) General partnerships, limited partnerships and equivalents as referred to in Article 5 of the TUIR, partnerships, entities and institutions as referred to in Article 73, first paragraph, letters a) and b) of the TUIR and natural persons carrying out business activities, tax resident in Italy

For natural persons who hold shares for the conduct of a business activity, general partnerships, limited partnerships and equivalents (excluding simple partnerships) as referred to in Article 5 of the TUIR, entities and institutions as referred to in Article 73, first paragraph, letters a) and b) of the TUIR, tax resident in Italy, the sums received by way of distribution of Capital Reserves are considered as a profit within the limits and to the extent that the distributing company reported profits for the year and retained earnings (except for portions thereof set aside for deferred taxation). The amounts classified as profits should be subject to the same rules as described above for dividends.

The sums received by way of distribution of Capital Reserves (net of any amount that qualifies as profits) will reduce the cost of the investment recognized for tax purposes by an equal amount. The sums received by way of distribution of Capital Reserves, for the portion in excess of the fiscal cost of the investment, are considered as capital gains and, as such, subject to the tax treatment described in Paragraph B) hereunder.

(c) Italian pension funds and Italian U.C.I.s (other than real estate investment funds)

Based on a systematic interpretation of the rules, the amounts received by Italian pension funds subject to the regime provided for in Article 17 of Legislative Decree 252/2005, by way of distribution of Capital Reserves, should contribute to forming the net operating result accrued for the tax period in which the distribution took place, subject to an 11% substitute tax. The value of investments at the end of the same tax period must be included in the calculation of the annual operating result of such pension funds. However, the sums received by U.C.I.s established in Italy (other than real estate investment funds) by way of distribution of Capital Reserves should not be submitted to any taxation for such investment undertakings.

(d) Persons not residing in Italy for tax purposes without a permanent establishment on Italian national territory

For persons not resident in Italy for tax purposes (whether individuals or corporations), without a permanent establishment in Italy to which the investment may be attributed, the fiscal nature of amounts received by way of distribution of Capital Reserves is considered the same as previously highlighted with regard to individuals tax resident in Italy. As has been shown for tax resident individuals and corporations in Italy, the sums received by way of distribution of Capital Reserves, net of any amount that may qualify as profit, will reduce the cost of the investment recognized for tax purposes by an equal amount.

(e) Persons not residing in Italy for tax purposes with a permanent establishment on Italian national territory

With regard to non-residents who hold the investment through a permanent establishment in Italy to which the investment is effectively connected, the sums received by way of distribution of Capital Reserves are taxed in the hands of the permanent establishment under the same tax rules applied to companies and institutions as referred to in Article 73, paragraph 1, letters a) and b) of the TUIR, tax resident in Italy, as indicated in Paragraph (b) above.

For the case in which the distribution of Capital Reserves arises from an interest that is not connected to a permanent establishment in Italy of a non-resident recipient, please refer to the explanations in Paragraph (d) above.

B) Taxation of capital gains

(i) Natural persons residing in Italy for tax purposes who hold investments not as part of a business activity

Capital gains referred to shares other than those held in the exercise of business activities, created by tax resident individuals in Italy by transfer for consideration of corporate equity, as well as securities or rights that may be acquired through such shareholdings, are subject to a different tax regime depending on whether the transfer regards Qualifying Shares or otherwise.

Sale of Qualifying Shares

Capital gains arising from the Sale of Qualifying Shares acquired outside the conduct of a business activity by tax resident individuals in Italy contribute to forming the recipient's taxable income solely as to 49.72% of their amount. For such capital gains, taxation takes place at the time of the annual tax return. Where the Sale of Qualifying Shares generates a capital loss, the portion corresponding to 49.72% of the same is carried forward, up to 49.72% of the capital gains of the subsequent tax periods, but not beyond the fourth period, provided that such loss is declared in the tax return for the period in which it was achieved.

For these investments it is not allowed to exercise the option for administered or managed schemes as previously indicated (Articles 6 and 7 of Legislative Decree No. 461/1997).

Sale of Non-Qualifying Shares

Capital gains not held as part of a business activity created by tax resident individuals in Italy by selling shares and securities or rights for consideration, through which such share may be acquired and does not qualify as a Sale of Qualifying Shares are subject to a 20% substitute tax. The taxpayer may opt for one of the following taxation methods:

(a) tax regime based on the annual tax return (Article 5, Legislative Decree No. 461/1997): the taxpayer declares gains and losses realized in the year in the tax return; calculates the withholding tax on net income, if a gain, and pays it before the deadline for the final payment of income taxes due according to the tax return. Losses in excess, provided they are stated in the tax return, may be deducted up to the amount of the relevant gains of the subsequent tax periods, but not beyond the fourth period. However, losses arising from the sale of investments that have been written up can never be offset. It should be noted that due to the change in tax rates (from 12.50% to 20%) introduced by Legislative Decree No. 138/2011, converted into Law No. 148/2011, the losses created until 31 December 2011 may be deducted from capital gains realized from 1 January 2012 only as to 62.50% of their amount. The tax return regime is the one ordinarily applied if the taxpayer has not opted for one of the two schemes referred to in the points hereunder;

(b) optional tax regime for assets under administration (Article 6 of Legislative Decree No. 461/1997): in the case where the person opts for this scheme, the 20% substitute tax is determined and paid at the time of the single sale by the intermediary with which the shares are deposited under custody or administration, on all capital gains realized. Any capital losses can be offset within the same relationship by computing the amount of the reduction in losses up to the amount of capital gains realized in subsequent transactions carried out in the same or in subsequent tax periods, but not beyond the fourth tax period. Taxpayers cannot offset losses realized on the sale of investments whose value has been written up on the basis of an independent appraisal. It should be noted that due to the change in tax rates (from 12.50% to 20%) introduced by Legislative Decree No. 138/2011, converted into Law No. 148/2011, the losses created until 31 December 2011 may be deducted from capital gains realized from 1 January 2012 only as to 62.50% of their amount. If the administration or custody relationship terminates, the capital losses, if any, with the same limitations as described above, may be once again deducted, but not beyond the fourth tax year following the year they were created, from capital gains realized in connection with another relationship of assets under administration held by the same persons that were holders of the relationship or deposit of origin, or may be deducted in the tax return;

(c) optional scheme for assets under management (Art. 7 of Legislative Decree No. 461/1997): a prerequisite for the choice of this scheme is the provision of an asset management assignment to an authorized intermediary. Under such scheme, a 20% substitute tax is applied at the end of each tax period on the increase in value of the managed assets accrued during the tax period, even if not paid out, net of income subject to withholding, exempt proceeds, or in any case earnings, not subject to taxation, income that forms part of the taxpayer's total income and income subject to a substitute tax. In the asset management regime, capital gains realized through the sale of non-qualifying shares contribute to forming the increase in managed assets accrued during the tax period. The negative result of the management achieved in a tax period may be deducted from the positive

outcome of the management of the four succeeding tax periods for the full amount that may be comprised by each of them.

(ii) Natural persons holding shares as part of their business activity, general partnerships, limited partnerships and equivalents as referred to in Article 5 of the Income Tax Code, residing in Italy for tax purposes

Capital gains realized by tax resident individuals in Italy while exercising a business activity, general partnerships, limited partnerships and equivalents as referred to in Article 5 of the TUIR, by means of transfer of shares for consideration contribute, for their full amount, to forming the taxable business income, subject to taxation in Italy in accordance with the ordinary regime.

As clarified by the Italian tax authorities, the cost items realized by individuals during the conduct of a business activity, general partnerships, limited partnerships and the like as referred to in Art. 5 of the Income Tax Code, tax resident in Italy, through the sale of shares for consideration should be fully deductible from the transferor's taxable income.

However, where the conditions outlined in paragraphs (a), (b), (c) and (d) of the following Paragraph are met, capital gains contribute to forming taxable business income at a 49.72% rate. Capital losses realized on investments meeting the requirements referred to in points (a), (b), (c) and (d) of the following Paragraph are only deductible in part, similarly to the provisions for the taxation of capital gains. For the purposes of determining capital gains and losses relevant for tax purposes, the fiscal cost of investments sold is incurred net of write-downs deducted in previous tax periods.

(iii) Entities and institutions as referred to in Article 73, paragraph 1, letters a) and b) of the TUIR

Capital gains realized by entities and institutions as referred to in Art. 73, paragraph 1, letters a) and b) of the TUIR, including joint-stock companies and partnerships limited by shares, limited liability companies, public and private bodies whose exclusive or main purpose is the exercise of commercial activities, tax resident in Italy, as a result of sales of shares for consideration contribute to forming the taxable business income for their entire amount in the financial year in which they were realized, or, for shares held for a period of not less than three years (one year for amateur sports clubs) or recognized under financial fixed assets in the last three financial statements, optionally, on a straight line basis in the same financial year and in the following, but not beyond the fourth financial year.

However, pursuant to Art. 87 of the TUIR (regulating the so-called participation exemption regime), capital gains realized in respect of shares in entities and institutions as referred to in Art. 73 of the TUIR do not contribute to forming the taxable income as they are exempt as to 95% of their amount, if such shares meet the following requirements:

- (a) uninterrupted possession since the first day of the twelfth month prior to the one in which the sale took place, being considered as sold the shares or units acquired at a more recent date;
- (b) classification in the category of financial fixed assets in the first financial statements during the period of ownership;
- (c) tax residence of the investee company in a Country or territory as listed in the Decree of the Ministry of Economy and Finance issued pursuant to Art. 168-*bis* of the TUIR, or, alternatively, the proof, following the exercise of a private ruling in the manner referred to in paragraph 5, letter b) of Art. 167 of the TUIR, that, since the beginning of the holding period, the effect of locating the income in the Countries or territories other than those identified in the decree referred to in Art. 168-*bis* of the TUIR was not achieved as to such shares (for this purpose it is necessary to refer to the Countries or territories other than those under the so-called "privileged tax regime" until the aforementioned decree of the Ministry of Economy and Finance has been issued);
- (d) the investee company conducts a business activity as defined in Article 55 of the TUIR; however, this requirement is not relevant for investments in companies whose securities are traded on regulated markets.

The requirements referred to in points (c) and (d) must be fulfilled without interruption, upon realization of capital gains, at least since the beginning of the third tax period prior to the same realization. The sale of shares belonging to the category of financial fixed assets and those belonging to the category of current assets should

be considered separately with respect to each category. In the presence of the abovementioned conditions, losses realized on the disposal of investments are not deductible from business income.

For the purposes of determining capital gains and losses relevant for tax purposes, the fiscal cost of the shares sold is incurred net of write-downs deducted in previous tax periods.

The losses and the negative differences between the revenues and costs related to shares that do not qualify for exemption are not relevant up to the non-taxable amount of dividends, or payments on account, received in the 36 months prior to disposal/realization. This provision (i) applies with respect to shares acquired in the 36 months prior to disposal/realization, provided that the conditions referred to under points (c) and (d) have been met, but it (ii) does not apply to entities that prepare their financial statements according to international accounting standards as referred to in (EC) Regulation No. 1606/2002 of the European Parliament and of the European Council of 19 July 2002.

In relation to capital losses and the negative differences between revenues and costs related to shares deductible from business income, it must be noted that, pursuant to Art. 5-*quinquies*, paragraph 3, of Decree Law No. 203 of 30 September 2005, converted with amendments into Law No. 248 of 2 December 2005, if the amount of the aforesaid losses and/or negative differences arising from transactions in regard of shares traded on regulated markets is greater than Euro 50 thousand, even as a result of several transactions, the taxpayer must notify the Italian Revenue Service in regard of data and information relating to the transaction. The detailed information that must be communicated, in addition to the terms and procedural rules of such communication, are contained in the Measure of the (Italian) Revenue Service dated 29 March 2007 (published in the Italian Official Journal No. 86 of 13 April 2007).

Furthermore, pursuant to Art. 1, paragraph 4, of Decree Law No. 209 of 24 September 2002, converted with amendments into Law No. 265 of 22 November 2002, regarding losses totaling more than Euro 5 million, resulting from the sale of investments held as financial fixed assets, also created as a result of several acts of disposal, the taxpayer must notify the Italian Revenue Service in regard of the necessary data and information. This requirement does not apply to entities that prepare financial statements according to the international accounting standards.

For certain types of companies and under certain conditions, capital gains realized by the above entities by selling shares also contribute to forming the corresponding net value of production, to be submitted to the regional tax on productive activities (I.R.A.P.).

(iv) Institutions listed in Art. 73, paragraph 1, letter c) of the TUIR, tax resident in Italy

Capital gains realized not as part of the conduct of a business activity by non-commercial resident institutions are taxed under the same rules as gains realized by tax resident individuals in Italy on investments not held as part of a business activity.

(v) Italian pension funds and Italian U.C.I.s (other than real estate investment funds)

Capital gains on investments held by Italian pension funds as referred to in Legislative Decree 252/2005 are included in the calculation of the annual management result accrued and are subject to an 11% substitute tax. Capital gains on investments held by U.C.I.s established in Italy (other than real estate investment funds), however, are not submitted to taxation in the hands of such investment undertakings.

(vi) Italian real estate investment funds

Under Decree Law 351/2001, as currently in force as a result of the amendments brought thereto, capital gains arising on investments held by Italian real estate investment funds established pursuant to Art. 37 of the Consolidated Law or Art. 14-*bis* of Law No. 86 of 25 January 1994 are not submitted to any form of taxation in the hands of these funds, which are not subjected to income tax and to the regional tax on productive activities in Italy. In some cases, the income earned by a non-institutional Italian real estate investment fund could, as a result of transparency rules, flow down to the relevant non-institutional investors (and thus contribute to forming their taxable income) if they hold a stake of more than 5% of fund assets.

(vii) Entities not residing in Italy for tax purposes, with permanent establishment on Italian national territory

With regard to non-resident entities that hold investments through a permanent establishment in Italy to which the shareholding is effectively connected, capital gains realized through the sale of the investment will contribute to forming the income of the permanent establishment according to the tax regime provided for capital gains realized by entities and institutions as referred to in Art. 73, paragraph 1, letters a) and b) of the TUIR, tax resident in Italy, as mentioned above in paragraph (iii). If the investment is not connected to a permanent establishment in Italy of a non-resident entity, please refer to the following Paragraph.

(viii) Entities not residing in Italy for tax purposes, without a permanent establishment on Italian national territory

Non-Qualifying Shares

Capital gains realized by entities not residing in Italy for tax purposes, without a permanent establishment in Italy (through which the shares are held), arising from the transfer for consideration of equity investments that do not qualify as a Sale of Qualifying Shares held in Italian companies traded on regulated markets (such as those issued by the Acquiring Company) are not submitted to taxation in Italy, even if held there. In order to qualify for this exemption from Italian taxation, not resident shareholders in Italy for tax purposes to which the system of assets under administration applies or who have opted for the asset management scheme as referred to in Arts. 6 and 7 of legislative Decree 461/1997, may be required by the Italian intermediary the submission of a self-certifying statement attesting to their non-tax residency status in Italy.

Qualifying Shares

Capital gains realized by entities not residing in Italy for tax purposes, without a permanent establishment in Italy (through which the shares are held), arising from the Sale of Qualifying Shares contribute to forming the taxable income of the recipient in Italy according to the same rules as for Italian resident individuals not engaged in business activities.

These capital gains are taxed only in the annual tax return, as the same may not be subject to either the assets under administration regime or the assets under management regime. However, where applicable, there is no prejudice to the rules of the provisions of international conventions against double taxation, if more favorable.

C) Tax on stock exchange transactions

Pursuant to Art. 37 of Law Decree No. 248 of 31 December 2007, converted into Law No. 31 of 28 February 2008, the tax on stock exchange transactions referred to in the Royal Decree No. 3278 of 30 December 1923 was repealed with effect from 1 January 2008.

In accordance with the Presidential Decree No. 131/1986, the instruments of transfer of shares drawn up on national territory the Italian State by a public act, private deed as well as those voluntarily registered with the Italian Revenue Service, or in use case, are still subject to registration tax at a fixed rate of Euro 168.00 (Euro 200.00 as from 1 January 2014).

D) Inheritance and gift tax

Transfers of shares or securities by way of succession due to death, gift or free grant generally fall within the scope of the current Italian inheritance and gift taxes. The tax is also levied on the establishment of restrictions on use.

For residents in Italy, the inheritance tax and gift tax are generally levied on all property and rights being transferred wherever they are located (though some exceptions apply). For non-residents, the inheritance tax and gift tax are only levied on property and rights existing in the Italian territory. Shares held in companies that have their registered office or administrative headquarters or main business scope in Italy are considered in any case as located on Italian territory.

a) Inheritance tax

Pursuant to Art. 2, paragraph 48, of Law No. 286 of 24 November 2006, transfers of property and rights for cause of death are subject to inheritance tax, with the following rates to be applied on the total net value of the goods:

(i) property and rights conferred to the spouse and relatives in a straight line, the rate is 4%, on the amount in excess of Euro 1 million for each beneficiary;

(ii) property and rights conferred to other relatives up to the fourth degree and family members in a straight line, as well as relatives-in-law to the third degree, the rate is 6% (on the amount in excess of Euro 100,000 for each beneficiary, only for brothers and sisters);

(iii) property and rights conferred to other parties, the rate is 8% (with no deductible).

If the beneficiary is a handicapped person recognized as seriously handicapped under Law No. 104 of 5 February 1992, the inheritance tax applies only on the value of the portion or inherited property that exceeds the amount of Euro 1.5 million.

b) Gift tax

Pursuant to Article 2, paragraph 49, of Law No. 286 of 24 November 2006, for donations and acts of gratuitous transfer of property and rights and the establishment of restrictions on the use of goods, the gift tax is determined by applying the following rates to the total value of property and rights, not including the charges borne by the beneficiary, or, if the donation is made jointly in favor of several persons, or if several acts of disposition in favor of different parties are included in one act, the following rates apply to the value of portions of attributable property or rights:

(i) in the case of a gift or gratuitous transfer to the spouse and relatives in a straight line, a 4% gift tax is applied on the amount in excess of Euro 1 million for each beneficiary;

(ii) in the case of a gift or gratuitous transfer in favor of other relatives up to the fourth degree and family members in a straight line, as well as relatives-in-law to the third degree, a 6% gift tax is applied (on the amount in excess of Euro 100,000 for each beneficiary only for brothers and sisters);

(iii) in the case of a donation or a gratuitous transfer in favor of other persons, an 8% gift tax is applied (with no deductible).

If the beneficiary is a handicapped person recognized as seriously handicapped under Law No. 104 of 5 February 1992, the gift tax applies only on the value of the portion or inherited property that exceeds the amount of Euro 1.5 million.

E) IVAFE - Tax on the value of financial assets held abroad

Pursuant to Art. 19 of Decree Law No. 201 of 6 December 2011, ("Decree No. 201/2011"), converted into Law No. 214 of 22 December 2011, tax resident individuals in Italy who hold financial assets outside the Italian territory, including stocks, must pay a special tax (IVAFA). Effective from 2013, this tax is applied at the rate of 0.15%. The tax is applied to the market value, recorded at the end of each calendar year (or at the end of the retention period if prior to 31 December of the reference year), of such financial assets held abroad. For securities traded on regulated markets, reference is made to the listed value as reported at 31 December of the reference year. The tax is payable in proportion to the amount and retention period. Taxpayers may deduct a tax credit from such tax equal to the amount of any property tax paid to the State where the financial assets are held (up to the amount of the Italian tax due).

The tax does not apply to financial assets held abroad that are subject to an administration agreement entered into with financial intermediaries resident in Italy.

Art. 1, paragraph 392, of the draft law on "Measures for the preparation of the annual and multi-annual financial statements of the State (2014 Financial Stability Act)", being approved as at the Date of the Updated Information Document, amends paragraph 20 in Article 19 of Decree No. 201/2011, raising the tax rate from 0.15% to 0.20% with effect from 2014.

F) Stamp duty

Pursuant to Art. 19 of Decree No. 201/2011, stamp duty is applied proportionally on an annual basis in relation to the market value of financial products and instruments. Effective from 2013, the 0.15% stamp duty is charged with a minimum amount of Euro 34.2 but, against Italian shareholders other than individuals, it may not exceed Euro 4,500. The stamp duty is applicable to all Italian Shareholders (other than banks, insurance

companies, investment funds and pension funds and certain other financial intermediaries) to the extent that the shares are held through a bank or financial intermediary or insurance company established in Italy.

G) Financial transaction tax

Pursuant to Art. 1 of Law No. 228 of 24 December 2012, the transfer of ownership of shares issued by tax resident companies in Italy, such as the Acquiring Company, the Italian financial transaction tax (“**FTT**”) is applicable irrespective of the tax residence of the parties and/or the place where the transaction was performed.

The tax rate is 0.2% of the transaction value, reduced by half (0.1%) for transfers that take place on regulated markets and multilateral trading facilities. For 2013 only, the rate has been increased to 0.22% and 0.12%, respectively.

The taxable amount is the value of the transaction, which is defined as the consideration paid for the transfer or the value of the net balance of transactions concluded within the same business day by the same person. The FTT is payable by the person buying the shares and is applied by the financial intermediary (or other entity) that howsoever intervenes in the execution of the transaction. Specific exclusions and exemptions are determined by the Ministerial Decree of 21 February 2013, which also regulates in detail other aspects of the FTT and to which reference is made for further information.

2.1.2.7 Valuations regarding the right of withdrawal of the ordinary shareholders of Premafin and the holders of Milano Assicurazioni saving shares

A. Withdrawal requirements and individuals eligible to exercise this right

Though, including after the Merger, the Acquiring Company will maintain the actual corporate purpose of Fonsai, there will be a significant change in the corporate purpose of Premafin.

Indeed, while the corporate purpose of Premafin that allows the company to operate both as a holding company operating in several economic - industrial sectors and/or directly in the real estate field, the corporate purpose of Fonsai is necessarily and legally limited to carrying out insurance activity exclusively. Following the Merger the shareholders of Premafin who have not approved the Merger are entitled to the right of withdraw pursuant to article 2437, paragraph 1(a), of the Italian Civil Code. Regarding the identification of the individuals who, in the opinion of the Companies Participating in the Merger, should be considered as individuals who approved the Merger, please see the contents of the Supplementary Agreements, which were duly disclosed to the market. More specifically, on 25 June 2012, Premafin and UGF made public that they agreed to limit the eligibility to exercise the right of withdrawal in the context of the Merger, thus, the right of withdrawal would not be applicable to the “former major shareholders” of Premafin. This specification was necessary to take into account the requirements of Consob pursuant to its communication 12042821 of 22 May 2012 and the relative considerations set forth in communication 12044042 of 24 May 2012 and because the “former major shareholders” of Premafin, by approving the Merger Plan, which provides, as an essential phase, also the Merger, agreed to the Merger itself and due to this fact they are not eligible to exercise the right of withdraw pursuant to article 2437 of the Italian Civil Code.

Despite the market communications made by Premafin and UGF as mentioned above, certain “former major shareholders” of Premafin notified the latter of their intention to withdraw from Premafin as a result of the Merger.

More precisely, it should be noted that the “former major shareholders” who exercised their right of withdrawal are: (i) Ms. Giulia Maria Ligresti, for a total of 68,611 ordinary shares, (ii) Hike Securities S.A., (iii) Canoe Securities S.A., and (iv) Limbo S.A. (the latter three, each for a total of 42,464,101 ordinary shares held in trust by Compagnia Fiduciaria Nazionale S.p.A.), (v) Sinergia Holding di Partecipazioni S.p.A., in liquidation and subject to bankruptcy proceedings, for a total of 41,975,580 ordinary shares, (vi) Immobiliare Costruzioni IM.CO. S.p.A., in liquidation and subject to bankruptcy proceedings, for a total of 41,014,983 ordinary shares, and (vii) the following companies belonging to The Heritage Trust: Scheib Anstalt (for a total of 1,565,500 ordinary shares), Anif Anstalt (for a total of 4,014,745 ordinary shares), Wifer Anstalt (for a total of 1,480,781 ordinary shares), Ulero Anstalt (for a total of 7,057,470), Darlis Anstalt (for a total of 1,226,920 ordinary shares), Hubbard Corp. (for a total of 3,223,361 ordinary shares), Towntop Invest (for a total of 7,392,316 ordinary shares), Thornton Group S.A. (for a total of 6,780,859 ordinary shares), Regional Control, Inc. (for a total of 4,400,000 ordinary shares), Nolera Anstalt (for a total of 6,375,000 ordinary shares). For more information, see Chapter 2, Paragraph 2.1.3, of the Updated Information Document.

In line with what has been communicated to the market on several occasions, Premafin, on 25 November 2013, flatly denied these communications by sending to the aforementioned “former major shareholders” appropriate letters of reply, with copy to UGF, where it represented to the same that they are not entitled to a right of withdrawal, firstly because the same, directly or through entities pertaining to them, “*contributed - most significantly and essentially - through multiple direct and indirect activities and conducts, to the resolutions passed by Premafin Finanziaria S.p.A. Holding di Partecipazioni in connection with the merger into Fondiaria-Sai S.p.A.*” and, secondly, by reason of several formal errors concerning the exercise of the right of withdrawal.

At the Date of the Updated Information Document, special summons from Premafin and UGF before the Court of Bologna were being notified to the aforementioned “former major shareholders”, seeking acceptance by the Court that such persons were not entitled to the right of withdrawal for the reasons briefly indicated above.

As a result of all the foregoing, the Premafin shares subject to withdrawal by the aforesaid “former major shareholders” are not subject to option and pre-emption offers pursuant to and in accordance with Art. 2437-*quater* of the Italian Civil Code.

At the Date of the Updated Information Document, although there was more than convincing evidence to believe that the “former major shareholders” of Premafin were not entitled to a right of withdrawal, the outcome of the litigation initiated by Premafin and UGF cannot be anticipated.

Furthermore, it should be remembered that, following the successful approval of the Merger by the Special Meeting of Milano Assicurazioni, the holders of Milano Assicurazioni saving shares who did not agree with the decision are entitled to exercise the right of withdraw pursuant to article 2437, paragraph 1.g of the Italian Civil Code, pursuant to the amendment of the shareholding rights following the Merger (based on which the holders of Milano Assicurazioni saving shares will be given Category “B” Fondiaria-SAI saving shares, which will be subordinated to the priority privilege given to the Category “A” saving shares).

B. Liquidation value

On 24 September 2013 the Companies Participating in the Merger published their notices of attendance of the Extraordinary Shareholders’ Meetings and the Special Shareholders’ Meeting of Milano Assicurazioni, and – with regard to Premafin and Milano Assicurazioni-concurrently disclosed the value of the liquidation of any shares to be withdrawn pursuant to article 2437-ter, paragraph 5, of the Italian Civil Code. In particular, the liquidation value of each of the Premafin shares to be withdrawn amounts to Euro 0.1747, while the liquidation value of each of the Milano Assicurazioni savings shares to be withdrawn is equal to Euro 0.6860.

As both Premafin and Milano Assicurazioni are companies which are listed on a regulated market, pursuant to article 2437-ter of the Italian Civil Code, the liquidation value of the shares to be withdrawn was determined by referring exclusively to the arithmetic average of the closing prices of the Premafin and Milano Assicurazioni shares in the six months that will precede the publication of the Premafin extraordinary shareholders’ meeting notice of attendance and the Milano Assicurazioni special shareholders’ meeting notice of attendance to approve the Merger Plan.

Pursuant to applicable laws, Premafin and Milano Assicurazioni, on 31 October 2013, promptly disclosed all the information required in order to allow the exercise of the right of withdrawal. Information on the number of shares subject to withdrawal, as well as – in regard of Premafin - the exercise of the option and pre-emption rights of the shares to be withdrawn was communicated by the same companies in subsequent press releases published on their respective Internet sites. Further information on any subsequent stages of the liquidation process of Premafin shares subject to withdrawal will be disclosed in the same manner by the company itself.

C. Terms and conditions for exercising the right of withdrawal

As communicated to the market by Premafin and Milano Assicurazioni in the press release of 31 October 2013, pursuant to article 2437-bis of the Italian Civil Code, individuals eligible to exercise the right of withdrawal (i.e., absent shareholders, dissenting shareholders or shareholders who abstained from the shareholders’ meetings for the approval of the Merger Plan) could exercise this right, for all or part of the shares they hold, by registered letter which had to be sent within 15 days respectively from the time the resolution adopted by Premafin and Milano Assicurazioni shareholders’ meetings that approved the Merger Plan are entered into the Companies Register (the “**Withdrawal Notice**”), i.e. both for Premafin and Milano Assicurazioni by 15 November 2013. The Withdrawal Notice had to contain the following information:

- the identification data and tax identification number of the withdrawing shareholder, as well as an indication of domicile (and, where possible, a telephone number) to which any notices regarding the withdrawal process will be sent;
- the number of shares for which the right of withdrawal is being exercised;
- the details and coordinates of the current account held by the withdrawing shareholder on which the value of the liquidation of these shares should be credited;
- the details of the intermediary with whom the shares constituting the subject of the withdrawal have been deposited.

Additionally, the ordinary shareholders of Premafin and/or the holders of Milano Assicurazioni savings shares that intended to exercise the right of withdrawal, in order to avoid the declaration of inadmissibility of the Withdrawal Notice, also had to send to the respective companies, under the same terms and conditions set forth

in the Withdrawal Notice, a specific certification (the “**Certification**”) issued by an intermediary authorized pursuant to the provisions concerning dematerialized financial instruments issued by the central management system administered by Monte Titoli, which certified the following:

- uninterrupted ownership by the withdrawing shareholder of the shares subject to the withdrawal starting from the date of the Extraordinary Shareholders’ Meeting of Premafin and the Special Shareholders’ meeting of Milano Assicurazioni called to approve the Merger Plan up to the date of the actual exercise of the right of withdrawal itself. For the purposes of compliance with this requirement, a shareholder who had purchased the shares at the stock exchange, and has also received them as a result of the liquidation prior to the opening of the shareholders’ meeting held to approve the Merger Plan, was considered qualified to exercise the right of withdrawal;
- absence of pledge or other restrictions on the shares in relation to which the right of withdrawal was exercised; if this was not the case, as a condition for the admissibility of the withdrawal declaration, the withdrawing shareholder had to provide Premafin and/or Milano Assicurazioni, under the same terms and conditions and concurrently with the Withdrawal Notice a special declaration made by the secured creditor, or the individual in favor of whom there is any other restriction on the shares, with which this individual irrevocably consented to the liquidation of the shares for which the right of withdrawal was exercised, in compliance with the instructions of the withdrawing shareholder.

It is hereby specified that, if a shareholder who exercised the right of withdrawal by sending the Withdrawal Notice within the time limit of 15 days from the date of the registration of the shareholders’ meeting approving the Merger Plan, was not able to attach the Certification to the Withdrawal Notice, the Certification could be sent later by registered letter to the same address, no later than the third business day following the fifteenth day after the registration of the resolutions of the shareholders’ meetings called to resolve upon the Merger before the competent companies register. Failure to comply with this term will result in admissibility of the Withdrawal Notice.

On 16 December 2013, following the expiry of the deadline to send notices of withdrawal by the rights holders for both Premafin and Milano Assicurazioni, the latter communicated to Fonsai and to the market that the above right of withdrawal was legitimately exercised in relation to 13,975,294 shares of Premafin representing 0.6495% of the share capital of Premafin, for an aggregate liquidation amount of Euro 2,441,483.86 and no savings shares of Milano Assicurazioni. Considerations pertaining to the right of withdrawal for the “former reference shareholders” of Premafin, as reported under letter A. in this Paragraph, remain valid.

D. Blocking of the shares

As provided by article 2437-bis, paragraph 2 of the Italian Civil Code and the applicable regulations, the issuing of the certification by the authorized intermediary is accompanied by a blocking of the shares by the intermediary (and therefore these shares cannot be transferred) until completion of the liquidation process. However, during this period, the withdrawing shareholder is authorized to exercise his/her vote on the basis of these shares.

E. Liquidation Process

The liquidation procedure for the ordinary Premafin shares for which the right of withdrawal was exercised is in progress according to the procedure described below.

In the first place, the shares for which the right of withdrawal was exercised were offered as an option pursuant to article 2437-quater, paragraph 1 of the Italian Civil Code (“**Option Offer**”).

On 16 December 2013, the lodgment took place with the competent commercial registers of the notices containing the procedures and the terms of the Option Offer of Premafin shares being withdrawn and any additional information relating to the same, addressed to the shareholders of Premafin and the announcement was published on the newspapers “Il Sole24Ore” and “Il Corriere della Sera” on 16 December 2013 containing information relating to the outcome of the exercise of the right of withdrawal and the procedures relating to the Option Offer and the Pre-emption Offer.

The period for the exercise of option and pre-emption rights related to the above Option Offer and Pre-emption Offer began on 16 December 2013, and at the Date of the Updated Information Document, it is expected to end on 14 January 2014.

Insofar as Premafin is concerned, the Option Offer was made to all the shareholders of the afore mentioned company, who were entitled to exercise their option proportionally to the Premafin shares held and, if they so requested, the pre-emption right over Premafin shares subject of withdrawal and remained not opted for upon completion of the Option Offer (the “**Pre-emption Offer**”).

If, upon completion of the procedures described above, Premafin shares subject to withdrawal remain that were not acquired by the shareholders, additional forms of liquidation as provided by 2437-quater, paragraphs 4 and 5 of the Italian Civil Code will be applied.

F. Terms and conditions for the payment of the redemption value and the share transfer

As indicated above, upon completion of the procedure for withdrawal described above:

- (i) the ordinary shareholders of Premafin who exercised their right of withdrawal will receive payment of the redemption value of the shares subject of withdrawal, pursuant to applicable law;
- (ii) the ordinary shares and the Category “B” saving shares of UnipolSai issued on the basis of the Share Exchange Ratio in lieu of the shares constituting the subject of the withdrawal will be transferred to those who subscribed to the Option and/or the Stock Exchange Offer, or to the Acquiring Company in the event of purchasing the shares pursuant to article 2437-quater, paragraph 5, of the Italian Civil Code, upon payment of the relative withdrawal price.

The withdrawal will become effective upon completion of the Merger.

It is furthermore noted that the liquidation procedure for the shares subject to withdrawal pursuant to article 2437-quater of the Italian Civil Code could also be completed following the effective date of the Merger. In this case, on the effective date of the Merger, the shares for which the right of withdrawal has been exercised will be exchanged, based on the Share Exchange Ratio, with newly issued UnipolSai shares. It is understood that these newly issued UnipolSai shares will also be subject to the restriction of unavailability detailed above and that the withdrawing shareholders that have exercised the right of withdrawal will continue to be entitled to receive the same redemption value as indicated above. It follows furthermore that, starting from the effective date of the Merger, redemption procedure pursuant to article 2437-quater of the Italian Civil Code will refer to the UnipolSai shares issued, based on the Share Exchange Ratio, in replacement of the shares for which the right of withdrawal was exercised.

2.1.2.8 Assessments of the position of category “A” savings shareholders in Fonsai.

As previously illustrated, since during the Fonsai Capital Increase, the Category “A” Fonsai savings shareholders were offered alternative Category “B” savings shares, a number of shareholders exceeding 1% of Category “A” requested the Board of Directors of Fonsai to convene a Special Meeting of category “A” Savings Shareholders with the agenda of the matters indicated by the applicants pursuant to Art. 146 of the TUF, and with a subsequent request to amend the agenda made by the common representative of the Category “A” savings shareholders.

To ensure all shareholders equal access to information, Fonsai published an interpretative memorandum on 15 February 2013 available on the Company’s website at the Date of the Updated Information Document, which summarizes and illustrates the rules governing ownership rights which, according to the By-laws, the savings shares of category “A” and the savings shares of category “B” are entitled to.

Moreover, on 18 February 2013, the Board of Directors of Fonsai, giving response to the request made by some of the savings shareholders of category “A” decided to convene a special meeting of said shareholders with the following agenda: “1. Examination of the capital increase operation as concretely performed and of adverse effects on the interests and/or the rights of such category. Resolutions on actions to be taken. 2. Preliminary examination of the announced extraordinary operations and proposed split of securities of Category A.”, later

supplemented by the Board of Directors with additional points required by the Common Representative and other holders of savings shares of category “A”.

After examining the report prepared by the Common Representative in view of the meeting of shareholders of category “A”, in which, in summary, the same showed that the Fonsai Capital Increase, combined with the reverse stock split, would, among other things, have the effect of conferring a “privileged redistribution” of dividends to holders of savings shares of category “B”, thus infringing the ownership rights of savings shareholders of category “A”, on 20 March 2013, the Board of Directors published its report in view of the special meeting, acquiring, and attaching to the report, the opinions of three leading experts in the field (as at the Date of the Updated Information Document, the reports and opinions are available on the company’s website).

In short, the board of directors of Fonsai showed that, in the light of the opinions collected, the arguments put forward by the Common Representative in regard of the alleged harmful effects that the decisions taken on 27 June 2012 may have had on the savings shareholders of category “A” were inconsistent and devoid of legal basis, in the opinion of Fonsai, since not only the savings shareholders of category “A” suffered no damage, but especially because, among the various possible methods to prevent such damage, the most protective one for the interests and rights of such category was adopted at the time of the Fonsai Capital Increase.

The above considerations are supported by various opinions and reports issued by authoritative jurists and by the firm PKF and are shared by Fonsai. In particular, the following is noted.

(i) in the report issued on 21 May 2012, PKF stated that *“the numerical analysis shows that the performance in terms of percentage with respect to the accounting par value is the same for the two categories of savings shares, which rules out that the resolution being analyzed may cause any damage to the special category of savings shareholders”*. This holds true also in consideration of the fact that *“given the current market trends, assigning privileges to the savings shares to be issued equal, in absolute value, to those set forth for the savings shares currently outstanding would lead to non-sustainable yield values”*;

(ii) in the independent opinion issued on 21 May 2012, Prof. Umberto Morera, lawyer, highlighted that there was no *“legally significant prejudice to any savings shareholders resulting from the option offer of saving shares with rights partially different (but subordinated to) those already in their possession, as the privileges associated with the original shareholding remained completely unaltered (...) Nor can one glimpse a case of prejudice in “non-affordability of the price of the new savings shares with respect to the characteristics and value of the outstanding ones (...) [since] the possible non-affordability does not pertain to the sphere of the “rights of the category”, legally relevant pursuant to Art. 146 of the TUF, but the narrow self-interest of the individual shareholder called to subscribe”*. Therefore, since this is an interest of a mere fact *“that does not affect the reduction of Rights of the category of savings shareholders of type “A” already issued, but only the interest of single shareholders to increase the value of their shareholding. Even in this case one could, at most, think in terms of injury in fact”*, which as is well-known, *“never requires the approval by resolution of the special meeting”*; (iii) in the independent opinion issued on 19 March 2013 Prof. Piergaetano Marchetti stated that *“reverse stock splits do not affect but proportionally and automatically update the quantification of a privilege (...) it is true that after a reverse stock split a preference and differential dividend (dutifully) reaches levels (respectively Euro 6.5 and 5.2 per share) which may in fact make it difficult that, once the preference dividend has been satisfied, the savings shares may participate in a further distribution of residual profits, the so-called “second round”. But that is just because of the privilege of savings shares A, which can effectively absorb much of the distributable profit”*;

(iv) in the independent opinion issued on 19 March 2013, Prof. Oreste Cagnasso, lawyer, noted that *“the comparison between priority privileges and increase privileges attributed to holders of savings shares of Class “A” before and after the amendment to the company’s articles of association shows that there are no differences. In particular, the provision for shares without nominal value, the reverse stock split of the same and the introduction of a new category of savings shares did not change the privileges in the distribution, as set forth in the By-laws, of profits to savings shareholders that have now become Category A”*;

(v) in the independent opinion issued on 19 March 2013, Prof. Enrico Laghi noted that *“the real reason for the diversity of results in terms of dividend to be paid out to the classes of shares (RISP A, RISP B, ORD), which the Common Representative puts forth, depends not so much on the reverse stock split or on the size of the*

privilege (priority or increase) established in an amount fixed by the By-laws of Fonsai, but on the fact that the Common Representative, in an illogical and incomprehensible manner, alters the proportion between classes of shares comprising the share capital of Fonsai”.

Notwithstanding the foregoing, on 26 March 2013, the Special Meeting of savings Shareholders of category “A” in any case resolved, among other things, to grant all powers to the Common Representative to proceed to oppose such resolution on the Fonsai Capital Increase.

On 18 June 2013, the Common Representative brought an appeal against the resolution on the Fonsai Capital Increase. The investigating judge set the first hearing for 11 December 2013. Upon completion of the hearing, the case was held in reserve for the decision on preliminary motions and motions on the proceedings filed by the parties; at the hearing, two additional shareholders who declared themselves owners, however, of a small number of shares appeared *ad adiuvandum*.

Appearing before the court, Fonsai flatly and fully countered the Common Representative’s position by laying out all of its objections in fact and in law, even in light of the reasons briefly highlighted above. In short, Fonsai reiterated once again that the complaints made by the Common Representative about the alleged harmful effects that the decisions taken on 27 June 2012 would cause the savings shareholders of category “A” were totally groundless and devoid of legal basis, as it was clear that all of the circumstances underlying the complaints of the Common Representative were absolutely normal, physiological and quite legitimate consequences of the dilutive effect that takes place with any capital increase transaction for shareholders who decide not to exercise the option rights which they are entitled to. As a result of the above, in the opinion of the board of directors of Fonsai, in the context of the Fonsai Capital Increase, the savings shareholders of category “A” suffered no damage, but rather, among the various possible methods to avoid damage, the one that most definitely protected the interests and rights of that category was adopted.

In summary, although Fonsai, for the reasons discussed extensively above, believes that the demands made by the Common Representative are totally groundless and devoid of legal basis, at the Date of the Updated Information Document the outcome of the proceedings initiated by the Common Representative cannot be anticipated.

Moreover, although not directly aware of further and different claims made separately by other savings shareholders of category “A” or category “B”, Fonsai - without prejudice to the above - believes that the decisions taken in the context of the Merger and those previously taken in the context of the Fonsai Capital Increase were legitimate and caused no damage of any sort to such shareholders in terms of possible differences in treatment between the two different categories of securities.

Notwithstanding the foregoing, the Company Resulting from the Merger will verify the feasibility of ways to simplify the structure of its share capital with reference to the different categories of shares, taking into consideration the feasibility thereof from a technical and legal standpoint, fairness from a financial standpoint, as well as with respect to the interest of all shareholders. It should be noted, however, that the requests made to date in this respect by the Common Representative do not reflect the above mentioned conditions.

More details on the assessments and initiatives that may ultimately be undertaken by the Company Resulting from the Merger on the issues mentioned above will be disclosed to the market in accordance with the procedures established by the law.

Furthermore, it should be noted that on 9 November 2013 the Common Representative (in accordance with Art. 146, paragraph 2, of the TUF) called a special meeting of Fonsai savings shareholders of category “A” on 10, 11 and 12 December 2013 - on first, second and third call, respectively - to discuss and resolve on the following agenda:

“1. Information from the Common Representative as to the steps taken by the same for the protection of the category against Fondiaria-Sai S.p.A. in regard of the resolutions adopted by such company on the occasion of the Extraordinary Meeting of 27.06.2012;

2. Information on the use of the Common Fund pursuant to Art. 146, paragraph I, of the TUF, as set up by resolution of the Special Meeting of Savings Shareholders dated 13.04.2012;

3. *Information relating to the resolution entitled “Approval of the merger plan by incorporation of Premafin Finanziaria – Società per Azioni - Holding di Partecipazioni, Unipol Assicurazioni S.p.A. and, possibly, Milano Assicurazioni S.p.A., into Fondiaria -SAI S.p.A., pursuant to Art. 2502 of the Italian Civil Code, through the cancellation and exchange of the shares of the companies to be merged with ordinary and/or savings of category “B” of the acquiring company . Consequential amendments to the Articles of Association, including the capital increase to service the share exchanges as well as the authorization of the Board of Directors, in accordance with Art. 2420-ter and 2443 of the Italian Civil Code, to issue bonds convertible into ordinary shares of the Company and to increase the capital to service the conversion. Related and consequent resolutions, powers of attorney”, as resolved by the Extraordinary Shareholders’ Meeting of Fondiaria-Sai S.p.A. on 24-25 October 2013; Related and consequent resolutions;*

4. *Information regarding the convertible loan of Euro 201.8 million with maturity at 31 December 2015 referred to in para. 2.1.2 of the Information Document dated 9 October 2013 and in para. 2 of the Addendum to the Information Document dated 22 October 2013 and its effects on the rights of the category; Related and consequent resolutions”.*

More information on the position expressed by the Common Representative may be found in the report prepared by the latter in view of the aforementioned special meeting and the relevant Annexes published on the website of Fonsai.

In the opinion of the Common Representative, the issue of the Convertible Loan affects the rights of holders of Fonsai savings shares of category “A” since it allegedly creates a dilutive effect on the share capital of the Company Resulting from the Merger for those who may decide not to participate in the operation and/or on the underlying capital increase and, therefore, also with reference to the savings shares of category “A”. This allegedly depends on the fact that, in the opinion of the Common Representative, following the completion of the Merger and the conversion into shares of the Convertible Loan, the number of outstanding Fonsai shares would be increased and thus at the time of distributable profits by the Acquiring Company, rather than from a balance sheet perspective, the conversion of bonds into shares would result in a proportional reduction in the dividend per share of those who will have not benefited from such capital increase.

The Special Meeting of Savings Shareholders of category “A” of Fonsai, held on 12 December 2013 on third call (i) took note of the information given by the Common Representative in relation to the first three items on the agenda, without taking any decision in this regard; (ii) approved by a majority the proposal made by the Common Representative in relation to the fourth item on the agenda, in the wording contained in the report prepared by the same for the same Shareholders’ Meeting, as follows “*to give powers to the Common Representative of Savings Shareholders of category A so that the same may: (i) acquire one or more legal opinions in order to determine whether the resolution to approve the powers of the Board of Directors, pursuant to Art. 2420-ter and 2443 of the Italian Civil Code, to issue bonds convertible into ordinary shares of the Company and increase capital for the purpose of the conversion, as resolved by the ordinary shareholders’ meeting on 25 October 2013, and/or the one that will be subsequently taken by the Board of Directors to implement those powers and resolutions - with the exclusion of option rights - under the terms as set out in the Information Documents on the Merger and/or their addendums, or in the official documentation to support such resolution and operation, should require the approval of the Special Meeting of Savings Shareholders of category A under Art. 146, paragraph 1, of TUF and Art. 2376 of the Italian Civil Code, and for the effect - in cases in which such circumstance occurs, i.e. the Company has not convened a special meeting, or does not intend to do so, or the special meeting has not approved the above resolution, (ii) take all appropriate steps to challenge and/or contest, in any court of law, even administrative, without exception, even on a partial basis, the shareholders’ resolution regarding the conferral of powers to the Board of Directors, in accordance with Articles 2420-ter and 2443 of the Italian Civil Code, of the right to issue bonds convertible into ordinary shares of the Company and to increase capital for the purpose of the conversion, as adopted by the Extraordinary Shareholders’ Meeting of Fondiaria-Sai S.p.A. on 25 October 2013, as resulting from the minutes of the meeting prepared by the notary Federico Tassinari Index No. 53301 Collection No. 33731, or the one that should be taken by the Board of Directors in implementing such resolution and powers of attorney, with the power to grant authority to appoint experienced special attorneys for the proceedings in the interest of the Savings Shareholders of Category A and put in place all related legal initiatives and/or actions necessary for*

and/or functional to such purposes, in order to remove and/or declare ineffective the effects of such resolutions”.

It should be noted that even in this case Fonsai fully and flatly denied the requests made and positions held by the Common Representative, as even in this circumstance the arguments brought by the Common Representative about the alleged harmful effects that the decisions taken on 25 October 2013 by the extraordinary shareholders’ meeting of Fonsai would cause to savings shareholders of category “A” are patently inconsistent and devoid of legal basis, since not only the savings shareholders of category “A” suffered no prejudice due to the resolution whereby the Fonsai Shareholders’ Meeting delegated to the Board of Directors the authority to issue a Convertible Loan as an option or as an alternative to the exclusion of the option right, but also, and more importantly, because the complaints of the Common Representative are only based, once again, on the typical dilutive effect that is the result of all capital increase operations with exclusion of the option right. Therefore, in the opinion of the Board of Directors of Fonsai, if the assertions of the Common Representative were true, in all capital increases, without distinction, that exclude the option right pursuant to Art. 2441, paragraph 5, of the Italian Civil Code, the approval of the special meeting would be required. Which, of course, is not the case, and thus, in an equally obvious manner, the objections raised by the Common Representative appear to Fonsai to be inconsistent and without any legal foundation.

2.1.2.9 Information on the legal actions resolved by the Assemblies of Fonsai and Milano Assicurazioni

On 17 October 2011 Amber Capital LP, which manages the fund, Amber Global Opportunities Master Fund Ltd, a shareholder in Fonsai, pursuant to Art. 2408 of the Italian Civil Code, reported to the Board of Statutory Auditors of Fonsai a number of operations implemented by companies from Fonsai Group, together with “related” companies connected with the Ligresti family, and denounced the “non-market conditions” and “anomalies” of those operations.

On 16 March 2012, the Board of Statutory Auditors of Fonsai gave a first response, with a “Report pursuant to Art. 2408 par 2 of the Italian Civil Code” and, as a result of this report, their partner, Amber Capital, demanded further clarifications in a letter dated 26 March 2012.

The Board of Statutory Auditors has, therefore, carried out further verifications and investigations.

On 15 June 2012, IVASS informed Fonsai of its decision No. 2985, by which the Authority defines the procedure started pursuant to Art. 238 of the Code for Private Insurances at the same time opposing to Fonsai itself, with IVASS Communication Protocol No. 32-12-000057 of same date, significant irregularities pursuant to and by effect of Art. 229 of the Code for Private Insurance, especially regarding certain operations carried out by Fonsai and by companies under its control, with counterparts describing themselves as related parties of Fonsai itself, imposing a term of fifteen days to completely remove their effects. Pursuant to Art. 229 of the Code for Private Insurances, should said term (i.e. 2 July 2012) conclude without any results, IVASS would have the power to nominate a commissioner to enforce the same obligations.

IVASS did not believe the actions promised or started by the company following said decision were suited to cause a variation in the situation that had led to the protests mentioned in the Authority’s note of 15 June 2012 since, in the Authority’s view, Fonsai omitted any action in order to cease and give remedy to the reported violations.

Therefore, IVASS, with its Decision No. 3001 of 12 September 2012 (the “**IVASS Decision**”), appointed Professor Matteo Caratozzolo as Acting Commissioner for Fonsai (“the **Commissioner**”), as the group leader, pursuant to Art. 229 of the Legislative Decree of 7 September 2005 No. 209.

The Commissioner was appointed by IVASS to carry out the following actions, each believed to be necessary to bring company management in line with the law:

- 1) *“with respect to the operations complained of in the IVASS note No. 32-12-000057 of 15 June 2012, considered not merely individually but as a whole:*
 - (i) *to specifically identify the individuals responsible for the operations in question, carried out to the detriment of Fondiaria-Sai S.p.A., and the companies it controls;*

- (ii) *to determine the amount of all the component parts of the damages that can be connected to those operations and to conscious or unconscious omissions by the aforementioned individuals;*
- 2) *as a result and consequence of the acts in point 1), to promote or cause any suitable initiative to be promoted, including legal actions, required by Fondiaria-Sai S.p.A. and by the companies it controls regarding transactions to protect and reintegrate the equity of FONDIARIA-SAI S.p.A. and of the companies it controls;*
- 3) *to make use, for the purposes set out in points 1) and 2), of the powers of Fondiaria-Sai S.p.A. as company group leader and as shareholder/partner in the assemblies of related companies."*

The IVASS Decision also ordered the Commissioner to hold the post until 31 January 2013. With a decision dated 29 January 2013, IVASS extended his mandate for a further 45 days.

As a result of the investigations carried out on the aforementioned transactions made by the Fonsai Group largely in the field of real estate over the period 2003-2011, in which certain members of the Ligresti family and some companies, the management of which can be traced back to same Ligresti family were directly concerned, the Acting Commissioner for Fonsai requested the Boards of Directors of Fonsai and Milano Assicurazioni to convene their respective Shareholders' Meetings to propose a company liability lawsuit on the agenda, pursuant to Articles 2392 and 2393 of the Italian Civil Code, against certain company directors and company auditors (jointly with other individuals).

On 5 February 2013, the Boards of Directors of Fonsai and Milano Assicurazioni having examined the informative reports prepared for each company by the Acting Commissioner pursuant to Art. 125-ter of the TUF, resolved to convene Shareholder meetings for the two companies, on 13 and 14 March 2013, on first and second call respectively.

The Meetings, held on second call on 14 March 2013, resolved to start legal actions of liability against the defendants indicated in the reports prepared for same Meetings by the Acting Commissioner for Fonsai, and made public according to law.

Furthermore, following the complaint dated 17 October 2011 by Amber Capital LP to the Board of Statutory Auditors of Fonsai pursuant to Art. 2408 of the Italian Civil Code, and following the appointment by IVASS of an Acting Commissioner the Boards of Directors of Fonsai and Milano Assicurazioni made verifications and controls of some of the transactions not covered by the Acting Commissioner's mandate ("**Minor Transactions**").

As regards the Minor Transactions, the Boards of Directors of Fonsai and Milano Assicurazioni, at the mandate of their respective shareholders' meetings on 30 October 2012 and 30 November 2012, resolved to carry out further controls and assessments. In particular, all Minor Transactions were analyzed to specifically discover the individuals responsible and any damages which could be causally imputed to breaches they had committed.

The investigations revealed that Minor Transactions had also been carried out by companies from the Fonsai Group with "related" companies, controlled one way or another by the Ligresti family, featuring a number of breaches of duty by directors and accountants. In particular, breaches of duty by both directors and accountants and damages to the equity of Fonsai Group.

The individuals found responsible for the Minor Transactions by the investigations by the Boards of Directors are (i) the Ligresti family members who controlled the Fonsai Group companies involved, and who pursued their personal advantages at the expense of those companies in breach of Articles 2391 and 2391-bis of the Italian Civil Code and of the procedure for dealing with "related parties"; (ii) the former "executive" directors who proposed and implemented the transactions in question, and the directors on the various committees of internal control of Fonsai and Milano Assicurazioni, who were also responsible for the breach of the same regulations and procedures; (iii) the auditors of those companies were also responsible for the damages suffered by the Companies of the Fonsai Group, on account of a breach of Articles 2403 and 2407 of the Italian Civil Code, and of Art. 149 of the Consolidated Act on Finance.

The responsibility of the Ligresti family members in the operations at issue (as with the operations already under examination by the Commissioner) arises not only from the breach of their duties and jurisdictions of Fonsai and Milano Assicurazioni, but also (aa) from the "united management" they illegitimately imposed on

the Fonsai Group companies, working together to approve and implement operations in a “conflict of interests” and “in breach of the principles of proper company and business management” (pursuant to Art. 2497 of the Italian Civil Code); (bb) factual intromission (particularly by Mr. Salvatore Ligresti) in the management of Fonsai Group companies (pursuant to Art. 2392 of the Italian Civil Code).

Therefore, on 30 July 2013, the ordinary Shareholders’ Meeting of Fonsai and Milano Assicurazioni resolved to promote a court action for liability according to Articles 2392 and 2393 of the Italian Civil Code and, should it arise, Articles 2043 and 2497 of the Italian Civil Code, towards some former *de facto* and *de iure* directors of Fonsai and Milano Assicurazioni, independent of the official positions held and whether they were officially in charge; of some former directors of Fonsai and Milano Assicurazioni and, pursuant to Art. 2407 of the Italian Civil Code, including some members of the Board of Statutory Auditors of Fonsai and Milano Assicurazioni.

2.1.2.10 Information on Consob investigations concerning the non-compliance of certain working and consolidated financial reports regarding previous financial years for Fonsai, Premafin and Milano Assicurazioni

On 21 December 2012, Consob resolved as follows:

- resolution no. 18430, ascertaining the non-compliance of the financial statements and of the consolidated financial statements of Fonsai at 31 December 2011 especially regarding the rules of to draft financial statements, and with particular reference both to the accounting of the accident provisions of the Motor Vehicle Third Party Liability Class and to the evaluation of the shareholding in Milano Assicurazioni in the said accounting documents;
- resolution no. 18431, ascertaining the non-compliance of the financial statements and the consolidated financial statements of Premafin at 31 December 2011 especially regarding the rules to draft financial statements, and with particular reference to the fact that the shares held by Premafin in Fonsai is the most important and significant investment component of Premafin itself, and therefore the suggested critical projection of the financial statements of Fonsai, which the Authority identified, also reflect on the financial statements of Premafin, given their direct dependence on the economic position achieved by their subsidiary;
 - resolution no. 18432 ascertaining the non-compliance of the financial statements and the consolidated financial statements of Milano Assicurazioni at 31 December 2011 to the rules to draft financial statements, and with particular reference to the accounting of the accident provisions of the Motor Vehicle Third Party Liability Class in said accounting documents.

On 27 December 2012, Fonsai, Premafin and Milano Assicurazioni, although they stressed that they did not share the views of Consob provided the information required by such Authority, and in particular, their respective Pro Forma equity and income positions 2010 and 2011, together with comparative data exhibiting the effects which compliant accounting would have had on the financial position, the income statement and the net equity of the aforementioned companies at 31 December 2010 and 31 December 2011.

On 17 April, 2013, Consob required Fonsai, Premafin and Milano Assicurazioni, pursuant to Art. 114, par 5, of the TUF, to issue a press release reporting the reasons why the companies’ Boards of Directors had each seen best not to apply international accounting rule IAS 8, “account procedures, changes in accounting estimates, and errors”, to correct the errors claimed to have been found by Consob in the drafting of their financial statements for 2011, as ordered in the aforementioned Consob resolutions nos. 18430, 18431 and 18432 of 21 December 2012.

As the markets were informed on 24 April 2013, having recognized that the aforementioned resolutions required the 2011 figures for the consolidated financial statements should be published again for purposes of comparison, since they were identical to those communicated to the markets on 27 December 2012, without impact on the equity and income figures for the financial year 2012, the Boards of Directors of Fonsai, Premafin and Milano Assicurazioni, in board meetings held on the same date, decided to accept the observations stated by Consob on 17 April 2013, approving a new version not only of the consolidated financial reports for the financial year 2012 for Fonsai, Premafin and Milano Assicurazioni, but also the related reports

on the management trend, containing the restatement of the above mentioned comparative figures for the financial year 2011.

In particular, it should be noted that said restatement of the 2011 figures, the chief equity and income effects concerning the items “expenses from accidents” and “income tax”, caused a reduction of consolidated loss for the financial year 2011, equal to Euro 339 million for Premafin and Fondiaria and to Euro 133 million for Milano Assicurazioni, as well as reduction by an equal amount of the equity reserves, leaving the consolidated net equity unchanged. Furthermore, such variations involved no change in either of the insurance liabilities represented by the accidents reserve, nor in the situation of adjusted solvency. Finally, the financial report does not change either the net liquidity resulting from operational activities, nor the overall variations in “*liquid assets and equivalent means*”.

2.1.2.11 *Information on significant amendments to asset and liability elements which may have arisen after the Merger Plan was deposited at the legal office of the companies taking part in the Merger.*

The boards of directors of the Companies Participating in the Merger, for the purposes of drawing up the Information Document and in view of their Extraordinary Shareholders’ Meetings, proceeded to carry out the verification referred to in Article 2501-*quinquies*, paragraph 3, of the Italian Civil Code, with the support of Professor Paolo Gualtieri, lawyer, of Gualtieri & Associati Advisory Firm (the “**Advisor**”), acting as jointly appointed advisor for this purpose.

In particular, the Companies Participating in the Merger, gave the Advisor a special assignment for the purpose of obtaining an opinion with regard to the following circumstances:

1. whether, after 30 September 2012, reference date of the balance sheet prepared in accordance with Art. 2501-*quater* of the Italian Civil Code, changes took place in the balance sheet assets and liabilities of the Companies Participating in the Merger (i) relevant to Article 2501-*quinquies*, paragraph 3, of the Italian Civil Code and (ii) such as to in any case affect the fairness of the Merger Exchange Ratios;
2. whether, for the purposes of the provisions under point 1 above, paragraphs (i) and (ii), the Companies Participating in the Merger - namely Fonsai and Milano Assicurazioni in relation to the criminal proceedings pending before the Court of Turin which sees Fonsai investigated pursuant to Legislative Decree No. 231 of 8 June 2001 (the “**Proceedings**”) - are required, especially in light of applicable accounting standards, to account for, for the purpose of preparing their annual or interim financial reports, corrections in the assets or new liabilities and thus reconsider and modify the Share Exchange Ratios.

The Advisor, as a result of the assessments made, issued his opinion (the “**Opinion**”, attached to the Updated Information Document), whose findings showed that:

- the analysis of the assets and liabilities carried out on the basis of semi-annual reports as at 30 June 2013 of the Companies Participating in the Merger, which contain the most recently approved balance sheets (and income statements), showed that no changes in assets and liabilities occurred in the period 30 September 2012 – 30 June 2013 that are relevant to Art. 2501-*quinquies*, paragraph 3, of the Italian Civil Code, and that otherwise affected the current validity of the Exchange Ratios as contained in the Merger Plan. In particular:
 - Unipol Assicurazioni reported an increase of Euro 201 million in shareholders’ equity as a result of the positive economic trend, which, however, had already been forecasted in the plans used for the estimates in support of the Exchange Ratios contained in the Merger Plan;
 - Milano Assicurazioni recorded a decrease of Euro 32 million in shareholders’ equity, as a consequence, on the one hand, of the write-down of investment property and of the higher than expected negative run-off of claims provisions, and, on the other hand, of a better than expected economic performance;
 - Fonsai reported a negative change of Euro 371.4 million in shareholders’ equity, however, an important part of the changes in assets (goodwill and AFS securities) and liabilities (negative run-

off of claims provisions), which produced the change in assets, had been considered in the valuation process which supported the calculation of the Exchange Ratios contained in the Merger Plan; moreover, the budget approved by the company in March 2013 estimated a significantly higher result than the one forecasted in the plans used for valuations;

- Premafin reported negligible changes in assets and liabilities;
- the elements found in the acts and measures relating to the Proceedings, for the reasons stated in the Opinion, do not allow, as matters stand, to formulate reliable conjectures as to the outcome of the same Proceedings and they make it impossible to assume probable, according to IAS/IFRS, the disbursement imposed on the companies of an amount estimated in a reliable manner with regard to any claims for damages by the shareholders of the companies and the possible confiscation of profits arising from the alleged criminal conduct. With regard to pending administrative proceedings, no material events took place subsequent to 30 June 2013;
- therefore, on the basis of the data examined, there were no changes in assets and liabilities, as at the date of issuance of the Opinion, pursuant to Art. 2501-*quinquies*, paragraph 3, of the Italian Civil Code such as to render no longer up to date the Exchange Ratios contained in the Merger Plan.

The boards of directors of the Companies Participating in the Merger thereafter proceeded to examine the results of the sensitivity analysis (the “**Sensitivity Analysis**”), prepared by the competent internal departments, on the range of the share exchange ratio at the time identified by the advisors of the Committees of Independent Directors/Committees for Transactions with Related Parties of UGF, Premafin, Fonsai and Milano Assicurazioni for the adoption, on 20 December 2012, of the resolutions approving the Merger Plan.

In particular, the Sensitivity Analysis, on the basis of methodological approaches taken at the time by the abovementioned advisors, found and examined the effects attributable to market developments and changes in the relevant balance sheets occurring after the date of approval of the Merger Plan. The methodological approach developed for this purpose substantiated in:

1. the examination on a “desk” basis (i.e. based on the available information arising from the documentation produced by the advisors at the meetings of the boards of directors of 20 December 2012) of the methods adopted by the aforementioned advisors;
2. the development of sensitivity scenarios in relation to:
 - the development of the market situation: in this context, it was decided to update the functional parameters to the application of the methods used, such as the Dividend Discount Model (“DDM”), the Appraisal Value - SoP/Embedded Value, Net Asset Value (“NAV”), Market Multiples Method and Linear Regression Analysis (“Value Map”);
 - the development of the balance sheets, based on the respective final figures at 30 June 2013, as approved by the boards of directors of the Companies Participating in the Merger, compared to the balance sheets at 30 September 2012, taken as reference for the determination of the Exchange Ratio;
 - the development of the adjustment items in regard of real estate and financial assets, on the basis of the market values of the securities portfolio as at 30 June 2013 and the market values attributable to real estate assets derived from the appraisals commissioned by the Companies Participating in the Merger for the purpose of preparing the financial statements as at 31 December 2012;
 - the development of actuarial variables related to Life business based on an estimate as at 30 June 2013 of the value of the existing portfolio (Value In Force) and the value of one year’s new business (new business value) relating to the Life sector;
 - the estimated income of the Companies Participating in the Merger for financial year 2013.

The above Sensitivity Analysis revealed no critical issues with regard to the conclusions reached by the aforementioned advisors of the Committees of Independent Directors/Committees for Transactions with Related Parties.

In view of the above, and sharing the findings that emerged from the Opinion and the Sensitivity Analysis, the governing bodies of the Companies Participating in the Merger, pursuant to Art. 2501-*quinquies*, paragraph 3, of the Italian Civil Code, certified that from 30 September 2012 (reference date of the Companies' balance sheets prepared in accordance with Art. 2501-*quater* of the Italian Civil Code) to 24 October 2013, there were no significant changes in the Companies' assets and liabilities. Therefore no significant changes were assumed in the assumptions underlying the Exchange Ratios.

2.1.3 *Forecast for the composition of the relevant shareholdings as well as for the control structure of the Acquiring Company as a result of the Merger.*

At the Date of the Updated Information Document, the Acquiring Company issued ordinary shares, savings shares of category "A" and savings shares of category "B". Pursuant to Art. 6 of the By-laws of the Acquiring Company, the holders of Savings Shares have no right to take the floor at company meetings or to request the calling thereof. Therefore, there are no shares with voting rights or otherwise other than ordinary shares.

At the Date of the Updated Information Document, and on the basis of information received or available at the same point in time, shareholders directly or indirectly holding more than 2% each of voting shares in Fonsai (as communicated pursuant to Art. 120, TUF) are:

- 1) **Finsoe S.p.A.:** indirectly for a total of 385.996.894 shares, equal to 41.930% of ordinary share capital, of which:
 - 302,437,718 ordinary shares, equal to 32.853% of ordinary share capital, indirectly through Premafin;
 - 45,107,730 ordinary shares, equal to 4.90% of ordinary share capital, indirectly through UGF;
 - 38,451,446 ordinary shares, equal to 4.177% of ordinary share capital, indirectly through Finadin S.p.A.;
- 2) **Anima SGR:** 22.166.656 ordinary shares, equal to 2.408% of ordinary share capital, being managed discretionally as savings on behalf of various investment funds².
- 3) **Sator Capital LIMITED** (as manager of the investment fund Sator Private Equity Fund A LP, which has an indirect controlling share in Arepo PR S.p.A.): no. 27.956.500 ordinary shares, equal to 3.037% of ordinary share capital, indirectly through Arepo Pr S.p.A.;
- 4) **UBS AG:** no. 22,010,142 ordinary shares, representing 2.39% of the ordinary share capital, with the information that, as stated by UBS AG, no. 20,527,755 of these shares, representing 2.23% of the ordinary share capital, fall within the scope of financing agreements between the same UBS AG and third counterparties which, according to the same agreements, remain vested in the property and the voting right of the shares and that no. 1,442,946 shares, representing 0.156% of the ordinary share capital, are held in the capacity of borrower. UBS, through its subsidiaries, also holds a total of no. 39,441 ordinary shares, representing 0.004% of the ordinary share capital in non-discretionary asset management.
- 5) **Invesco Ltd:** no. 18,671,039 ordinary shares, representing 2.028% of the ordinary share capital in non-discretionary asset management on behalf of various investment funds managed by the same.

At the Date of the Updated Information Document, and on the basis of information received or available at the same point in time, shareholders holding directly or indirectly more than 2% each of voting shares in Premafin (as communicated pursuant to Art. 120, Consolidated Financial Act) are:

- 1) **Finsoe S.p.A.:** indirectly through UGF, for a total of no. 1,741,239,877 shares, equal to 80.928% of share capital;

² It was found that Anima SGR holds another 5,052,930 ordinary shares, equal to 0.549% of the ordinary share capital, as participation managed on behalf of Anima Prima Funds PLC, registered in the Register of Fonsai Shareholders as communicated by the same Anima SGR when lodging its shares for the extraordinary and ordinary Meeting of the Company held on 30 October 2012. This communication does not appear to have been amended by the Shareholder in question thereafter.

- 2) **Compagnia Fiduciaria Nazionale S.p.A.**, holding in its own name in trust on behalf of several individuals, each owning shares for less than 2% of share capital, for a total of no. 127,398,867 shares, equal to 5.921% of share capital. 127,398,867 ordinary shares, equal to 5.921% of ordinary share capital.
- 3) **Starlife S.A.**: indirectly for a total of 82,990.563 shares, equal to 3.857% of share capital, of which:
 - 41,975,580 shares, equal to 1.951% of share capital, held through Sinergia Holding di Partecipazioni S.p.A. in liquidation, a company declared insolvent by judgment of 14 June 2012;
 - 41,014,983 shares, equal to 1.906% of share capital, held through Immobiliare Costruzioni Im.Co. S.p.A., in liquidation, a company declared insolvent by judgment of 14 June 2012;
- 4) **The Heritage Trust** (trust operating under Bahamas law, of which Mr. Giancarlo De Filippo is the sole trustee): indirectly, through companies it controls, each of which holds shares for less than 2% of share capital, for a total of 49,852,825 shares, equal to 2.317% of share capital; these shares have been preventively impounded according to Art. 321 of the Italian Code of Criminal Procedure.

At the Date of the Updated Information Document, and on the basis of information received or available at the same point in time, shareholders holding directly or indirectly more than 2% each of voting shares in Milano Assicurazioni (as communicated pursuant to Art. 120, TUF) are:

- 1) **Finsoe S.p.A.**: indirectly for a total of no. 1,167,988,202 shares, representing 63.397% of ordinary share capital, of which:
 - 1,125,636,310 ordinary shares, equal to 61.098% of ordinary share capital, indirectly through Fonsai;
 - 27,856,220 ordinary shares, equal to 1.512%% of ordinary share capital, indirectly through Fondiaria Nederland B.V.;
 - 9,480,000 ordinary shares, equal to 0.515% of ordinary share capital, indirectly through Sai Holding Italia S.p.A.;
 - 3,700,000 ordinary shares, equal to 0.201% of ordinary share capital, indirectly through Sai International S.A.;
 - 1,015,672 ordinary shares, equal to 0.055% of ordinary share capital, indirectly through Pronto Assistance S.p.A.;
 - 300,000 ordinary shares, equal to 0.016% of ordinary share capital, indirectly through Popolare Vita S.p.A.;
- 2) **Norges Bank**: 62,561,968 ordinary shares, representing 3.395% of ordinary share capital. It should be noted that such shareholding is that declared by Norges Bank, when recently lodging its shares for the extraordinary Shareholders' Meeting of Milano Assicurazioni held on 25 October 2013.

At the Date of the Updated Information Document, the whole share capital of Unipol Assicurazioni is held by UGF.

Assuming (i) that the current ownership of Fonsai and the companies to be merged remains unchanged as at the date of the Merger, and (ii) the shares of Premafin for which withdrawal has been lawfully and validly exercised are fully purchased upon the Option Offer and Pre-Emption Offer by Premafin shareholders other than UGF and its subsidiaries, according to the Share Exchange Ratios the structure of the share capital of Fonsai after the Merger will be as follows:

Shareholder	Quota % of ordinary capital	Quota % of capital made up of category "A" category savings shares	Quota % of capital made up of category "B" savings shares	Quota % of overall capital
UGF	63.00%.	n.a.	67.75%.	63.66%.

Other former PREMAFIN shareholders	0.85%.	n.a.	n.a.	0.73%.
Other Milano Assicurazioni shareholders	10.69%.	n.a.	10.74%.	10.69%.
Other Fonsai shareholders	25.46%.	100.00%.	21.51%.	24.92%.

Even after the Merger is completed, UGF will keep control of the post-Merger company and will continue to exert the activities of direction and coordination over the same pursuant to and in accordance with Arts. 2497 et seq. of the Italian Civil Code.

With reference to 240,609,096 Fonsai savings shares of category “B”, representing approximately 74.78% of the share capital of such category, and 27,201,199 savings shares of Milano Assicurazioni, amounting to approximately 26.55% of the share capital of such category, held by UGF, it should be noted that the same have been recently contributed into Unipol Finance S.r.l., a wholly owned subsidiary of UGF that was entrusted with the ownership and management of equity assets not critical to the exercise by UGF of the management and coordination activities which are its duty as parent company and, therefore, not essential for the corporate governance of the Unipol Group.

2.1.4 Effect of the Merger on the shareholders’ agreements, relevant according to Art. 122 of the Consolidated Financial Act, as regards shares in the Companies Participating in the Merger.

In the context of the Investment Agreement, UGF and Premafin signed an agreement under which UGF, among other things, undertook in respect of all directors and statutory auditors in office during the years 2007-2011 at Premafin, Fonsai, Milano Assicurazioni or their respective subsidiaries, (a) not to propose, and in any case, vote against - and, with reference to companies indirectly controlled by UGF, to ensure that the respective controlling shareholders do not propose and vote against - any proposals for the exercise of liability actions pursuant to Art. 2393 of the Italian Civil Code, and in any case not to propose - and, with reference to companies indirectly controlled by UGF, to ensure that the respective controlling shareholders do not propose – any other type of legal action against the persons referred to above, in regard of work and activities carried out in their capacity as directors or auditors of such companies until the date of 29 January 2012, (b) to indemnify such persons if, contrary to the foregoing, any liability action under Art. 2393 of the Italian Civil Code were however to be exercised with the decisive vote of UGF or one of its subsidiaries.

In its Communication of 18 April 2013, the Consob has indicated that, in its opinion these agreements are subject to the application of Art. 122 of the Consolidated Financial Act, as they represent shareholders’ agreement. To the sole purpose of complying with the provisions in said Consob Communication, UGF has met the disclosure requirements pursuant to Art. 122 of the Consolidated Financial Act.

On 25 June 2012, in order to conform to what is required by Consob in communication No. 12042821 dated 22 May 2012, and related considerations in communication No. 12044042 dated 24 May 2012, UGF and Premafin agreed to amend such commitment to limit its operation exclusively against and in favor of the directors and statutory auditors of Premafin, Fonsai, Milano Assicurazioni and their respective subsidiaries, in office during the period 2007-2011, who did not, directly or indirectly, including through subsidiaries, hold Premafin shares as at 29 January 2012.

The Merger will have no effect on such stipulations, as the relevant commitments relate exclusively to UGF.

To the knowledge of the Acquiring Company, at the Date of the Updated Information Document, there are no arrangements that, at a later date, may result in a change in control of the Acquiring Company and/or of the Company Resulting from the Merger, nor any shareholders’ agreement between the shareholders of the Acquiring Company directly regarding the same.

2.2 Reasons and purposes of the Merger, management objectives and initiatives planned by the Acquiring Company

The Merger is an essential and integral part of the Project of Integration by Merger by, and within the context of the larger project, pursuing the goal of creating a company that is a leader in the domestic and European insurance market, in order to reach a number of industrial, corporate and financial goals.

The first stage of the Project of Integration by Merger was completed when the capital increase for Premafin was executed on 19 July 2012 with UGF undersigning the reserved increase and the Fonsai capital increase, completed on 13 September 2012 through the undersigning of Fonsai shares left unassigned by a guarantee group consisting of banks (for ordinary shares) and UGF (for Category “B” savings shares).

As regards Fonsai specifically, the entire Project of Integration by Merger represented, as previously mentioned, the instrument to ensure the required and urgent increase in equity of Fonsai itself according to the demands made by IVASS.

It should be noted in this regard that the 2011 results had shown a capital deficit at Fonsai, in the light of which, IVASS, under the applicable regulatory provisions relating to insurance solvency margin, had requested the same Fonsai to promptly submit a restructuring plan capable of restoring compliance with the necessary margins.

In this respect, Fonsai had clearly stated in its intervention plan, as offered to IVASS on 30 January 2012, according to Art. 227 of the Code of Private Insurance, concerning initiatives required to restore adjusted situations of solvency and guarantee future solvency, that the Fonsai Capital Increase required for the necessary increase in resources was merely a functional, integrative move in the broader Project of Integration by Merger.

It was exactly as the first phase of the Project of Integration by Merger was being implemented that the Fonsai capital increase was fully subscribed and completed, as mentioned above, on 13 September 2012.

On the other hand, the Project of Integration by Merger offers the prospect of creating significant business synergies, likely to produce value in the medium to long term, to all Fonsai shareholders.

In addition, the Merger involves an increase in the forecast margin of solvency of Fonsai after the Merger, even after the effects of the Premafin incorporation and of the estimated costs of the Premafin shareholders exercise of their right of withdrawal.

In greater detail, the Project of Integration by Merger is intended to pursue the following main goals:

(aa) firstly, to create a leading operator in the insurance field, able to compete effectively with the main competitors, and to create value for all shareholders concerned, with the effect at the same time of containing losses and reinforcing the equity of Premafin and Fonsai;

(bb) in terms of governance, to improve and rationalize the management and coordination activities in the company arising from the Merger. Indeed, though as of the Date of the Updated Information Document UGF already manages and coordinates Fonsai and Milano Assicurazioni, the presence of a multi-level shareholding makes said activity more burdensome and complicated; whereas as a result of the Merger, UGF directly controlling the Company Resulting from the Merger shall more easily exercise the direction and coordination activity;

(cc) with regard to the business objectives and in line with the strategic path so far undertaken by the Unipol Group, to focus the mission on the insurance business, in line with the Unipol Group vision, that aims to strengthen its competitive position in the insurance market, in terms of profitability, quality of customer service and innovation. This vision may be achieved by means of three work areas, aiming to:

- restructure the business of Fonsai Group insurance companies to improve the profitability of companies belonging to the new Group arising from the Merger;
- consolidate support operations by bringing together structures and resources, both within the territory and in management offices, to achieve economies of scale and greater effectiveness of the services supporting the commercial network;

- create a common platform for all insurance company brands making up the new Group arising from the Merger, to ensure innovation in commercial processes, increase the productivity of the company network’ and the level of customer service.

These work areas were developed during the second half of 2012, in the context of drafting the Joint Business Plan by the companies involved in the Merger, supported by a leading independent business advisor. In particular, the analyses arranged led to the definition of:

- an estimate of the synergies that could be achieved up to 2015 equal to approximately Euro 350 million;
- a prompt identification of actions set out in the Joint Business Plan, aiming to achieve the economic and financial goals involved in the aforementioned Plan;

(dd) as regards the financial objectives, to reinforce solvency and equity structure of the new entity, ensuring support for the achievement of the steps of the business plan and the subsequent prospects of synergy from a strategic and business point of view, with the intention of increasing value for all shareholders;

(ee) from the company point of view, to achieve a simpler and more transparent group organization model, to be obtained, on the one hand, by eliminating duplications in organization structures and costs (which in the case in question can be particularly high, since the businesses concerned are largely listed and regulated) and, on the other, by adopting clearer and more effective governance methods, and also by taking any other opportunity for business and strategic synergies, thereby increasing value for all shareholders;

(ff) furthermore, to develop commercial initiatives of the Companies Participating in the Merger through the use of distinctive signs that enhance the value added represented by the united group;

(gg) as well as to allow better coordination in the product offer, to enhance the value in the offer of complementary services, with the consequent possibility of offering the market a wider range of services and products;

(hh) increase the liquidity of the shares held by partners, who will be holding stock in a company listed with the broadest floating value and largest liquidity and capitalization;

(ii) finally, also from the viewpoint of the savings shareholders in general, and based on the Joint Business Plan, benefiting from an increase in the amount of prospective profits that would be distributed by the aggregated entity. It should be noted in this regard that the increase in net profit for the year as provided for by the Joint Business Plan (Euro 814 million for 2015) will enable the company (aa) on the one hand, from the perspective of the Fonsai savings shareholders of category “B”, to absorb the preferred dividend attributed as a priority to Fonsai savings shares of category “A”, whose economic impact - planned for approximately Euro 8.3 million for each financial year (subject to the accumulation accrued or which might accrue in the future) - will not be significant, and (bb) on the other hand, absorb the increase in the total amount of the dividend to which the savings shares of category “B” are entitled, resulting from the issuance of such shares as a result of the capital increase effected for the purpose of the Merger share exchange. In essence, the prospective increase in earnings as described above is such as to serve the preferred profit of all savings shares of the Acquiring Company.

With respect to the target invoked above under (ii), and taking into account the operational requirements specified by IVASS in the Corrective Measures, according to which *“the return on capital of the post-merger entity (...) should be determined (...) so as to ensure the achievement of the solvency levels required by the business plan”*, it should be noted that the above Corrective Measures do not in any way affect the priority privilege provided for by the provisions of the By-laws in this respect, since such privilege is drawn from net income, not from distributable profits.

The Merger is also the instrument through which the solvency margin of the Acquiring Company present and future will not only be protected, but will also benefit from a long-lasting, strengthening effect, thanks to the additional resources that will be brought in by the Companies Participating in the Merger and synergies that will arise after same.

During the early months of 2013, the implementation activities of the Joint Business Plan were initiated by preparing action planning and by starting activities to implement those actions.

On the basis of this planning, the following main initiatives must be completed or started within the next twelve months:

- definition of the governance and organizational structures of the Company Arising from the Merger within the date of enactment of Merger;
- convergence of the governing and control procedures and of their relative support application systems;
- rationalization of supply contracts for goods and services, and revision of expenditure management procedures;
- standardization of commercial, hiring and firing procedures;
- start of converging the application systems which manage the core insurance procedures.

2.3 Documents made available to the public

The Updated Information Document, the documentation of art. 2501-*septies* paragraph 1, no. 1) and 2) of the Italian Civil Code, the financial statements at 30 September 2012 of the Companies Participating in the Merger, according to Art. 2501-*quater*, par 2 of the Italian Civil Code, Updated Information Document, the Addendum thereto, as well as the information documents described in Art. 5, Operational Regulations, together with the related parts, prepared by the Companies Participating in the Merger, have been made publicly available, according to the procedures and time limits laid down by the law, as we have explained in more detail below.

Please note that on 27 December 2012 the Companies Participating in the Merger each made the prospectus publicly available at their registered offices and on their website pursuant to Art. 5 of the Regulations on Operations with Related Parties. Specifically, the aforementioned document prepared by the Acquiring Company is available at the following website: www.fonditaria-sai.it.

Please note that on September 24 2013 the Companies Participating in the Merger and UGF made the following documents relating to the Merger, available to the public at their respective headquarters and on their respective websites www.premafin.it, www.milass.it, www.fonditaria-sai.it, www.unipolassicurazioni.it and www.unipol.it:

- Merger Plan, according to Art. 2501-*ter* of the Italian Civile Code;
- descriptive reports drafted according to Articles 2501-*quinquies* of the Italian Civile Code, 125 of the TUF and 70, 72 (limited to Fonsai) and 84-*ter* of the Regulations for Issuers, drafted by the various Boards of Directors, and then integrated with the proposals of the resolutions of the Extraordinary Shareholdings Meetings and the Special Shareholdings Meeting convened to approve the Merger Plan;
- expert's report from the auditing firm, Reconta Ernst & Young, on the correctness of exchange ratios, as required by Art. 2501-*sexies* of the Italian Civile Code;
- the financial position of the Companies Participating in the Merger of 30 September 2012 pursuant to Art. 2501-*quater*, paragraph 2, of the Italian Civile Code.

On the same date (*aa*) the Companies Participating in the Merger also deposited the financial statements for the last three years at their respective legal offices, pursuant to Art. 2501-*septies*, paragraph 1, no. 2) of the Italian Civile Code, and (*bb*) Premafin and Milano Assicurazioni reported the liquidation value per ordinary Premafin

shares and per savings shares of Milano Assicurazioni, possibly subject to withdrawal, pursuant to Articles. 2437-ter, paragraph 5 of the Italian Civil Code and Article 84 of the Issuers Regulation.

On 2 October 2013, with the same procedures outlined above, the opinion issued by the auditing firm Ernst & Young on the criteria for the issuance of ordinary shares for the conversion of the Convertible Loan, prepared pursuant to and by effect of Art. 158 of the TUF was made available to the public.

On 9 October 2013, the Information Document was made available to the public at the registered office of the Companies Participating in the Merger and UGF and published on the following websites: www.fondiarisai.it, www.milass.it, www.premafin.it, www.unipolassicurazioni.it and www.unipol.it.

On 22 October 2013, the Addendum to the Information Document, prepared at the request of Consob pursuant to art. 114, paragraph 5, of the TUF, was made available to the public, with the same procedures adopted for the Information Document.

Finally this Updated Information Document has been made available to the public at the legal offices of the Companies Participating in the Merger and of UGF and published on the following websites: www.fondiarisai.it, www.milass.it, www.premafin.it, www.unipolassicurazioni.it and www.unipol.it on 24 December 2013.

3 Possible significant effects of the Merger on the key factors that influence and characterize the activity of the Acquiring Company as well as the type of business carried out by the Acquiring Company itself.

The Merger does not involve changes in the type of business conducted. It is part of the Project of Integration by Merger, aiming to create the synergic conditions to implement efficient operations in order to achieve the objectives identified in the Joint Business Plan.

For further information, see Chapter 2 of this Updated Information Document.

4 Economic and financial information for the Companies Participating in the Merger

Introduction

The following paragraphs set out the main financial figures relating to the Companies Participating in the Merger for the nine-month period ended at 30 September 2013 and for the financial years ended on 31 December 2012, 2011 and 2010.

Attention is drawn to the control structure of the Companies Participating in the Merger which, in brief, is as follows:

- the Companies Participating in the Merger are all controlled by UGF. In particular, UGF directly controls Premafin and Unipol Assicurazioni and, indirectly, Fonsai and Milano Assicurazioni;
- Premafin directly controls Fonsai and indirectly Milano Assicurazioni;
- Fonsai directly controls Milano Assicurazioni.

From the considerations above, it can be seen that the consolidated financial statements of the Premafin Group, the group of one of the Incorporated Companies, also include the financial figures of the Fonsai Group, group of the Acquiring Company. In addition, in consideration of the investment relationships indicated above, the consolidated figures of Premafin, including the consolidated figures of Fonsai, indirectly also include the consolidated figures of Milano Assicurazioni.

Consequently, in this Chapter, with reference to the Unipol Assicurazioni Group and the Premafin Group, we report both the consolidated balance sheet, income statement and cash flow statement, and the related notes, while, with reference to the Fonsai Group and the Milano Assicurazioni Group, we only report the consolidated balance sheet, income statement and cash flow statement. As a result of the control structure set forth above, in fact, the notes of the Fonsai Group and of the Milano Assicurazioni Group are implicitly contained in the notes to the Premafin Group.

4.1 Financial information regarding the Unipol Assicurazioni Group

4.1.1 Balance sheet, income statement and cash flow statement of the Unipol Assicurazioni Group for the nine-month period ended at 30 September 2013 and for the financial years ended on 31 December 2012, 2011 and 2010

This paragraph shows certain consolidated economic and financial information of the Unipol Assicurazioni Group for the nine-month period ended at 30 September 2013, as well as with regard to the financial years ended on 31 December 2012, 2011 and 2010. This information was extracted from the following documents:

- condensed consolidated interim financial statements of the Unipol Assicurazioni Group for the nine-month period ended at 30 September 2013 audited by PricewaterhouseCoopers, which issued its unqualified report on 2 December 2013. These financial statements were prepared in accordance with the accounting standard applicable to interim financial reports (IAS 34). The condensed consolidated financial statements and the relevant audit report are attached in the Annex to the Updated Information Document;
- consolidated financial statements of the Unipol Assicurazioni Group for the financial years ended on 31 December 2012, 2011 and 2010. These financial statements were prepared in accordance with IAS/IFRS issued by the IASB (International Accounting Standards Board), as approved by the European Union, and on the basis of the relevant interpretations issued by the official bodies. The consolidated financial statements as at 31 December 2012 were audited by PricewaterhouseCoopers, which issued its unqualified report on 2 December 2013. The consolidated financial statements as at 31 December 2011 and 2010 were audited by KPMG S.p.A., which issued its unqualified report on 2 December 2013. These consolidated financial statements and relevant audit reports are attached in the Annex to the Updated Information Document.

As previously indicated, these consolidated financial statements are in accordance with the IAS/IFRS issued by the IASB and approved by the European Union and with the relevant interpretations issued by the IFRIC, as required by EU Regulation No. 1606/2002. The values of the balance sheet, income statement and cash flow statement included in the aforementioned financial statements represent the contribution of Unipol Assicurazioni Group to the consolidated financial statements of UGF for the respective reference periods, subject to the, not significant, effects resulting from the different scope of consolidation and retroactive application to the 2010 and 2011 financial statements of the accounting standards in force at 31 December 2012. The detailed illustration of the accounting policies adopted is set out in the explanatory notes to the consolidated financial statements attached to the Updated Information Document.

It should be noted that the condensed consolidated interim financial statements for the nine-month period ended at 30 September 2013, and the consolidated financial statements for the financial years ended on 31 December 2012, 2011 and 2010 were prepared in the context of the Merger and, in particular, for the purpose of preparing the Updated Information Document. Unipol Assicurazioni, for the years 2010, 2011 and 2012 did not prepare the consolidated financial statements at the end of each period and within the term ordinarily required, making use of the exemption provided for in Articles 96 and 97 of Legislative Decree No. 209 of 7 September 2005 (Private Insurance Code) and Article 21 of IVASS Regulation No. 7 of 13 July 2007, as the financial statements had been prepared by the parent company UGF.

4.1.1.1 Information on Unipol Assicurazioni Group's Capital

The following table provides the consolidated balance sheet as at 30 September 2013, and as at 31 December 2012, 2011 and 2010.

(Amounts in millions of Euros)		At 30 September 2013	At 31 December 2012	At 31 December 2011	At 31 December 2010
BALANCE SHEET ASSETS					
1	INTANGIBLE ASSETS	356,5	352,3	346,1	336,7
1.1	Goodwill	306,7	306,7	306,7	306,7
1.2	Other intangible assets	49,8	45,5	39,3	30,0
2	TANGIBLE ASSETS	369,3	396,0	492,4	490,5
2.1	Land and buildings	346,6	368,1	461,9	465,7
2.2	Other tangible assets	22,7	27,9	30,6	24,8
3	TECHNICAL PROVISIONS - REINSURERS' SHARE	340,1	365,2	349,7	347,6
4	INVESTMENTS	21.258,4	20.365,0	18.881,8	18.466,6
4.1	Real estate investments	658,2	620,4	506,6	297,6
4.2	Investments in subsidiaries, associated companies and joint ventures	289,5	333,5	323,4	455,9
4.3	Investments held to maturity	1.472,6	1.754,3	2.090,0	2.207,2
4.4	Loans and receivables	4.247,7	4.456,6	4.787,2	4.112,6
4.5	Financial assets available for sale	11.391,0	9.986,6	8.263,3	8.544,8
4.6	Financial assets at fair value through profit or loss	3.199,6	3.213,6	2.911,2	2.848,6
5	SUNDRY RECEIVABLES	904,3	1.213,4	1.414,8	1.362,4
5.1	Receivables relating to direct insurance business	385,7	705,5	752,9	766,8
5.2	Receivables relating to reinsurance business	45,3	42,6	50,2	19,5
5.3	Other receivables	473,2	465,3	611,7	576,2
6	OTHER ASSETS	695,6	505,1	674,5	455,0
6.1	Non-current assets held for sale or disposal groups	-	-	-	-
6.2	Deferred acquisition costs	13,0	14,7	18,6	18,7
6.3	Deferred tax assets	538,9	388,1	536,8	316,0
6.4	Current tax assets	-	-	-	-
6.5	Other assets	143,8	102,3	119,2	120,2
7	CASH AND CASH EQUIVALENTS	353,0	576,3	263,1	388,2
	TOTAL ASSETS	24.277,2	23.773,2	22.422,3	21.847,1

(Amounts in milioni di Euro)		At 30 September 2013	At 31 December 2012	At 31 December 2011	At 31 December 2010
LIABILITIES AND SHAREHOLDERS' EQUITY					
1	SHAREHOLDERS' EQUITY	2.049,1	1.909,8	1.060,3	1.259,1
1.1	Group equity	2.049,1	1.909,8	1.060,3	1.259,1
1.1.1	Capital	259,1	259,1	259,1	150,3
1.1.2	Other equity instruments	-	-	-	-
1.1.3	Equity-related reserves	805,9	805,9	805,9	672,9
1.1.4	Income-related reserves and other reserves	1.073,1	985,8	1.020,5	915,4
1.1.5	(Treasury shares)	-	-	-	-
1.1.6	Translation reserve	-	-	-	-
1.1.7	Gains or losses on financial assets available for sale	(243,3)	(327,6)	(939,7)	(513,0)
1.1.8	Other gains or losses recognized directly in equity	(41,3)	(58,2)	(41,4)	(22,5)
1.1.9	Profit (loss) for the year attributable to the shareholders of the Parent Company	195,6	244,8	(44,0)	55,9
1.2	Minority Interests	-	-	-	-
1.2.1	Share capital and reserves attributable to non-controlling interests	-	-	-	-
1.2.2	Gains or losses recognized directly in equity	-	-	-	-
1.2.3	Profit (loss) for the year attributable to minority interests	-	-	-	-
2	PROVISIONS	66,0	67,1	85,3	56,0
3	TECHNICAL PROVISIONS	19.591,5	19.206,3	18.743,9	18.207,6
4	FINANCIAL LIABILITIES	1.700,5	1.797,9	1.687,0	1.596,7
4.1	Financial liabilities at fair value through profit or loss	628,8	686,8	572,8	444,2
4.2	Other financial liabilities	1.071,7	1.111,1	1.114,2	1.152,5
5	PAYABLES	318,1	364,6	324,6	271,3
5.1	Payables arising from direct insurance business	41,2	48,4	44,1	32,3
5.2	Payables arising from reinsurance business	40,3	13,3	37,3	18,0
5.3	Other payables	236,7	302,8	243,2	221,0
6	OTHER LIABILITIES	551,9	427,6	521,3	456,4
6.1	Liabilities associated with non-current assets held for sale	-	-	-	-
6.2	Deferred tax liabilities	327,5	128,1	231,1	182,7
6.3	Current tax liabilities	13,9	56,6	-	1,0

The following tables provide the change in shareholders' equity as at 30 September 2013 (with relevant comparable data), and as at 31 December 2012, 2011 and 2010.

Values in millions of Euros		As at 31/12/2012	Change in closing balance	Charges	Income Statement Reclassification Adjustments	Transfers	As at 30/9/2013
Group equity	Share capital	259,1					259,1
	Other equity instruments	0,0					
	Equity-related reserves	805,9					805,9
	Income-related reserves and other reserves	985,8		87,3			1037,1
	(Treasury shares)	-		0,0			0,0
	Profit (loss) for the year	244,8		195,6		-244,8	195,6
	Other items of the Statement of Comprehensive Income	-385,8		85,0	16,3		-284,5
	Total attributable to the Group	1909,8		367,9	16,3	-244,8	2049,1
Equity attributable to minority interests	Share capital and reserves attributable to minority interests	0,0			30,1		
	Profit (loss) for the year	0,0					
	Other items of the Statement of Comprehensive Income	0,0					0,0
	Total attributable to minority interests	0,0					0,0
Total		1909,8		367,9	16,3	-244,8	2049,1

Values in millions of Euros		As at 31/12/2011	Change in closing balance	Charges	Income Statement Reclassification Adjustments	Transfers	As at 30/9/2012
Group equity	Share capital	259,1					259,1
	Other equity instruments	0,0					
	Equity-related reserves	805,9					805,9
	Income-related reserves and other reserves	1020,5		-44,9			975,6
	(Treasury shares)						0,0
	Profit (loss) for the year	-44,0		199,5		44,0	199,5
	Other items of the Statement of Comprehensive Income	-981,1		343,3	102,7		-535,1
	Total attributable to the Group	1060,3		497,9	102,7	44,0	1704,9
Equity attributable to minority interests	Share capital and reserves attributable to minority interests			0,0			0,0
	Profit (loss) for the year			0,0			0,0
	Other items of the Statement of Comprehensive Income	0,0					0,0
	Total attributable to minority interests	0,0		0,0			0,0
Total		1060,3		497,9	102,7	44,0	1704,9

Values in millions of Euros		As at 31/12/2011	Change in closing balance	Charges	Income Statement Reclassification Adjustments	Transfers	As at 31/12/2012
Group equity	Share capital	259,1			0,0		259,1
	Other equity instruments	0,0			0,0		
	Equity-related reserves	805,9			0,0		805,9
	Income-related reserves and other reserves	1020,5		-34,7	0,0		985,8
	(Treasury shares)				0,0		
	Profit (loss) for the year	-44,0		244,8	0,0	44,0	244,8
	Other items of the Statement of Comprehensive Income	-981,1		382,0	213,4		-385,8
	Total attributable to the Group	1060,3		592,1	213,4	44,0	1909,8
Equity attributable to minority interests	Share capital and reserves attributable to minority interests				0,0		
	Profit (loss) for the year				0,0		
	Other items of the Statement of Comprehensive Income	0,0					
	Total attributable to minority interests	0,0					
Total		1060,3		592,1	213,4	44,0	1909,8

Values in millions of Euros		As at 31/12/2010	Change in closing balance	Charges	Income Statement Reclassification Adjustments	Transfers	As at 31/12/2011
Group equity	Share capital	150,3		108,8			259,1
	Other equity instruments						0,0
	Equity-related reserves	672,9		133,0			805,9
	Income-related reserves and other reserves	915,4		105,1		0,0	1020,5
	(Treasury shares)						
	Profit (loss) for the year	55,9		-44,0		-55,9	-44,0
	Other items of the Statement of Comprehensive Income	-535,5		-427,0	2,6	-21,3	-981,1
	Total attributable to the Group	1259,1		-124,1	2,6	-77,2	1060,3
Equity attributable to minority interests	Share capital and reserves attributable to minority interests					0,0	
	Profit (loss) for the year					0,0	
	Other items of the Statement of Comprehensive Income					0,0	0,0
	Total attributable to minority interests					0,0	0,0
Total		1259,1		-124,1	2,6	-77,2	1060,3

Values in millions of Euros		As at 1/1/2010	Change in closing balance	Charges	Income Statement Reclassification Adjustments	Transfers	As at 31/12/2010
Group equity	Share capital	150,3	-	-		-	150,3
	Other equity instruments	-	-	-		-	-
	Equity-related reserves	672,9	-	-		-	672,9
	Income-related reserves and other reserves	1.602,3	-	-686,9		-	915,4
	(Treasury shares)	-	-	-		-	-
	Profit (loss) for the year	-670,1	-	55,9		670,1	55,9
	Other items of the Statement of Comprehensive Income	-367,6	-	-132,0	-35,4	-0,5	-535,5
	Total attributable to the Group	1.387,8	-	-763,0	-35,4	669,6	1.259,1
Equity attributable to minority interests	Share capital and reserves attributable to minority interests	-	-	-		-	-
	Profit (loss) for the year	-	-	-		-	-
	Other items of the Statement of Comprehensive Income	-	-	-	-	-	-
	Total attributable to minority interests	-	-	-	-	-	-
Total		1.387,8	-	-763,0	-35,4	669,6	1.259,1

ASSETS

Intangible Assets

At 30 September 2013, the item “Goodwill”, which remained unchanged during the reporting period and amounted to Euro 306.7 million, was composed entirely of goodwill arising from business combinations relating to the merger of the company Winterthur into Aurora Assicurazioni, which in turn had merged into Unipol Assicurazioni on 1 February 2009, with tax and accounting effect as from 1 January 2009.

The item “Other intangible assets”, equal to Euro 49.8 million at 30 September 2013 consists of costs incurred for the purchase of software, licenses, consulting and customization of computer programs.

Tangible Assets

At 30 September 2013, the value of the item “Land and buildings” amounted to Euro 346.6 million. At 31 December 2012, the item showed a decrease of Euro 93.8 million compared to 31 December 2011, primarily due to the reclassification from the item “Land and buildings” to the item “Real Estate Investments” of the property known as Tower Unipol (Euro 112 million) located in Via Larga in Bologna, which, as from August 2012, was leased to the associated companies Unisalute and Linear.

Reinsurers'share

The item shows an increase in the reporting period and reflects the evolution of the reinsurance agreements. The year 2012 was also affected by the damage caused by the earthquake in Emilia and Lombardy.

Investments

“Real Estate Investments” amounted to Euro 658.2 million at 30 September 2013. The increase in this item as at 31 December 2012 compared to 31 December 2011 (Euro 113.8 million) includes the reclassification from the item “Tangible assets” of the property known as Tower Unipol as mentioned above. The increase reported at 31 December 2011 compared to 31 December 2010 (Euro 209 million) is attributable to the purchase of the company Punta di Ferro, which owns the property where the shopping mall of the same name is located (Euro 123.9 million), as well as the reclassifications from “Land and buildings”.

As at 30 September 2013, the item “Investments in subsidiaries, associated companies and joint ventures” amounted to Euro 289.5 million. The decrease of Euro 132.5 million in such item at 31 December 2011 compared to 31 December 2010 was mainly due to the reduction in value of the investment in Unipol Banca as a result of the valuation of the same with the equity method, which led to the recognition of an impairment loss of Euro 157.3 million.

“Investments held to maturity”, equal to Euro 1,472.6 million at 30 September 2013 consist of debt securities mostly from the Life sector financial instruments held for policies with specific provisions for assets.

Below is a breakdown of “Loans and receivables” as at 30 September 2013, as at 31 December 2012 , 2011 and 2010:

<i>(Amounts in millions of Euros)</i>	At 30 September 2013	At 31 December 2012	At 31 December 2011	At 31 December 2010
Debt securities	3.726,3	3.939,1	4.247,7	3.690,4
Loans on life insurance policies	34,8	38,9	42,2	47,6
Deposits at ceding companies	12,8	15,4	18,0	18,8
Receivables from agents	101,3	94,6	84,2	83,3
Other loans and receivables	372,5	368,6	395,1	272,5
Total	4.247,7	4.456,6	4.787,2	4.112,6

Among other loans and receivables, it should be noted that the financing of Euro 268.6 million was taken out in 2009 in favor of the Parent Company as a result of the takeover operations of Unipol Assicurazioni in its capacity as issuer of the 7% Unipol and 5.66% Unipol bonds, and the financing of Euro 97.1 million to the company P&V acquired by the parent company on 20/06/2012.

Below is the breakdown of “Investments held to maturity”, “Loans and receivables”, “Financial assets available for sale” and “Financial instruments at fair value through profit or loss” at 30 September 2013, at 31 December 2012, 2011 and 2010 by type of investment:

<i>(Amounts in millions of Euros)</i>	At 30 September 2013	At 31 December 2012	At 31 December 2011	At 31 December 2010
Equity securities	888,0	954,1	1.055,5	1.149,8
Debt securities	18.428,0	17.412,3	15.937,5	15.585,9
Units of U.C.I.s	372,0	410,5	349,0	373,4
Other financial investments	623,0	634,1	709,7	604,2
Total	20.311,0	19.411,1	18.051,7	17.713,2

The total exposure in equities went down during the period under analysis. The management activity focused on investments in securities with low volatility and a high dividend in perspective terms. Almost all of the shares in the portfolio were listed in the Eurostoxx 50.

During the 2010-2012 period and up to 30 September 2013, investments were focused on the bond sector, largely favoring the sovereign component. The Italian government bonds were the main target of purchases made in view of long-term investments, while exposure to securities issued by the Spanish Treasury decreased and, to a lesser extent, exposure to bonds issued by the Irish and Portuguese Treasuries.

Government debt securities

The exchange offer on the Greek government debt securities was approved on 24 February 2012. During 2012, the Unipol Assicurazioni Group companies accepted the offer for all securities owned and then completely wrote off the exposure to Greek government bonds resulting from the above-mentioned restructuring.

As at 30 September 2013, the Unipol Assicurazioni Group held government bonds issued by Countries in the Eurozone with a fair value of Euro 10,983.7 million, of which Euro 507.8 million issued by Spain, Euro 100.8 million issued by Portugal, Euro 76.9 million by Ireland and Euro 9,876.4 million by Italy.

Sundry receivables

The item relating to “Receivables relating to direct insurance business” at 30 September 2013 amounted to Euro 385.7 million and includes receivables from policyholders for premiums, receivables from agents and other intermediaries and companies for co-insurance contracts and receivables from policyholders and third parties for sums to be recovered. The reduction of Euro 320 million in this item at 30 September 2013 compared to 31 December 2012 was mainly due to the concentration of maturities of portfolio contracts towards the end of the year.

The item “Other receivables”, amounting to Euro 473.2 million at 30 September 2013, is mainly made up of tax credits, receivables from the indirect parent company Finsoe for the tax consolidation and from the company Mutuelle Du Mans. Unipol Assicurazioni became a creditor of the latter as a result of acquiring the business unit of Navale Assicurazioni in 2011, as stated; the receivable is commensurate with the evolution of claims provisions in place as at 31 December 2005 as required by the contract of sale to Navale Assicurazioni of the insurance companies in the group Mutuelle du Mans Italia.

Cash and cash equivalents

At 30 September 2013, cash and cash equivalents amounted to Euro 353 million and consisted almost entirely of bank deposits, largely at Unipol Banca. The decrease compared to the balance at 31 December 2012 is primarily due to the use of flows of a technical nature for financial investments and to the payment of dividends to the parent company, which took place on 30 April 2013.

LIABILITIES

Shareholders' Equity

During the reporting period, the value of shareholders' equity and the related reserves was mainly influenced, as well as by recognizing the results of the period, by the following events.

On 30 April 2013, Unipol Assicurazioni, in accordance with the resolution of the shareholders' meeting of 19 April 2013, paid dividends of Euro 150 million to the parent company UGF.

On 28 April 2011, in order to strengthen the capital structure of Unipol Assicurazioni, the shareholders meeting resolved to increase the share capital by an amount of Euro 100 million by booking under share capital the corresponding capital reserve set aside as a result of the capital contribution made by UGF on 22 December 2010.

Again with reference to financial year 2011, shareholders' equity was increased by a total of Euro 76.8 million, of which Euro 8.8 million recognized in share capital, due to the transfer of the business unit of Navale Assicurazioni, which took legal, tax and accounting effect as of 1 January 2011.

On 29 December 2011, UGF made a further contribution for future capital increase of Euro 150 million allocated entirely to the management of the Life Business. This contribution was qualified on 12 March 2012 as a capital contribution and subsequently used to partially cover the losses for financial year 2011.

Provisions

The item "Provisions", amounting to Euro 66 million at 30 September 2013, is primarily composed of accruals for expenses arising either from contracts with agents or from disputed items, or for the planned reorganization of the commercial network, legal actions entrusted to lawyers or relating to the anti-fraud department and provisions for remuneration policies and retirement incentives. This item also includes a provision for IVASS sanctions of approximately Euro 7 million.

The increase in the item observed at 31 December 2011 compared to the previous financial year is due, as to Euro 14 million, to balances transferred from Navale Assicurazioni, as to Euro 5 million, to a provision in respect of the sanction by AGCM (potential liabilities acquired as part of the contribution by Navale Assicurazioni which was paid on 2 January 2012) and, as to Euro 10 million, to an additional provision to supplement the estimate of potential liabilities arising from the receivable from the company Mutuelle du Mans Assurance.

The decrease of Euro 18 million recorded at 31 December 2012 compared to 31 December 2011 is mainly due to the use of the funds set aside for an amount of Euro 5 million for the AGCM sanction, of Euro 7.5 million due to payments to agents as a result of the planned reorganization of the commercial network and of Euro 4.3 million against IVASS sanctions.

Technical Provisions

Below is a breakdown of technical provisions as at 30 September 2013, as at 31 December 2012, 2011 and 2010.

<i>(Amounts in millions of Euros)</i>	At 30 September 2013	At 31 December 2012	At 31 December 2011	At 31 December 2010
Non-Life provisions for unearned premiums	1.156,3	1.338,6	1.406,4	1.334,3
Non-Life claims provisions	5.216,4	5.185,5	5.187,1	4.832,7
Other Non-Life technical provisions	4,1	8,0	9,2	9,5
Total Non-Life provisions	6.376,9	6.532,1	6.602,7	6.176,5
Life mathematical provisions	10.601,6	10.054,2	10.175,2	10.095,1
Life provisions for amounts payable	81,4	144,7	87,7	87,7
Technical provisions with unv. Risk sustained by policyholders and arising out of pension fund management	2.643,7	2.625,1	2.330,8	2.122,3
Other Life technical provisions	(112,0)	(149,7)	(452,5)	(274,2)
Total Life provisions	13.214,7	12.674,2	12.141,2	12.031,0
Total technical provisions	19.591,5	19.206,3	18.743,9	18.207,6

The decrease in the provision for unearned premiums at 31 December 2012 is mainly due to the partial use (Euro 54 million) of the additional reserve for insurance for damage caused by natural disasters, as required by industry regulations, to cope with the damage caused by the earthquake in Emilia and Lombardy, and the adjustment of additional provisions for the damage caused by hail, earmarked for the sole hail insurance products with risks that do not cover the effect thereof within the financial year under review, as provided by a clarification issued by the Supervisory Authority on 21 February 2011.

The significant increase in claims provisions as at 31 December 2011 compared to 31 December 2010 derived from the transfer of the business unit of Navale Assicurazioni, which brought in technical provisions of a total amount of Euro 665 million, of which Euro 581 million related to claims provisions and Euro 84 million related to premium provisions.

The increase in Life provisions is closely linked to the trend in Life income.

The mathematical provisions included in the Technical provisions for Class I were determined by reference to the following most significant technical bases:

- annual technical compound interest rates or minimum guaranteed interest rate of 4%, 3%, 2.5%, 2% and 1.5% for most types of coverage in progress;
- demographic models based on the mortality tables of Italian male population 1951, 1961, 1971, 1981 and 1992 varied, on the mortality tables of the Italian female population 1992, on the tables RG48 separated by gender and on the tables IPS55 separated by gender.

The mathematical provisions included in the technical provisions of Class V were determined by reference to the following most significant technical bases: annual technical compound interest rates or guaranteed minimum interest rate of 4%, 3%, 2.5% and 2% for most of the contracts in force.

Strengthening of prior years' claims provisions

By letter of 18 March 2013, Protocol No. 13021373, Consob requested UGF, pursuant to Art. 114, paragraph 5, of the TUF, to report news and information in the notes to the 2012 consolidated financial statements concerning the qualitative and quantitative reconstruction of the evolution over time of the revaluation of prior years' claims provisions of the Group insurance companies during the year 2012. In response to such request, among other things, details of the amounts were provided broken down by company and business unit, indicating also the variations of such strengthening compared to the values provided in the 2013-2015 Joint Business Plan.

With reference to the strengthening of prior years' Non-Life claims provisions³ of Unipol Assicurazioni, as reported in the 2012 financial statements, it should be noted that in a communication dated 3 July 2012, IVASS formulated remarks on the MV third party liability claims provisions for financial year 2011. The Supervisory Authority informed the company that it had submitted to actuarial testing the MV third party liability claims provisions of the Company, using the "Chain-Ladder" stochastic methodology for claims provisions with an expected cost of less than Euro 100,000 and statistical methods, taking into account the number and the specificity of such claims, for the analysis of claims with an expected cost exceeding Euro 100,000. The results which IVASS reached showed a shortage of provisions of approximately Euro 210 million for claims of less than the expected amount of Euro 100,000, while in regard of amounts of claims expected to exceed Euro 100,000, without producing quantifications, the insurance Supervisory Authority highlighted critical issues given by the number of claims that, being provided for in an amount of less than Euro 100,000, are subsequently paid for higher amounts (see Chapter 1.2.8 of the Updated Information Document). In this regard it should be noted that, in continuation with the policies adopted over the last few financial years and reflected in the budget forecasts, Unipol Assicurazioni, in the 2012 financial statements, on the basis of the operating performance recorded during the financial year and of the results of the actuarial methods applied, made an adjustment to the prior years' MV third party liability provisioning, for a total of Euro 141 million (approximately Euro 164 million excluding the balance of recoveries), aligning the amount of the provision with the central value of the range of estimates identified by the responsible actuary with reference to the MV third party liability Business.

During the financial year ended 31 December 2012, a loss of Euro 92 million was also reported in the income statement on the general third party liability business and a profit of Euro 78 million on the other businesses altogether. Consequently, the total Non-Life business recorded a loss of Euro 154 million on claims of previous generations.

Financial Liabilities

At 30 September 2013, the item "Financial liabilities at fair value through profit or loss" amounted to Euro 628.8 million and consisted of:

- trading financial liabilities of Euro 388 million and
- financial liabilities of Euro 240.8 million to be measured at fair value through profit or loss. This category includes investment contracts issued by insurance companies for which the investment risk is borne by insurers, which do not contain significant insurance risk borne by the Unipol Assicurazioni Group (some types of contracts in Class III, V and VI).

The item "Other financial liabilities" at 30 September 2013 amounted to Euro 1,071.7 million and includes subordinated loans of Euro 962.6 million, made up as follows:

- hybrid subordinated loan, with a nominal value of Euro 400 million granted by Mediobanca - Banca di Credito Finanziario S.p.A. in May 2008, perpetual with early repayment option as from May 2018, variable interest rate equal to the six-month Euribor plus 250 basis points for interest rate, rate risk covered since 2009. The loan has such characteristics that it can be accounted for among the constituent elements of the solvency margin within a 50% limit. The book value amounted to Euro 399.4 million. The amount of interest accrued during the first nine months of 2013 amounted to Euro 8.6 million; the contract does not include any "event of default" or "cross default" clauses, while it provides for the following covenants and negative pledges related to capital ratios in the beneficiary company:
 - prohibition to reduce the share capital other than in accordance with legal obligations and to acquire treasury shares for amounts in excess of 4% of the share capital per calendar year without the prior written consent of the financing bank and, in the event of listing of the receiving company, within the limits established by law;

³Defined as the algebraic sum of claims provisions at the end of the previous financial year of reference (the "Financial Year"), minus any amounts paid during the Financial Year, minus the prior years' claims provision at the end of the Financial Year, plus/minus the balance of amounts recovered/to be recovered from policyholders and third parties.

- prohibition to distribute dividends in the event of loss absorption provided for by the contract;
- prohibition to lend money, grant loans or guarantees except for those already in place and those arising from the group's cash pooling system, namely those relating to the ordinary business of the recipient company, or, in case they do not fall in the ordinary activities, up to a maximum of Euro 25 million per year, without prior written notice to the financing bank;
- prohibition to make significant transfers to the recipient company and its subsidiaries for individual sales exceeding Euro 35 million;
- prohibition to perform mergers or spin-offs, without prior written notice to the financing bank.

At the date of this Updated Information Document all the covenants and negative pledges were complied with;

- subordinated bond loan with a nominal value of Euro 300 million issued in June 2001 by the parent company Unipol Gruppo Finanziario, which in 2009 Unipol Assicurazioni replaced in the capacity of issuer. The loan has a twenty-year term with an early repayment option every quarter as from June 2011. The interest rate, which stood at 7% until 15 June 2012, went to 2.683% as from 31 December 2012 being equal to the three-month Euribor plus 250 basis points. The loan, which is listed on the Luxembourg Stock Exchange, has such characteristics that it can be accounted for among the constituent elements of the solvency margin within a 25% limit. The book value amounted to Euro 300.3 million. The amount of interest accrued during the nine months of financial year 2013 amounted to Euro 6.1 million;
- subordinated bond loan with a nominal value of Euro 300 million issued in July 2003 by the parent company Unipol Gruppo Finanziario, which in 2009 Unipol Assicurazioni replaced in the capacity of issuer. The said loan, with a twenty-year term and an early repayment option as from July 2013, had a fixed interest rate of 5.66% until the date of exercise of the early repayment clause, then a variable rate equal to the three-month Euribor plus 250 basis points. The loan, which is listed on the Luxembourg Stock Exchange, has such characteristics that it can be accounted for among the constituent elements of the solvency margin within a 25% limit. The amount of interest accrued during the nine months of financial year 2013 amounted to Euro 9.8 million. Unipol Assicurazioni owns part of such loan for a nominal value of Euro 38.3 million purchased in late 2009 by the parent company Unipol Gruppo Finanziario. Therefore, the actual nominal debt of this loan amounts to Euro 261.7 million to date. The book value amounts to Euro 262.9 million.

Both Subordinated Loans above provide for default events. In particular, in case any one of the following events takes place:

- (i) applicable bankruptcy (insolvency) procedures are initiated as provided for in Royal Decree No. 267 of 16 March 1942 against the Issuer or, following a Substitution, the Guarantor and they are not suspended or dismissed within 30 days, or the Issuer or, following a Substitution, the Guarantor brings such procedures; or
- (ii) the Issuer or, following a Substitution, the Guarantor operates a procedure for liquidation (other than for the purpose of, or as provided for in the event of, a merger, reorganization or restructuring while solvent); or
- (iii) an event occurs which, under the laws of any other applicable jurisdiction, has an analogous effect to any of the events listed above, then, except as described in points (i) and (ii) above,

any Bond may, by written notice addressed by the holder thereof to the Issuer and, following a Substitution, to the Guarantor and delivered to the Issuer and (if any) to the Guarantor or at the specified Registered Address of the Tax Agent, be declared immediately due and payable, thus becoming immediately due and payable at its

issue value, including accrued interest, without further action or formality. Notwithstanding the foregoing, any notification declaring that a Bond is due and payable will become effective only when the Tax Agent receives written notifications by the Bondholders of not less than 5 per cent of the aggregate outstanding principal.

At the date of this Information Document none of the above events of default took place.

Below is a summary of the main contractual terms and conditions:

Issuer	Outstanding nominal value	subordinated level	Maturity year	call	rate	Q / N Q
Unipol Assicurazioni	300.0 million	tier II	2021	every quarter as of 15/6/2011	euribor 3m + 250 b.p.	Q
Unipol Assicurazioni	261.7 million	tier II	2023	as from 2013	euribor 3m + 250 b.p. (*)	Q
Unipol Assicurazioni	200.0 million	tier I	perpetual	as from 2018	euribor 6m + 250 b.p. (**)	N Q
Unipol Assicurazioni	200.0 million	tier I	perpetual	as from 2018	euribor 6m + 250 b.p. (**)	N Q

(*) until July 2013, 5.66% fixed rate

(**) as from May 2018, the variable rate will be equal to euribor 6m + 350 b.p.

Rate risk is being covered (maturity May 2018) through IRS which will transform the variable rate in 6.355% fixed rate.

“Other financial liabilities” include liabilities for deposits received from reinsurers (Euro 96.2 million at 30 September 2013), collateralized at Unipol Assicurazioni for risks ceded and risks retroceded.

Payables

The item “Other payables” amounted to Euro 236.7 million at 30 September 2013. It mainly includes payables to the tax consolidating company Finsoe, liabilities for employee severance indemnities, payables to policyholders in Class D, trade payables and payables to agents’ pension funds.

Other liabilities

The item “Other liabilities” amounted to Euro 210.5 million at 30 September 2013. It mainly includes payables due to commission incentives (*rappels*) to be paid to agents and payables for personnel costs.

4.1.1.2 Information on technical indicators of the Unipol Assicurazioni Group

The table below shows the evolution of the main technical indicators of the Unipol Assicurazioni Group, with reference to direct Non-Life business for the nine-month periods ended on 30 September 2013 and 2012 and for the financial years ended on 31 December 2012, 2011 and 2010:

Figures in %)	Nine-month period ended on 30 September 2013	Nine-month period ended on 30 September 2012	Financial year ended on 31 December 2012	Financial year ended on 31 December 2011	Financial year ended on 31 December 2010
Loss ratio (1) (A)	66,0	72,1	70,8	72,9	77,6
Expense ratio (2) (B)	27,1	25,0	24,7	23,2	22,6
Combined Ratio (3) (C) = (A) + (B)	93,1	97,1	95,5	96,1	100,2

(1) The loss ratio is calculated as the ratio of the cost of accrued claims and premiums. It also includes the OTI (Other Technical Items) ratio, calculated as the ratio of the sum of the balance of other technical income/expenses and the change in other technical provisions and accrued net premiums.

(2) The Expense ratio is calculated as the ratio of total operating expenses and recognized premiums.

(3) The Combined ratio is calculated as the sum of the Loss ratio and Expense ratio.

4.1.1.3 Information on the economic performance of the Unipol Assicurazioni Group

Income statement for the nine-month periods ended on 30 September 2013 and 2012

The following data is shown in the income statement of the Unipol Assicurazioni Group for the nine-month periods ended 30 September 2013 and 2012.

(Amounts in millions of Euros)		Nine-month period ended on 30 September 2013	Nine-month period ended on 30 September 2012
1.1	Net premiums	4,160,2	4,148,2
1.1.1	Gross premiums	4,275,2	4,259,2
1.1.2	Ceded premiums	(115,0)	(111,0)
1.2	Commission income	6,8	8,0
1.3	Gains and losses on remeasurement of financial instruments at fair value through profit or loss	86,2	133,3
1.4	Gains on investments in subsidiaries, associates and interests in joint ventures	1,5	3,2
1.5	Gains on other financial instruments and investment property	609,7	635,3
1.5.1	Interest income	439,9	466,1
1.5.2	Other income	49,2	63,6
1.5.3	Realized gains	120,7	60,9
1.5.4	Unrealized gains	-	44,7
1.6	Other income	45,0	37,5
1	TOTAL INCOME AND REVENUES	4,909,5	4,965,5
2.1	Net charges relating to claims	(3,574,2)	(3,724,7)
2.1.1	Amounts paid and changes in technical provisions	(3,608,2)	(3,847,4)
2.1.2	Reinsurers' share	34,0	122,6
2.2	Commission expense	(6,5)	(7,7)
2.3	Losses on investments in subsidiaries, associates and interests in joint ventures	(49,0)	(0,1)
2.4	Losses on other financial instruments and investment property	(151,1)	(174,8)
2.4.1	Interest expense	(27,6)	(34,4)
2.4.2	Other charges	(6,4)	(9,6)
2.4.3	Realized losses	(20,9)	(26,9)
2.4.4	Unrealized losses	(96,1)	(103,9)
2.5	Operating expenses	(741,7)	(706,0)
2.5.1	Commissions and other acquisition costs	(597,1)	(573,0)
2.5.2	Investment management expenses	(25,2)	(24,4)
2.5.3	Other administrative expenses	(119,4)	(108,5)
2.6	Other costs	(74,7)	(54,5)
2	TOTAL COSTS AND CHARGES	(4,597,2)	(4,667,8)
	PROFIT (LOSS) FOR THE YEAR BEFORE TAXATION	312,3	297,7
3	Taxation	(116,7)	(98,2)
	PROFIT (LOSS) FOR THE YEAR NET OF TAX	195,6	199,5
4	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	-	-
	CONSOLIDATED PROFIT (LOSS)	195,6	199,5
	attributable to the Group	195,6	199,5
	attributable to minority interests	-	-

The following are the main figures of the income statement by business segment in accordance with IFRS 8 with respect to the nine-month periods ended 30 September 2013 and 2012:

<i>(Values in millions Euros)</i>	NON-LIFE BUSINESS		LIFE BUSINESS		REAL ESTATE		INTERSEGMENT ELIMIN.		TOTAL	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net premiums	2.594,6	2.674,3	1.565,6	1.473,9	-	-	-	-	4.160,2	4.148,2
Other revenues	219,0	236,6	515,5	571,2	17,7	12,1	(3,1)	(2,6)	749,1	817,3
TOTAL REVENUES	2.813,6	2.910,9	2.081,3	2.045,0	17,7	12,1	(3,1)	(2,6)	4.909,5	4.965,5
Net charges relating to claims	(1.732,7)	(1.879,8)	(1.841,5)	(1.844,9)	-	-	-	-	(3.574,2)	(3.724,7)
Other costs	(817,6)	(789,0)	(193,2)	(146,3)	(15,2)	(10,5)	3,1	2,6	(1.022,9)	(943,2)
TOTAL COSTS	(2.550,3)	(2.668,7)	(2.034,8)	(1.991,2)	(15,2)	(10,5)	3,1	2,6	(4.597,2)	(4.667,8)
Profit (loss) for the year before income taxation	263,3	242,2	46,5	53,8	2,5	1,7	-	-	312,3	297,7

The first nine months of 2013 closed with a consolidated profit amounting to Euro 195.6 million, including the pro-rata loss of the associated company Unipol Banca (Euro 48.2 million), consolidated using the equity method. The corresponding period of the previous financial year showed a profit of Euro 199.5 million, including pro-rata profits of Euro 2.1 million arising from the consolidation of Unipol Banca.

The first nine months of 2013 confirmed the positive performance of insurance operations: the favorable trend in Non-Life claims continued and income grew significantly in the Life business. Total income (direct and indirect premiums and investment products) at 30 September 2013 amounted to Euro 4,097.1 million, essentially unchanged (+0.4%) compared to the previous financial year (Euro 4,080 million). The analysis by sector shows a decline in total premium income of the Non-Life business (-2.8%) and an increase in total income of the Life business (+6.1%).

The following is an analysis of the performance of the main business areas of the Unipol Assicurazioni Group.

Non-Life Business

At 30 September 2013, the Non-Life business recorded a pre-tax profit of Euro 263.3 million (Euro 242.2 million at 30 September 2012), which was affected by the pro-rata loss of Euro 29.9 million of Unipol Banca (pro-rata profit of the subsidiary amounting to Euro 1.3 million at 30 September 2012).

Direct Non-Life Premium income was affected by the ongoing economic crisis, which continued to result in a reduction in the number of insured vehicles and a reduction in the spending power of companies, and strong competitive dynamics with reductive effects on the average premiums of contracts. Direct Non-Life premium income amounted to Euro 2,422.7 million at 30 September 2013, a decrease of 5.5% compared to the same period last year.

Non-Life gross premiums declined, both in the MV Sector and in other sectors. In the MV Sector, there was a decrease in premiums of MV third party liability due to the reduction in the portfolio of contracts and in the average premium as a result of rate changes introduced in late 2012 and during 2013. These rate changes resulted in the reduction of certain parameters for the determination of premiums, in order to give greater competitiveness to the rate both with reference to new acquisitions and with reference to renewals. The raising of the MV third party liability discount applied to the first insurance premium in the case of installation of the Unibox resulted in a significant increase in installations. Initiatives aimed at improving the conditions for renewal and informative communications to customers contributed to greater customer loyalty leading to a slowdown in the declining portfolio trend. This result was also helped by the recent offer of auto insurance policies with installment payment of the premium at no additional cost to the policyholder.

The decrease in premium income of Non-Motor Classes particularly interested individual policyholders, while the corporate sector remained substantially stable.

Net of outwards reinsurance, earned premiums at 30 September 2013 amounted to Euro 2,594.6 million (Euro 2,674.3 million at 30 September 2012).

Charges relating to claims, net of recoveries and outwards reinsurance, were down over the period in question (Euro 1,732.7 million at 30 September 2013 compared to Euro 1,879.8 million at 30 September 2012). This decrease was the result not only of the impact on the prior period of charges resulting from the earthquake and significant weather events, but also of the general improvement in the loss ratio resulting from actions undertaken and underwriting policies implemented since 2010. In the general third party liability sector the reduction in the number of claims continued due to the decrease in the frequency of accidents, but it was also supported by the work carried out on contracts with critical performance and by the effectiveness of underwriting policies aimed at a careful selection of risks. In the general third party liability sector, the number of reported claims decreased due to the divestment policies of the claims portfolio and the portfolio at greater risk as undertaken in recent years. Consequently the cost of the related claims decreased.

Life Business

At 30 September 2013, the Life business recorded a pre-tax profit of Euro 46.5 million (Euro 53.8 million at 30 September 2012), which was affected by the pro-rata loss of Euro 18.3 million of Unipol Banca (pro-rata profit of the subsidiary amounting to Euro 0.8 million at 30 September 2012).

Gross premiums in the Life Business were on the rise, particularly with regard to Class V relating to the operations of capitalization and the Class IV relating to disease. A decrease was recorded in income of Class VI relating to pension funds, since the period of the first three quarters of 2012 benefited from income on three major contracts with the supplementary pension fund for employees of the Autonomous Region of Valle d'Aosta and the occupational pension funds of Previmoda and Fonte (for a total amount of approximately Euro 470 million). At 30 September 2013, Unipol Assicurazioni managed 24 mandates for occupational pension funds (including 13 mandates for management "with a guarantee of principal and/or minimum return"). With reference to the "Open-Ended Funds", it should be noted that as at 30 September 2013, the assets of the funds "Unipol Previdenza" and "Unipol Insieme" reached a total amount of Euro 351.8 million and 24,952 members.

Net of outwards reinsurance, earned premiums at 30 September 2013 amounted to Euro 1,565.6 million (Euro 1,473.9 million at 30 September 2012).

Charges relating to claims, net of recoveries and outwards reinsurance, amounted to Euro 1,841.5 million at 30 September 2013 (Euro 1,844.9 million at 30 September 2012).

Real Estate Business

During the first three quarters of 2013 work continued for the completion of the building complex of Bologna, Via Larga, which consisted in finalizing the operations inside the building for accommodation, which are expected to be finished in the coming months.

Revenues at 30 September 2013 amounted to Euro 17.7 million (Euro 12.1 million at 30 September 2012) and consisted of income of Euro 5.7 million from investment property and other revenues of Euro 12.1 million.

The costs at 30 September 2013 amounted to Euro 15.2 million (Euro 10.5 million at 30 September 2012) and consisted of expenses of Euro 8.8 million arising from investment property, operating expenses of Euro 5 million and other costs of Euro 1.4 million.

In the first nine months of 2013, operating expenses of the Unipol Assicurazioni Group were on the rise, increasing from Euro 706.0 million for the nine-month period ended at 30 September 2012 to Euro 741.7 million for the nine-month period ended at 30 September 2013. In the Non-Life business, operating expenses, net of those strictly related to the management of investments, amounted to Euro 658.1 million and represented 27.2% of the premiums (compared to Euro 627.2 million, equal to 24.4% of premiums for the nine-month period ended at 30 September 2012). In the Life business, operating expenses, net of those strictly related to the management of investments, amounted to Euro 53.2 million and represented 3.4% of the premiums (compared to Euro 50.9 million, equal to 3.4% of the premiums for the nine-month period ended at 30 September 2012).

The contribution of net income arising from financial instruments recognized at fair value through profit or loss at 30 September 2013 was positive and amounted to Euro 86.2 million (Euro 133.3 million at 30 September 2012) and was due, as to Euro 48 million (Euro 128.9 million at 30 September 2012), to the valuation of assets/liabilities recognized at fair value relating to investments for the benefit of life-assurance policyholders who bear the risk thereof and, as to Euro 38.2 million, to the valuation of financial assets and liabilities held for trading (Euro 4.4 million at 30 September 2012).

The balance of income and expenses arising from investments in subsidiaries, associated companies and joint ventures was a loss of Euro 47.5 million at 30 September 2013, while it had been a profit of Euro 3.1 million at 30 September 2012. This item includes the negative results of companies consolidated using the equity method. At 30 September 2013, the economic pro-rata loss of Unipol Banca was set out under this item, which, as indicated above, totaled Euro 48.2 million.

Interest expense amounting to Euro 27.6 million at 30 September 2013 (Euro 34.4 million at 30 September 2012) almost exclusively concerned subordinated liabilities.

Other costs, amounting to Euro 74.7 million at 30 September 2013 (Euro 54.5 million at 30 September 2012), include expenses on behalf of third parties of Euro 17.4 million, IVASS and Antitrust sanctions of Euro 1 million, provisions of Euro 6 million, amortization charges of intangible assets of Euro 8.3 million and expenses for allowances and reimbursements of Euro 3.7 million.

Income taxes amounted to Euro 116.7 million at 30 September 2013, an increase compared to Euro 98.2 million for the period ended on 30 September 2012.

Income statement for the financial years ended on 31 December 2012, 2011 and 2010

The following table shows the income statement data of the Unipol Assicurazioni Group for the financial years ended on 31 December 2012, 2011 and 2010.

(Amounts in millions of Euros)		Financial year ended 31 December 2012	Financial year ended 31 December 2011	Financial year ended 31 December 2010
1.1	Net premiums	5,569.5	5,486.7	5,346.5
1.1.1	Gross premiums	5,701.7	5,614.8	5,464.3
1.1.2	Ceded premiums	(132.1)	(128.1)	(117.8)
1.2	Commission income	10.6	9.1	12.9
1.3	Gains and losses on remeasurement of financial instruments at fair value through profit or loss	207.8	(215.5)	(102.9)
1.4	Gains on investments in subsidiaries, associates and interests in joint ventures	3.6	12.2	3.2
1.5	Gains on other financial instruments and investment property	858.3	909.8	840.0
1.5.1	Interest income	613.5	628.2	535.0
1.5.2	Other income	74.1	81.0	80.5
1.5.3	Realized gains	141.1	122.5	188.6
1.5.4	Unrealized gains	29.7	78.0	35.8
1.6	Other income	54.6	66.1	74.1
1	TOTAL INCOME AND REVENUES	6,704.6	6,268.3	6,173.8
2.1	Net charges relating to claims	(5,000.1)	(4,729.1)	(4,823.4)
2.1.1	Amounts paid and changes in technical provisions	(5,117.8)	(4,767.8)	(4,880.7)
2.1.2	Reinsurers' share	117.7	38.8	57.3
2.2	Commission expense	(9.5)	(8.0)	(10.9)
2.3	Losses on investments in subsidiaries, associates and interests in joint ventures	(0.1)	(65.3)	(0.9)
2.4	Losses on other financial instruments and investment property	(249.2)	(268.2)	(219.1)
2.4.1	Interest expense	(44.2)	(52.2)	(53.5)
2.4.2	Other charges	(11.3)	(9.8)	(8.5)
2.4.3	Realized losses	(50.9)	(68.1)	(50.6)
2.4.4	Unrealized losses	(142.8)	(138.1)	(106.5)
2.5	Operating expenses	(990.6)	(963.8)	(900.7)
2.5.1	Commissions and other acquisition costs	(811.6)	(802.8)	(754.8)
2.5.2	Investment management expenses	(32.7)	(24.9)	(24.9)
2.5.3	Other administrative expenses	(146.3)	(136.1)	(121.0)
2.6	Other costs	(87.3)	(229.4)	(115.7)
2	TOTAL COSTS AND CHARGES	(6,336.7)	(6,263.7)	(6,070.7)
	PROFIT (LOSS) FOR THE YEAR BEFORE TAXATION	367.9	4.6	103.1
3	Taxation	(123.1)	(48.6)	(47.1)
	PROFIT (LOSS) FOR THE YEAR NET OF TAX	244.8	(44.0)	55.9
4	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	-	-	-
	CONSOLIDATED PROFIT (LOSS)	244.8	(44.0)	55.9
	attributable to the Group	244.8	(44.0)	55.9
	attributable to minority interests	0.0	0.0	0.0

The following are the main figures of the income statement by business segment in accordance with IFRS 8 for the financial years ended on 31 December 2012, 2011 and 2010:

<i>(Values in millions Euros)</i>	NON-LIFE BUSINESS		LIFE BUSINESS		REAL ESTATE		INTERSEGMENT ELIMIN.		TOTAL	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Net premiums	3.625,8	3.689,9	1.943,8	1.796,8	-	-	-	-	5.569,5	5.486,7
Other revenues	339,6	353,6	781,8	427,1	17,7	4,6	(4,0)	(3,6)	1.135,1	781,7
TOTAL REVENUES	3.965,3	4.043,5	2.725,6	2.223,8	17,7	4,6	(4,0)	(3,6)	6.704,6	6.268,3
Net charges relating to claims	(2.539,4)	(2.736,6)	(2.460,7)	(1.992,5)	-	-	-	-	(5.000,1)	(4.729,1)
Other costs	(1.121,4)	(1.225,2)	(203,5)	(308,1)	(15,8)	(4,9)	4,0	3,6	(1.336,7)	(1.534,6)
TOTAL COSTS	(3.660,7)	(3.961,8)	(2.664,3)	(2.300,6)	(15,8)	(4,9)	4,0	3,6	(6.336,7)	(6.263,7)
Profit (loss) for the year before income taxation	304,7	81,7	61,3	(76,8)	1,9	(0,3)	-	-	367,9	4,6

<i>(Values in millions Euros)</i>	NON-LIFE BUSINESS		LIFE BUSINESS		REAL ESTATE		INTERSEGMENT ELIMIN.		TOTAL	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Net premiums	3.689,9	3.468,4	1.796,8	1.878,1	-	-	-	-	5.486,7	5.346,5
Other revenues	353,6	301,5	427,1	525,0	4,6	2,6	(3,6)	(1,7)	781,7	827,4
TOTAL REVENUES	4.043,5	3.769,8	2.223,8	2.403,0	4,6	2,6	(3,6)	(1,7)	6.268,3	6.173,8
Net charges relating to claims	(2.736,6)	(2.724,0)	(1.992,5)	(2.099,4)	-	-	-	-	(4.729,1)	(4.823,4)
Other costs	(1.225,2)	(1.017,2)	(308,1)	(228,7)	(4,9)	(2,9)	3,6	1,7	(1.534,6)	(1.247,1)
TOTAL COSTS	(3.961,8)	(3.741,3)	(2.300,6)	(2.328,2)	(4,9)	(2,9)	3,6	1,7	(6.263,7)	(6.070,7)
Profit (loss) for the year before income taxation	81,7	28,5	(76,8)	74,9	(0,3)	(0,3)	-	-	4,6	103,1

Comparison of economic data of financial year 2012 and financial year 2011

The consolidated result for the financial year ended at 31 December 2012 was a profit amounting to Euro 244.8 million including income of Euro 2.1 million arising from the associated company Unipol Banca consolidated by using the equity method. The previous financial year ended at 31 December 2011 showed a consolidated loss of Euro 44.0 million after reporting losses of Euro 64.8 million arising from the Unipol Banca investment.

The financial year 2012 showed a positive trend in the insurance business thanks in particular to improved profitability of the Non-Life sector, despite the negative effects arising both from earthquakes and other natural disasters, however, largely offset by reinsurance, and from the continuing economic crisis, which by depressing the real economy also led to a consequent contraction of the insurance market.

Total income (direct and indirect premiums and investment products) for the financial year 2012 amounted to Euro 5,650.6 million, essentially unchanged (+0.4%) compared to the previous financial year (Euro 5,626.2 million). The analysis by sector shows a decline in total premium income of the Non-Life business (-3.0%) and an increase in total income of the Life business (+7.6%).

The following is an analysis of the performance of the main business areas of the Unipol Assicurazioni Group.

Non-Life Business

For the financial year ended at 31 December 2012, the Non-Life business recorded a pre-tax profit of Euro 304.7 million (Euro 81.7 million for the financial year ended at 31 December 2011), which includes the pro-rata profit resulting from the Unipol Banca investment amounting to Euro 1.3 million (pro-rata loss of the investee amounting to Euro 40.2 million in the financial year 2011).

The Non-Life gross premiums declined, both in the MV Class, in Non-Motor Classes and in the other Classes. In MV Class, the premium reduction applies both to the third party liability sector, due to the fall in the customer portfolio, and to the Land Vehicles Class penalized by the sharp decline in sales of motor vehicles. In Non-Motor Classes, the decline in premiums is due to the corporate sector, which on the one hand is still suffering from the effects of the difficult economic situation and, on the other, from restructuring actions and more restrictive underwriting policies that continue to be applied with a selective development logic, particularly in the general third party liability sector in the segment of public bodies.

Net of outwards reinsurance, premiums for the financial year 2012 amounted to Euro 3,625.8 million, a decrease compared to Euro 3,689.9 million for financial year 2011.

Charges relating to claims, net of recoveries and outwards reinsurance, were down over the period in question. In 2012 the effects of selective and rigorous policies implemented in the fleets sector and rate innovations for the portfolio of individual policies accentuated the recovery on the frequency of claims, which had been falling structurally for the entire market due to a reduction in traffic and the improvement of the MV third party liability sector as a whole. In the area of Non-Motor Classes, the technical performance deteriorated due to the increased incidence of accidents related to atmospheric events that affected some regions of the Country in February and, above all, the effects of seismic events in the month of May in Emilia and surrounding areas.

Life Business

The Life business recorded a pre-tax profit of Euro 61.3 million for the financial year 2012 (Euro 76.8 million for the financial year 2011) which includes the pro-rata profit arising from the Unipol Banca investment amounting to Euro 0.8 million (pro-rata loss of the investee amounting to Euro 24.6 million in the financial year 2011).

Gross premiums in the Life business were on the rise, particularly for Class VI relating to pension funds, while all other sectors fell as they were affected by the serious crisis that characterized the financial year. During 2012, the segment of occupational pension funds with guaranteed performance was affected by intense renewal activities of the management mandates. Unipol Assicurazioni renewed nine management mandates (Alifond, Arco, Byblos, Carige, Filcoop, Fondapi, FondoPoste, Priam and Telemaco) and acquired three new management mandates (Istituto Pensionistico Valle d'Aosta, Fon.Te, and Previmoda). The management

agreement without guarantee of return was also renewed with the pension fund Filcoop. At 31 December 2012 Unipol Assicurazioni managed a total of 25 mandates for occupational pension funds (of which 14 mandates for management “with a guarantee of principal and/or minimum return”). At the same date, the total assets under management amounted to Euro 3,495.1 million (of which Euro 2,098. million with guarantee). In reference to the “Open-ended Pension Funds”, with effect from 1 July 2012 the funds “Unipol Futuro” and “Aurora Previdenza” were merged into the open-ended pension fund “Unipol Previdenza”. The merger was effected to rationalize the Group’s pension scheme offering as well as to maximize the operational efficiency of the concerned funds. At 31 December 2012, the assets of open-ended Pension Funds “Unipol Previdenza” and “Unipol Insieme” reached a total amount of Euro 327.3 million and 24,928 members (compared to Euro 271 million and 22,178 members at 31 December 2011).

Net of outwards reinsurance, premiums for the financial year 2012 amounted to Euro 1,943.8 million, an increase compared to the financial year 2011 when they were Euro 1,796.8 million.

Charges relating to claims, net of recoveries and outwards reinsurance, were up over the period in question, increasing from Euro 1,992.5 million for financial year 2011 to Euro 2,460.7 million for financial year 2012.

Real Estate Business

During 2012, the company Unifimm completed the construction works of the “Unipol Tower”, located in Via Larga in Bologna, where the companies Unisalute and Linear relocated in August. Work also continued on the commercial lot and the hotel.

The company Midi continued work, completed in March 2013, relating to the premises for the Unipol Center in Bologna (CUBO), a documentation center of the Unipol Assicurazioni Group.

With regard to the shopping center of Punta di Ferro, purchased at the end of 2011, the expected levels of profitability were reached in 2012 despite the crisis that hit the industry.

Revenues in 2012 amounted to Euro 17.7 million and consisted of income from investment property of Euro 6.9 million and other revenues of Euro 10.8 million.

The costs in 2013 amounted to Euro 15.8 million and consisted of expenses arising from investment property of Euro 8.8 million, operating expenses of Euro 5.1 million and other costs of Euro 1.9 million.

In 2012, the operating expenses of the Unipol Assicurazioni Group were on the rise, increasing from Euro 963.8 million for financial year 2011 to Euro 990.6 million for financial year 2012. In the Non-Life sector, operating expenses, net of those strictly related to the management of investments, amounted to Euro 881.3 million and accounted for 24.1% of premiums (Euro 851.8 million, or 22.6% of premiums for financial year 2011). This increase was mainly due to a higher incidence of acquisition costs primarily related to charges resulting from the new supplementary contract of agents and costs related to the so-called black boxes (Unibox policies), which the so-called “Liberalization Decree” charged entirely to the insurance companies. In the Life sector, operating expenses, net of those strictly related to the management of investments, amounted to Euro 71.5 million, representing 3.6% of premiums (compared to Euro 86.2 million, equal to 4.7% of premiums for the financial year ended at 31 December 2011).

The contribution of net income from financial instruments recognized at fair value through profit or loss was positive and amounted to Euro 207.8 million for the financial year ended at 31 December 2012, compared to a negative Euro 215.5 million for the financial year ended at 31 December 2011. The change was due to capital gains and losses from the valuation of financial instruments at fair value.

The charges arising on investments in subsidiaries, associated companies and joint ventures, net of related income, amounted to Euro 3.5 million for financial year 2012, while they were equal to Euro 53.1 million for financial year 2011. In 2011, this aggregate included charges of Euro 64.8 million relating to the pro-rata loss of the associated company Unipol Banca.

Interest expense amounted to Euro 44.2 million for financial year 2012 (Euro 52.2 million for financial year 2011) and were almost exclusively related to subordinated liabilities.

Other expenses amounted to Euro 87.3 million for financial year 2012, a decrease compared to Euro 229.4 million for financial year 2011, and included expenses on behalf of third parties of Euro 20 million, amortization of intangible assets of Euro 10.6 million, IVASS and Antitrust sanctions of Euro 9.8 million, expenses for allowances and reimbursements of Euro 7 million and contingent liabilities of Euro 5.2 million.

Income taxes amounted to Euro 48.6 million for financial year 2011 and Euro 123.1 million for financial year 2012. In the year 2012, Euro 13 million were reported in relation to the recovery of taxes from previous financial years, in response to new legislation entering in force during the period.

Comparison of economic data of financial year 2011 and financial year 2010

The consolidated result for the financial year ended at 31 December 2011 was a loss amounting to Euro 44.0 million including a loss of Euro 64.8 million arising from the associated company Unipol Banca consolidated by using the equity method. The previous financial year ended at 31 December 2010 showed a consolidated net profit of Euro 55.9 million which included income of Euro 2.0 million arising from the Unipol Banca investment.

Total income (direct and indirect premiums and investment products) for financial year 2011 amounted to Euro 5,626.2 million, an increase of 2.8% compared to the previous year (Euro 5,473.6 million). The analysis by sector shows an increase of total Non-Life premium income (+6.5%) and a decrease in total Life income (-4.2%).

The following is an analysis of the performance of the main business areas of the Unipol Assicurazioni Group.

Non-Life Business

For the financial year ended at 31 December 2011, the Non-Life sector recorded a pre-tax profit amounting to Euro 81.7 million (pre-tax profit amounting to Euro 28.5 million for the financial year ended at 31 December 2010), which includes the pro-rata loss resulting from the Unipol Banca investment amounting to Euro 40.2 million (pro-rata profit of the investee amounting to Euro 1.2 million in financial year 2010).

Non-Life gross premiums were on the rise, both in the MV Classes and in Non-Motor Classes, mainly due to the acquisition of the business unit of Navale Assicurazioni. Excluding the effect of such acquisition, Non-Life premiums, however, were up by 0.9%, thanks to premium income of the MV Class. By contrast, including the premium income of Navale Assicurazioni (Euro 261.1 million) in financial year 2010, the performance in premiums would decrease by 0.5%. The premiums of Navale Assicurazioni decreased by 21% in 2011 compared to 2010, due to the important portfolio divestments that have affected the same sector and which were mainly the result of the streamlining operations of the sales network launched in 2010 through the liberalization of a large number of agencies throughout the country.

Net of outwards reinsurance, earned premiums amounted to Euro 3,689.9 million for the financial year ended at 31 December 2011, an increase compared to Euro 3,468.4 million for the financial year ended at 31 December 2010.

Charges relating to claims, net of recoveries and outwards reinsurance, were down over the period in question. The actions undertaken as from 2010 to counteract the erosion of the operating margin in such sector which marked previous years, including the policy of reform and rebalancing of the portfolio and more selectivity in underwriting policies, resulted in a significant improvement of the technical performance leading to a substantial reduction in claims.

Life Business

The Life Business recorded a pre-tax loss of Euro 76.8 million for financial year 2011 (profit of Euro 74.9 million for financial year 2010), including the pro-rata loss resulting from the Unipol Bank investment

amounting to Euro 24.6 million (pro-rata profit of the investee amounting to Euro 0.8 million in financial year 2010).

Gross premiums in the Life Business declined during the period considered. During the first quarter of 2011, given the deep financial crisis that hit the Iceland banks, including Glitnir Banki HF, issuer of the securities underlying the index-linked policies “Performance 6%”, “Uninvest Concerto 25” and “Uninvest Concerto 25” second issue, Unipol Assicurazioni decided to take the initiative to protect the interests of its customers who subscribed to the above policies in the event that the issuing bank at the end of the liquidation process currently underway, was unable, in whole or in part, to fulfill the obligations assumed. In particular, Unipol Assicurazioni guaranteed to policyholders the recovery of the investment made at the time through the transformation of the original policy, only with the explicit consent of the contractor, by contract amendment, with redemption to be exercised as from 15 March 2018 (before such date, the return on investment is guaranteed only in case of death of the policyholder). In June, the first tranche of policies came to maturity and 97.8% of the policyholders accepted the transformation. In the month of November, the second tranche of policies came to maturity and 98% of the policyholders accepted the transformation.

Net of outwards reinsurance, premiums for financial year 2011 amounted to Euro 1,796.8 million, a decrease compared to Euro 1,878.1 million recorded in financial year 2010.

Charges relating to claims, net of recoveries and outwards reinsurance, were down over the period considered, decreasing from Euro 2,099.4 million for financial year 2010 to Euro 1,992.5 million for financial year 2011.

Real Estate Business

On 1 December 2011 Midi completed the acquisition of 100% of the company Comsider S.r.l. (through the parent company Covent Garden Bo S.r.l.) owner of a real estate portfolio in Bologna, located on via Stalingrado in the vicinity of the new Group headquarters called Porta Europa. The value attributed to the acquired area amounted to Euro 4.6 million.

Work continued on the construction of a tower 125 meters high, for commercial use, in an area on the outskirts of Bologna. With reference to the same project, work began on a 150-room hotel and a commercial area of about 6,000 square meters.

On 13 December 2011, Unipol Assicurazioni completed the acquisition of the company Punta di Ferro S.r.l. owner of a newly constructed shopping mall in Forlì, consisting of 97 shops, all of which already rented. The value attributed to the property amounted to Euro 124 million.

Revenues in 2011 amounted to Euro 4.6 million (Euro 2.6 million in 2010) and consisted of income from investment property of Euro 3.1 million (no amount in 2010) and other revenues of Euro 1.4 million (Euro 2.6 million in 2010).

Costs in 2011 amounted to Euro 4.9 million (Euro 2.9 million in 2010) and consisted of expenses arising from investment property of Euro 2.7 million (Euro 1.3 million in 2010), operating expenses of Euro 0.9 million (Euro 0.6 million in 2010) and other costs of Euro 1.3 million (Euro 1 million in 2010).

In 2011, the operating expenses of the Unipol Assicurazioni Group were on the rise, increasing from Euro 900.7 million for financial year 2010 to Euro 963.8 million for financial year 2011. In the Non-Life sector, operating expenses, net of those strictly related to the management of investments, amounted to Euro 851.8 million and accounted for 22.6% of premiums (compared to Euro 782.7 million, equal to 22.1% of premiums for the financial year ended at 31 December 2010). The incidence on premium income increased primarily due to increased incidence of *rappels* accrued by the agency network, which in turn were influenced by the improved technical performance compared to the previous financial year. In the Life sector, operating expenses, net of those strictly related to the management of investments, amounted to Euro 86.2 million, representing 4.7% of premiums (compared to Euro 92.6 million, equal to 4.8% of premiums for the financial year ended at 31 December 2010).

The contribution of net income arising from financial instruments recognized at fair value through profit or loss was a loss of Euro 215.5 million for the financial year ended at 31 December 2011, compared to a loss of Euro 102.9 million for the financial year ended 31 on December 2010. The difference is due to capital gains and losses from the valuation of financial instruments at fair value.

Net charges arising from investments in subsidiaries, associated companies and joint ventures amounted to Euro 53.1 million for the financial year ended at 31 December 2011, compared to a loss of Euro 2.3 million for the financial year ended at 31 December 2010. In 2011, this item included Euro 64.8 million relating to the pro-rata loss of the associated company Unipol Banca.

The amount of interest expense was Euro 52.2 million for the financial year ended at 31 December 2011 (compared with Euro 53.5 million for the financial year ended at 31 December 2010). The item essentially unchanged compared to the previous year mainly included interest on subordinated liabilities.

Other costs, which amounted to Euro 229.4 million for the financial year ended at 31 December 2011, an increase compared to Euro 115.7 million for the financial year ended at 31 December 2010, included the write-down of Euro 92.5 million of goodwill of the associated company Unipol Banca (Euro 57.3 relating to the Non-Life sector and Euro 35.2 relating to the Life sector), the allocation of Euro 43.4 million, expenses of Euro 21.8 million on behalf of third parties, amortization of intangible assets of Euro 9.6 million, expense allowances and reimbursements for agents of Euro 3.4 million, IVASS and Antitrust sanctions of Euro 3.2 million and contingent liabilities of Euro 3.2 million.

Income taxes amounted to Euro 47.1 million for financial year 2010 and to Euro 48.6 million for financial year 2011. In financial year 2011, against an income before taxes of Euro 4.6 million, tax expenses of Euro 48.6 million were recorded, the quantification of which in particular reflects the non-deductibility of tax losses arising from the investment in Unipol Banca. Current taxes included expenses of Euro 14.6 million relating to the substitute tax paid on 30 November 2011, while under advance taxes a benefit of Euro 30.7 million was recognized in relation to savings on future tax charges for redemption of goodwill pursuant to Legislative Decree 98/2011.

4.1.1.4 Cash flow statement of the Unipol Assicurazioni Group

Cash flow statement of the nine-month periods ended on 30 September 2013 and 2012

The following table shows the cash flow statement of the Unipol Assicurazioni Group for the nine-month periods ended on 30 September 2013 and 2012.

<i>(Amounts in millions of Euros)</i>	Nine-month period ended on 30 September 2013	Nine-month period ended on 30 September 2012
Profit (loss) for the year before taxation	312,3	297,7
Change in non-monetary items	312,3	(413,0)
Change in non-life premium provisions	(195,2)	(178,5)
Change in claims provision and other Non-Life technical provisions	57,9	39,1
Change in mathematical provisions and other Life technical provisions	532,7	114,0
Change in deferred acquisition costs	1,7	3,4
Change in provisions	(1,1)	(9,0)
Non-monetary gains and losses on financial instruments, investment property and investments	56,4	(126,2)
Other changes	(140,1)	(255,8)
Change in receivables and payables generated by operating activities	262,9	466,4
Change in receivables and payables relating to direct insurance and reinsurance	336,7	363,4
Change in other receivables and payables	(73,7)	103,0
Paid taxes	(82,3)	(0,0)
Net cash flows generated by/used for monetary items from investing and financing activities	15,2	(215,0)
Liabilities from financial contracts issued by insurance companies	(10,1)	(50,2)
Payables to bank and interbank customers	-	-
Loans and receivables from banks and interbank customers	-	-
Other financial instruments at fair value through profit or loss	25,2	(164,8)
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	820,4	136,1
Net cash flow generated by/used for investment property	(28,8)	(9,3)
Net cash flow generated by/used for investments in subsidiaries, associates and joint ventures	-	(8,6)
Net cash flow generated by/used for loans and receivables	208,9	409,1
Net cash flow generated by/used for held-to-maturity investments	281,7	184,4
Net cash flow generated by/used for available-for-sale financial assets	(1.301,8)	(706,4)
Net cash flow generated by/used for property, plant and equipment and intangible assets	(15,8)	(38,8)
Other cash flow generated by/used for investing activities	(0,0)	-
TOTAL NET CASH FLOW GENERATED BY/USED FOR INVESTING ACTIVITIES	(855,8)	(169,5)
Net cash flow generated by/used for equity instruments attributable to the owners of the Parent	-	-
Net cash flow generated by/used for treasury shares	-	-
Dividends distributed attributable to the owners of the Parent	(150,0)	-
Net cash flow generated by/used for share capital and reserves attributable to non-controlling interests	-	-
Net cash flow generated by/used for subordinated liabilities and equity instruments	-	-
Net cash flow generated by/used for other financial liabilities	(38,0)	(26,8)
TOTAL NET CASH FLOW GENERATED BY/USED FOR FINANCING ACTIVITIES	(188,0)	(26,8)
Effect of exchange rate gains/losses on cash and cash equivalents	-	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	576,3	263,1
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(223,3)	(60,3)
CASH AND CASH EQUIVALENTS AT YEAR-END	353,0	202,8

In the period ended on 30 September 2013, there was a generation of cash from operating activities of Euro 820.4 million, an increase of Euro 684.3 million compared to the previous period.

This increase is primarily attributable to the following factors:

- 6% increase of Life income (approximately Euro 90 million)
- 26% reduction of sums paid for the Life business liquidations and redemptions (approximately Euro 467 million)
- Reduction of 7.8% in Non-Life claims paid (approximately Euro 151 million)

These phenomena were partially offset by:

- Reduction of 2.8% in Non-Life premium income (approximately Euro 73 million).

Cash generated from operating activities, net of resources allocated to the distribution of dividends (Euro 150 million), was used in investing activities primarily in financial assets available for sale.

Cash flow statement for the financial years ended on 31 December 2012, 2011 and 2010

The following table shows the cash flow statement of the Unipol Assicurazioni Group for the financial years ended on 31 December 2012, 2011 and 2010.

<i>(Amounts in millions of Euros)</i>	Financial year ended on 31 December 2012	Financial year ended on 31 December 2011	Financial year ended on 31 December 2010
Profit (loss) for the year before taxation	367,9	4,6	103,1
Change in non-monetary items	(196,7)	652,3	792,3
Change in non-life premium provisions	(63,3)	(12,6)	(13,3)
Change in claims provision and other Non-Life technical provisions	(30,4)	(194,2)	(324,1)
Change in mathematical provisions and other Life technical provisions	306,1	265,8	790,6
Change in deferred acquisition costs	3,9	2,3	5,0
Change in provisions	(18,2)	14,9	1,4
Non-monetary gains and losses on financial instruments, investment property and investments	(162,4)	244,6	109,1
Other changes	(232,5)	331,5	223,6
Change in receivables and payables generated by operating activities	235,8	178,1	(85,9)
Change in receivables and payables relating to direct insurance and reinsurance	35,4	85,1	149,5
Change in other receivables and payables	200,4	93,0	(235,4)
Paid taxes	-	(44,9)	(48,0)
Net cash flows generated by/used for monetary items from investing and financing activities	(57,7)	(273,5)	(375,7)
Liabilities from financial contracts issued by insurance companies	(61,7)	(25,1)	(177,3)
Payables to bank and interbank customers	-	-	-
Loans and receivables from banks and interbank customers	-	-	-
Other financial instruments at fair value through profit or loss	4,1	(248,4)	(198,4)
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	349,3	516,5	385,9
Net cash flow generated by/used for investment property	(146,5)	(169,6)	1,0
Net cash flow generated by/used for investments in subsidiaries, associates and joint ventures	(10,7)	(0,7)	(6,1)
Net cash flow generated by/used for loans and receivables	48,2	(590,5)	(125,8)
Net cash flow generated by/used for held-to-maturity investments	362,8	155,5	(60,4)
Net cash flow generated by/used for available-for-sale financial assets	(355,5)	(77,3)	(443,7)
Net cash flow generated by/used for property, plant and equipment and intangible assets	66,3	(83,8)	(73,6)
Other cash flow generated by/used for investing activities	-	-	0,4
TOTAL NET CASH FLOW GENERATED BY/USED FOR INVESTING ACTIVITIES	(35,3)	(766,5)	(708,2)
Net cash flow generated by/used for equity instruments attributable to the owners of the Parent	-	150,0	100,0
Net cash flow generated by/used for treasury shares	-	-	0,1
Dividends distributed attributable to the owners of the Parent	-	-	(120,2)
Net cash flow generated by/used for share capital and reserves attributable to non-controlling interests	-	-	-
Net cash flow generated by/used for subordinated liabilities and equity instruments	-	-	-
Net cash flow generated by/used for other financial liabilities	(0,7)	(25,2)	(1,8)
TOTAL NET CASH FLOW GENERATED BY/USED FOR FINANCING ACTIVITIES	(0,7)	124,8	(22,0)
Effect of exchange rate gains/losses on cash and cash equivalents	-	-	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	263,1	388,2	732,6
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	313,2	(125,2)	(344,4)
CASH AND CASH EQUIVALENTS AT YEAR-END	576,3	263,1	388,2

Comparison of cash flows of financial year 2012 and financial year 2011

In the financial year ended at 31 December 2012, there was a generation of cash from operating activities of Euro 349.3 million, a decrease of Euro 167.2 million compared to 2011.

This decrease is mainly attributable to the following factors:

- Reduction of approximately Euro 115 million in Non-Life premium income;
- Increase of approximately Euro 470 million in the amounts paid for Life business liquidations and redemptions;
- Lower cash flows of approximately Euro 50 million related to insurance/reinsurance activities.

These phenomena were partially offset by:

- Reduction of approximately Euro 328 million in Non-Life claims paid;
- Increase of approximately Euro 146 million in Life income.

The financing activities absorbed liquidity of Euro 35.3 million, primarily related to investments in real estate in 2012 of approximately Euro 64 million, including investments in real estate property. Additional investments were made in other tangible and intangible assets (approximately Euro 17 million) and shareholdings (approximately Euro 11 million).

The financing activities of a financial nature, as a whole, generated financial resources of Euro 56 million.

Financing activities produced insignificant cash flows in 2012.

Comparison of cash flows of financial year 2011 and financial year 2010

In the financial year ended at 31 December 2011, there was a generation of cash from operating activities of Euro 516.5 million, an increase of Euro 130.6 million compared to 2010.

This increase is primarily attributable to the following factors:

- Increase of Euro 232.3 million in Non-Life premium income;
- Reduction of Euro 122.5 million in Non-Life claims paid;
- Greater financial resources of approximately Euro 328 million arising from changes in assets and liabilities other than insurance and reinsurance.

These phenomena were partially offset by:

- Reduction of approximately Euro 84.6 million in Life income;
- Increase of approximately Euro 387 million in amounts paid for Life business liquidations and redemptions;
- Lower cash flows of approximately Euro 64 million related to insurance/reinsurance activities.

The financing activities during the year under review absorbed liquidity of Euro 766.5 million, which was broadly in line with the one recorded in 2010. The net cash used in property investments amounted to Euro 225 million in 2011 and Euro 51.6 million in 2010. The financing activities of a financial nature, considered as a whole, absorbed financial resources of Euro 512.3 million in 2011 and Euro 629.9 in 2010.

Financing activities for the year 2011 were positively influenced by the cash generated through the capital increase of Euro 150 million that took place during the year.

Financing activities in the year 2010 instead absorbed financial resources for a net amount of Euro 22 million, due to the cash generated from the capital increase of Euro 100 million that took place during the year more than offset by cash used to pay dividends of Euro 120 million.

4.1.1.5 Debt of the Unipol Assicurazioni Group

The following table shows the debt of the Unipol Assicurazioni Group as at 30 September 2013, at 31 December 2012, 2011 and 2010. For the purposes of proper representation, it is considered appropriate to give evidence in this section of only items relating to financial debt, defined as the total amount of financial liabilities not strictly related to core operations. Liabilities that are operating debt are therefore excluded or liabilities that have a direct or indirect correlation with the assets.

<i>(Amounts in millions of Euros)</i>				
	At 30 September 2013	At 31 December 2012	At 31 December 2011	At 31 December 2010
Subordinated loans	962,6	964,1	963,5	972,8
Total debt	962,6	964,1	963,5	972,8

Financial debts as represented above are shown in the consolidated financial statements of the Unipol Assicurazioni Group under “Other financial liabilities”, which also include liabilities of an operating kind, at 30 September 2013 amounting to Euro 109.1 million.

Further details in relation to subordinated liabilities are reported in Chapter 4.1.1.1 of the Updated Information Document.

4.2 Financial information regarding the Premafin Group

4.2.1 Balance sheet, income statement and cash flow statement of the Premafin Group for the nine-month period ended at 30 September 2013 and for the financial years ended on 31 December 2012, 2011 and 2010

This paragraph shows the consolidated economic and financial information of the Premafin Group for the nine-month period ended at 30 September 2013 and for the financial years ended on 31 December 2012, 2011 and 2010. Such information was extracted from the following documents:

- condensed consolidated interim financial statements of the Premafin Group for the nine-month period ended at 30 September 2013, subject to a limited audit by PricewaterhouseCoopers which issued its unqualified report on 2 December 2013. These financial statements were prepared in accordance with the accounting standard applicable to interim financial reporting (IAS 34);
- consolidated financial statements of the Premafin Group for the financial years ended on 31 December 2012, 2011 and 2010. These financial statements were prepared in accordance with the IAS/IFRS issued by the IASB (International Accounting Standards Board), as approved by the European Union, and on the basis of the relevant interpretations issued by official bodies. These financial statements were audited by Reconta Ernst & Young, which issued its unqualified reports respectively on 24 April 2013, 24 April 2012 and 7 April 2011.

The condensed consolidated interim financial statements for the nine-month period ended at 30 September 2013, and the consolidated financial statements for the financial years ended on 31 December 2012, 2011 and 2010 are included in the Updated Information Document by reference. These documents, together with management reports, may be accessed at the registered office and on the website of Premafin www.premafin.it.

To facilitate the identification of the information contained in the documents included by reference, the pages related to the main sections of the documents in question are highlighted below:

	September	Financial	Financial	Financial
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	2013	year 2012	year 2011	year 2010
Management report	10	25	17	15
Consolidated statement of financial position	94	158	138	110
Consolidated income statement	96	160	140	112
Overall consolidated income statement	97	161	141	113
Statement of changes in consolidated shareholders' equity	99	163	143	115
Consolidated cash flow statement	101	165	145	117
Explanatory notes	103	167	147	119
Report of Independent Auditors	179	359	327	289

With reference to the figures for financial year 2011, this section also includes restated data following the Consob Communication of 17 April 2013. In particular, as a result of such communication, Premafin showed the column “restated pursuant to IAS 8” relating to the 2011 data in the 2012 financial statements and explanatory notes.

The restatements of 2011 data were as follows:

- claims charges: they were reduced by Euro 517 million since such amount, which represents the shortage in claims provisions relating to MV third party liability Classes as highlighted by IVASS in the note on findings of 29 September 2011 for Fondiaria-SAI and 17 November 2011 for Milano Assicurazioni, was considered, according to Consob resolution no. 18431 of 21 December 2012, the correction of an error in the previous consolidated financial statements and therefore, net of the related tax effect, it led to a reduction in capital reserves;
- Income taxes: they were increased by Euro 178 million, equal to the tax effect related to the changes made to claims charges.

These restatements resulted in a reduction by Euro 339 million in the 2011 loss and a reduction by the same amount in capital reserves, thus with total shareholders' equity that remained unchanged.

The changes did not result in any modification of the insurance liability represented by claims provisions, or of the adjusted solvency situation.

With regard to the cash flow statement, there was no impact on either the net cash flows from operating activities, or on the overall change in “Cash and cash equivalents”.

4.2.1.1 Information on the Premafin Group's Capital

The following table provides the balance sheet of the Premafin Group as at 30 September 2013, at 31 December 2012, 2011 and 2010.

(Amounts in millions of Euros)		At 30 September 2013	At 31 December 2012	At 31 December 2011 (restated as per IAS 8)	At 31 December 2011	At 31 December 2010
1	INTANGIBLE ASSETS	1.104,5	1.214,9	1.517,6	1.517,6	1.642,4
1.1	Goodwill	1.057,3	1.156,4	1.422,4	1.422,4	1.523,3
1.2	Other intangible assets	47,2	58,5	95,2	95,2	119,2
2	TANGIBLE ASSETS	340,4	376,6	405,3	405,3	598,1
2.1	Land and buildings	292,0	307,5	318,9	318,9	504,2
2.2	Other tangible assets	48,4	69,0	86,4	86,4	93,9
3	TECHNICAL PROVISIONS - REINSURERS' SHARE	644,5	807,3	701,9	701,9	823,2
4	INVESTMENTS	30.039,6	33.883,4	33.817,0	33.817,0	36.031,9
4.1	Real estate investments	1.992,6	2.216,4	2.776,5	2.776,5	2.912,2
4.2	Investments in subsidiaries, associates and interests in joint ventures	127,5	126,0	116,8	116,8	353,0
4.3	Investments held to maturity	577,4	718,1	599,7	599,7	592,1
4.4	Loans and receivables	3.400,5	3.527,0	3.688,9	3.688,9	3.159,2
4.5	Financial assets available for sale	18.059,3	20.856,5	17.608,6	17.608,6	20.275,3
4.6	Financial assets at fair value through profit or loss	5.882,2	6.439,3	9.026,7	9.026,7	8.740,1
5	SUNDRY RECEIVABLES	1.397,8	2.092,5	2.349,2	2.349,2	2.314,7
5.1	Receivables relating to direct insurance business	725,5	1.322,8	1.698,4	1.698,4	1.747,6
5.2	Receivables relating to reinsurance business	56,9	64,8	78,6	78,6	101,8
5.3	Other receivables	615,5	704,9	572,1	572,1	465,3
6	OTHER ASSETS	5.070,4	1.534,7	1.803,8	1.803,8	996,6
6.1	Non-current assets held for sale or disposal groups	3.888,5	3,3	87,2	87,2	3,5
6.2	Deferred acquisition costs	55,1	52,3	30,3	30,3	87,6
6.3	Deferred tax assets	726,5	954,4	1.155,1	1.155,1	361,2
6.4	Current tax assets	271,2	299,5	316,6	316,6	388,0
6.5	Other assets	129,1	225,1	214,7	214,7	156,3
7	CASH AND CASHEQUIVALENTS	825,1	569,8	1.004,1	1.004,1	628,4
	TOTAL ASSETS	39.422,4	40.479,2	41.599,0	41.599,0	43.035,3

(Amounts in millions of Euros)		At 30 September 2013	At 31 December 2012	At 31 December 2011 (restated as per IAS 8)	At 31 December 2011	At 31 December 2010
1	SHAREHOLDERS' EQUITY	2.688,2	2.395,7	1.274,4	1.274,4	2.270,1
1.1	Group equity	245,4	187,6	(32,1)	(32,1)	350,2
1.1.1	Capital	481,0	481,0	410,3	410,3	410,3
1.1.2	Other equity instruments	-	-	-	-	-
1.1.3	Equity-related reserves	(2,4)	(2,4)	0,0	0,0	0,0
1.1.4	Income-related reserves and other reserves	(299,9)	(17,5)	(74,8)	0,7	263,4
1.1.5	(Treasury shares)	(43,2)	(43,2)	(43,2)	(43,2)	(43,2)
1.1.6	Translation reserve	(18,1)	(17,5)	(15,0)	(15,0)	(18,7)
1.1.7	Gains or losses on financial assets available for sale	67,9	68,2	(127,7)	(127,7)	0,3
1.1.8	Other gains or losses recognized directly in equity	7,7	2,4	6,3	6,3	9,6
1.1.9	Profit (loss) for the year attributable to the shareholders of the Parent Company	52,4	(283,6)	(188,1)	(263,6)	(271,5)
1.2	Minority Interests	2.442,8	2.208,1	1.306,5	1.306,5	1.919,9
1.2.1	Share capital and reserves attributable to non-controlling interests	2.008,1	2.658,1	2.416,7	2.680,2	2.627,8
1.2.2	Gains or losses recognized directly in equity	173,2	148,6	(600,2)	(600,2)	(31,3)
1.2.3	Profit (loss) for the year attributable to minority interests	261,6	(598,6)	(510,0)	(773,5)	(676,6)
2	PROVISIONS	317,9	323,6	337,1	337,1	360,0
3	TECHNICAL PROVISIONS	29.228,5	33.657,9	35.107,5	35.107,5	34.828,0
4	FINANCIAL LIABILITIES	2.481,4	2.716,8	3.527,7	3.527,7	4.187,4
4.1	Financial liabilities at fair value through profit or loss	550,1	569,7	1.349,5	1.349,5	1.677,8
4.2	Other financial liabilities	1.931,3	2.147,0	2.178,2	2.178,2	2.509,6
5	PAYABLES	571,2	769,9	796,0	796,0	839,4
5.1	Payables arising from direct insurance business	80,6	96,4	79,0	79,0	91,9
5.2	Payables arising from reinsurance business	62,8	67,9	84,9	84,9	106,9
5.3	Other payables	427,7	605,6	632,0	632,0	640,7
6	OTHER LIABILITIES	4.135,2	615,4	556,3	556,3	550,4
6.1	Liabilities associated with non-current assets held for sale	3.615,5	-	-	-	-
6.2	Deferred tax liabilities	109,6	178,2	133,5	133,5	132,1
6.3	Current tax liabilities	52,2	57,0	18,1	18,1	54,9
6.4	Other liabilities	357,9	380,2	404,7	404,7	363,4
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	39.422,4	40.479,2	41.599,0	41.599,0	43.035,3

The following tables provide the changes in shareholders' equity at 30 September 2013 (with comparable data), at 31 December 2012, 2011 and 2010.

Values in millions of Euros		As at 31/12/2012	Change in closing balance	Charges	Income Statement Reclassification Adjustments	Transfers	As at 30/9/2013
Group equity	Share capital	481,0	0,0	0,0		0,0	481,0
	Other equity instruments	0,0	0,0	0,0		0,0	0,0
	Equity-related reserves	-2,4	0,0	0,0		0,0	-2,4
	Income-related reserves and other reserves	-17,5	0,0	-282,5		0,0	-299,9
	(Treasury shares)	-43,2	0,0	0,0		0,0	-43,2
	Profit (loss) for the year	-283,6	0,0	336,0		0,0	52,4
	Other items of the Statement of Comprehensive Income	53,2	0,0	19,1	-14,7	0,0	57,5
	Total attributable to the Group	187,6	0,0	72,6	-14,7	0,0	245,4
Equity attributable to minority interests	Share capital and reserves attributable to minority interests	2.658,1	0,0	-649,9		0,0	2.008,1
	Profit (loss) for the year	-598,6	0,0	810,3		49,8	261,6
	Other items of the Statement of Comprehensive Income	148,6	0,0	68,7	-44,2	0,0	173,2
	Total attributable to minority interests	2.208,1	0,0	229,0	-44,2	49,8	2.442,8
Total		2.395,7	0,0	301,6	-58,9	49,8	2.688,2

Values in millions of Euros		As at 31/12/2011	Change in closing balance	Charges	Income Statement Reclassification Adjustments	Transfers	As at 30/9/2012
Group equity	Share capital	410,3	0,0	70,6		0,0	481,0
	Other equity instruments	0,0	0,0	0,0		0,0	0,0
	Equity-related reserves	0,0	0,0	5,1		0,0	5,2
	Income-related reserves and other reserves	0,7	-75,5	42,5		0,0	-32,3
	(Treasury shares)	-43,2	0,0	0,0		0,0	-43,2
	Profit (loss) for the year	-263,6	75,5	108,8		0,0	-79,3
	Other items of the Statement of Comprehensive Income	-136,3	0,0	116,2	0,6	0,0	-19,4
	Total attributable to the Group	-32,1	0,0	343,3	0,6	0,0	311,9
Equity attributable to minority interests	Share capital and reserves attributable to minority interests	2.680,2	-263,5	235,7		0,0	2.652,4
	Profit (loss) for the year	-773,5	263,5	515,4		0,0	5,4
	Other items of the Statement of Comprehensive Income	-600,2	0,0	495,2	19,1	0,0	-85,9
	Total attributable to minority interests	1.306,5	0,0	1.246,2	19,1	0,0	2.571,8
Total		1.274,4	0,0	1.589,5	19,8	0,0	2.883,7

Values in millions of Euros		As at 31/12/2011	Change in closing balance	Charges	Income Statement Reclassification Adjustments	Transfers	As at 31/12/2012
Group equity	Share capital	410,3	0,0	70,6		0,0	481,0
	Other equity instruments	0,0	0,0	0,0		0,0	0,0
	Equity-related reserves	0,0	0,0	-2,4		0,0	-2,4
	Income-related reserves and other reserves	0,7	-75,5	57,4		0,0	-17,5
	(Treasury shares)	-43,2	0,0	0,0		0,0	-43,2
	Profit (loss) for the year	-263,6	75,5	-95,5		0,0	-283,6
	Other items of the Statement of Comprehensive Income	-136,3	0,0	155,0	34,4	0,0	53,2
	Total attributable to the Group	-32,1	0,0	185,2	34,4	0,0	187,6
Equity attributable to minority interests	Share capital and reserves attributable to minority interests	2.680,2	-263,5	241,4		0,0	2.658,1
	Profit (loss) for the year	-773,5	263,5	-88,6		0,0	-598,6
	Other items of the Statement of Comprehensive Income	-600,2	0,0	600,0	148,8	0,0	148,6
	Total attributable to minority interests	1.306,5	0,0	752,8	148,8	0,0	2.208,1
Total		1.274,4	0,0	938,0	183,3	0,0	2.395,7

Values in millions of Euros		As at 31/12/2010	Change in closing balance	Charges	Income Statement Reclassification Adjustments	Transfers	As at 31/12/2011
Group equity	Share capital	410,3	0,0	0,0		0,0	410,3
	Other equity instruments	0,0	0,0	0,0		0,0	0,0
	Equity-related reserves	0,0	0,0	0,0		0,0	0,0
	Income-related reserves and other reserves	263,4	0,0	-262,7		0,0	0,7
	(Treasury shares)	-43,2	0,0	0,0		0,0	-43,2
	Profit (loss) for the year	-271,5	0,0	7,9		0,0	-263,6
	Other items of the Statement of Comprehensive Income	-8,8	0,0	-150,2	22,6	0,0	-136,3
	Total attributable to the Group	350,2	0,0	-404,9	22,6	0,0	-32,1
Equity attributable to minority interests	Share capital and reserves attributable to minority interests	2.627,8	0,0	52,4		0,0	2.680,2
	Profit (loss) for the year	-676,6	0,0	-96,9		0,0	-773,5
	Other items of the Statement of Comprehensive Income	-31,3	0,0	-683,2	114,3	0,0	-600,2
	Total attributable to minority interests	1.919,9	0,0	-727,7	114,3	0,0	1.306,5
Total		2.270,1	0,0	-1.132,6	136,9	0,0	1.274,4

Values in millions of Euros		As at 1/1/2010	Change in closing balance	Charges	Income Statement Reclassification Adjustments	Transfers	As at 31/12/2010
Group equity	Share capital	410,3	0,0	0,0		0,0	410,3
	Other equity instruments	0,0	0,0	0,0		0,0	0,0
	Equity-related reserves	0,0	0,0	0,0		0,0	0,0
	Income-related reserves and other reserves	393,0	0,0	-129,6		0,0	263,4
	(Treasury shares)	-43,2	0,0	0,0		0,0	-43,2
	Profit (loss) for the year	-134,4	0,0	-137,1		0,0	-271,5
	Other items of the Statement of Comprehensive Income	7,6	0,0	-60,3	45,2	-1,2	-8,8
	Total attributable to the Group	633,3	0,0	-327,1	45,2	-1,2	350,2
Equity attributable to minority interests	Share capital and reserves attributable to minority interests	3.088,5	0,0	-460,7		0,0	2.627,8
	Profit (loss) for the year	-278,4	0,0	-398,2		0,0	-676,6
	Other items of the Statement of Comprehensive Income	-29,5	0,0	-141,3	141,7	-2,2	-31,3
	Total attributable to minority interests	2.780,6	0,0	-1.000,2	141,7	-2,2	1.919,9
Total		3.413,9	0,0	-1.327,3	186,9	-3,4	2.270,1

ASSETS

Intangible Assets

Below is a breakdown of the item “Goodwill” as at 30 September 2013, at 31 December 2012, 2011 and 2010:

(Amounts in millions of Euros)	At 30 September 2013	At 31 December 2012	At 31 December 2011	At 31 December 2010
Goodwill arising from the merger of La Fondiaria S.p.A.	504,8	504,8	504,8	504,8
Goodwill recognized in the consolidation of Milano Assicurazioni S.p.A.	156,4	167,2	167,4	167,4
Other goodwill	-	0,5	0,5	0,5
Consolidation differences	396,2	483,9	749,8	850,6
Total goodwill	1.057,3	1.156,4	1.422,4	1.523,3

The decrease in such item during the reporting period was mainly due to the recognition of impairment write-downs, especially with reference to Popolare Vita and Milano Assicurazioni.

The item “Other intangible assets”, equal to Euro 47.2 million at 30 September 2013, includes expenses for research studies, rights of use of software licenses and other intangibles. The reduction in the balance in the reporting period was mainly due to the normal amortization process.

Tangible Assets

At 30 September 2013, the value of the item “Tangible assets” amounted to Euro 340.4 million. At 31 December 2011, the item showed a decrease of Euro 192.7 million compared to 31 December 2010, of which Euro 172.2 million for the reclassifications of this item in “Investment property” and Euro 22.5 million for impairment losses relating to certain property held by Fondiaria-SAI and by certain subsidiaries whose carrying value exceeded the market value.

Technical provisions attributable to reinsurers

This item reflects the evolution of the reinsurance agreements.

Investments

The value of the item “Investment Property”, equal to Euro 1,992.6 million at 30 September 2013, decreased by Euro 223.8 million compared to 31 December 2012. This reduction was, (i) for Euro 130 million, due to the application of IFRS 5, resulting in the inclusion of this amount under “Non-current assets held for sale or disposal groups” (please refer to the relevant note in this regard, as shown below) and (ii), for the remainder, due to depreciation or impairment losses recognized during the period. At 31 December 2012, the item showed a decrease of Euro 560.0 million compared to 31 December 2011, mainly due (Euro 281.4 million) to

impairment losses on property held by Fondiaria-SAI and certain subsidiaries, as well as Euro 153.6 million due to reclassifications in other categories. In relation to such reclassifications, Euro 150.8 million relate to the reclassification under “Other receivables” of the credit positions for “Assets in progress and payments on account” held by the Fonsai Group companies with respect to the companies Im.Co. and Sinergia following the latter’s declaration of bankruptcy. The value of the item at 31 December 2011 decreased by Euro 135.7 million compared to 31 December 2010 for the effect of impairment losses on real estate amounting to Euro 244.4 million, partially offset by the reclassification of property income from the item “Tangible assets” of Euro 172.2 million.

As at 30 September 2013, the item “Investments in subsidiaries, associates and interests in joint ventures” amounted to Euro 127.5 million. The decrease of Euro 236.2 million at 31 December 2011 compared to 31 December 2010 was mainly due to (i) the sale of the holding in Citylife of Euro 78.1 million, (ii) the reclassification of the item “Financial assets available for sale” of Euro 57.1 million of the Real Estate Fund Rho, (iii) the transfer of Euro 56.7 million under the item “Non-current assets held for sale or disposal groups” of assets relating to IGLI S.p.A. and (iv) the sale of the holding in Ex-Var of Euro 36.5 million.

The item “Investments held to maturity”, amounting to Euro 577.4 million at 30 September 2013, consists of debt securities mainly relating to the Life sector and held for policies with specific asset provisions.

Below is the breakdown of the item “Loans and receivables” as at 30 September 2013, at 31 December 2012, 2011 and 2010:

<i>(Amounts in millions of Euros)</i>	At 30 September 2013	At 31 December 2012	At 31 December 2011	At 31 December 2010
Receivables from banks on interbank deposits and from bank customers	483,8	521,6	665,5	764,2
Debt securities	2.327,5	2.422,4	2.465,8	1.826,0
Loans on Life policies	35,0	39,0	44,1	53,6
Deposits with reinsurers	20,2	22,4	24,9	27,4
Receivables from substitute agents and indemnity paid to ceased agents	242,4	243,4	238,6	240,8
Other loans and receivables	291,6	278,3	250,0	247,2
Total	3.400,5	3.527,0	3.688,9	3.159,2

Receivables from banks, recorded under “Loans and receivables”, include the receivables of the subsidiary BancaSai from other banks for deposits, and loans to bank customers.

The item debt securities, recorded under “Loans and receivables”, includes:

- issues (in particular the securities of the Ania special issues) for which a valuation was considered appropriate at amortized cost and not at fair value in the absence of an active market of reference;
- private placements of Italian public debt securities, which meet the objective to ensure stability of the Group’s returns and to cancel the volatility in the valuation of such instruments if entered in a traditional market context. The classification in this category is thus due to the absence of an active market of reference.
- issues of corporate entities: these are financial instruments principally supported by subordination clauses transferred into this category in financial year 2009.

The item “Other loans and receivables” mainly includes consumer receivables of the subsidiary Finitalia from customers.

Below is a breakdown of the item “Investments held to maturity”, “loans and receivables”, “financial assets available for sale” and “Financial assets at fair value through profit or loss” as at 30 September 2013, at 31 December 2012, 2011 and 2010 by type of investment:

<i>(Amounts in millions of Euros)</i>	At 30 September 2013	At 31 December 2012	At 31 December 2011	At 31 December 2010
Equity-related securities	875,0	960,5	1.198,4	1.513,9
Debt securities	23.567,5	27.601,2	26.775,2	28.128,7
Units of U.C.I.s	2.290,5	1.743,6	1.438,1	1.299,6
Other financial investments	1.186,6	1.235,7	1.512,1	1.824,5
Total financial assets	27.919,5	31.541,0	30.923,8	32.766,7

The reduction in this item at 30 September 2013 compared to 31 December 2012, for Euro 3,201 million, arises from implementation of IFRS 5, i.e. the reclassification under the item “Non-current assets held for sale or disposal groups” in relation to the assets forming part of the overall insurance portfolio to be divested in accordance with the provisions of AGCM dated 19 June 2012 (See Chapter 1.1.7 of the Updated Information Document).

As shown in the table above in relation to the composition of the investments, the Premafin Group’s portfolio consists predominantly of investments in bonds.

Government bonds

On 24 February 2012, the exchange offer on the Greek government debt securities was approved. During 2012, the Premafin Group companies accepted the offer with respect to all securities owned and thereafter proceeded to completely write off the exposure to Greek government bonds resulting from the above-mentioned restructuring operation.

As at 30 September 2013, the Premafin Group holds government bonds issued by Countries in the Eurozone with a fair value of Euro 14,281.3 million, of which Euro 61.0 million issued by Spain, Euro 4.0 million issued by Portugal, Euro 27.4 million issued by Ireland and Euro 14,188.9 million issued by Italy.

Sundry receivables

The item “Receivables relating to direct insurance business” at 30 September 2013 amounted to Euro 725.5 million and included receivables from policyholders for premiums, receivables from agents and other intermediaries, companies for co-insurance and loans to policyholders and third parties for amounts to be recovered.

The item “Other receivables” amounting to Euro 615.5 at 30 September 2013 consists mainly of receivables from the tax authorities for income tax refunds receivable, VAT receivables, prepayments for insurance tax, trade receivables and other receivables. The increase of Euro 132.8 million recorded at 31 December 2012 compared to 31 December 2011 was, for Euro 86.3 million, attributable to the reclassification from the item “Investment property” of the receivables due from the companies Im.Co. and Sinergia.

Other assets

The item “Non-current assets held for sale or disposal groups” at 30 September 2013 amounted to Euro 3,888.5 million and, as to Euro 3,865.6 million, includes assets forming part of the overall insurance portfolio to be disposed of in accordance with the provisions of AGCM dated 19 June 2012 (See Chapter 1.1.7 of the Updated Information Document).

On 8 May 2013, the Boards of Directors of Milano Assicurazioni and of its parent company Fonsai authorized the continuation of the transfer process and, in accordance with the Measures of AGCM, also approved the assets being divested, by subordinating the effects of this decision to the necessary approval of the Board of Directors of UGF, received on May 9, resulting in the initiation of the competitive process, which was still in progress at the Date of the Updated Information Document.

Accordingly, with reference to the balance sheet at 30 September 2013 of the Premafin Group, the assets and liabilities to be sold were reclassified respectively under “Non-current assets held for sale or disposal groups”

and “Liabilities associated with disposal groups or assets held for sale”. Both items are shown net of intercompany transactions.

Since the assets and liabilities within the scope of the transfer, as a whole, do not represent discontinued operations, the income components related to the disposal group are stated according to the normal classification rules in the various items of the income statement.

The application of IFRS 5 had no effect on the consolidated results of operations or on consolidated shareholders' equity.

Cash and cash equivalents

As at 30 September 2013, cash and cash equivalents amounted to Euro 825.1 million and included deposits and current accounts with maturity under 15 days.

LIABILITIES

Shareholders' Equity

During the reporting period, the value of shareholders' equity and the related reserves, as well as by the recognition of the results for the period, was mainly influenced by the execution, on 19 July 2012, of the capital increase reserved to UGF, in compliance with the Investment Agreement. On such date, UGF subscribed and paid in full 1,741,239,877 newly issued unlisted Premafin ordinary shares for a total amount of Euro 339.5 million.

Provisions

The provisions item consists mainly of provisions for lawsuits, disputes with agencies, other charges relating to the commercial network, reimbursements that cannot be recovered from intermediaries and retirement incentives.

Technical Provisions

Below is a breakdown of the technical provisions as at 30 September 2013, at 31 December 2012, 2011 and 2010:

<i>(Amounts in millions of Euros)</i>	At 30 September 2013	At 31 December 2012	At 31 December 2011	At 31 December 2010
Non-Life premium provisions	1.628,3	2.494,7	2.741,8	2.777,9
Non-Life claims provisions	7.223,9	10.018,1	9.858,1	9.097,6
Other Non-Life technical provisions	7,3	9,3	10,4	12,3
Total Non-Life business provisions	8.859,5	12.522,2	12.610,3	11.887,8
Life mathematical provisions	14.604,1	14.945,4	15.163,2	16.073,4
Life business provisions for amounts payable	419,2	248,2	360,7	277,8
Technical provisions with risk borne by policyholders arising from the management of pension funds	5.242,3	5.861,1	7.666,3	6.951,0
Other Life business technical provisions	103,4	81,0	(693,0)	(362,0)
Total Life business provisions	20.369,0	21.135,7	22.497,2	22.940,2
Total technical provisions	29.228,5	33.657,9	35.107,5	34.828,0

The reduction at 30 September 2013 compared to 31 December 2012 arises from the reclassification of Euro 3,338.9 million under the item “Liabilities associated with non-current assets held for sale” in relation to the liabilities forming part of the overall insurance portfolio to be disposed of in accordance with the measure of the AGCM dated 19 June 2012 (See Chapter 1.1.7 of the Updated Information Document).

The decrease in the premium provisions is related to the reduction in premium income in Non-Life business.

The change in the Life mathematical provisions is linked to the performance of the premiums in the Life business and to the amount of the insured sums that have expired or were requested as a refund by policyholders.

As at 30 September 2013, the mathematical provisions included in the Technical provisions for Class I were determined by reference to the following most significant technical bases:

- compound annual technical interest rates or a guaranteed minimum interest rate of 4%, 3%, 2.5%, 2% and 1.5% for most types of current coverage;
- demographic models based on the mortality rates of the Italian male population 1951, 1961, 1971, 1981, 1992, and 2002 varied, on the mortality rates of the Italian female population 1992 and 2002, on the table RG48 separated by gender and on the table IPS55, both broken down by gender and undifferentiated.

The mathematical provisions included in the technical provisions of Class V were determined by reference to the following most significant technical bases: compound annual technical interest rates or a guaranteed minimum interest rate of 4%, 3%, 2.5% and 2% for most of the contracts in force.

Strengthening of prior year claims provisions

By notification of 18 March 2013 Protocol No. 13021374, Consob requested the Fonsai Group, pursuant to Art. 114, paragraph 5, of the TUF, to report certain information in the notes to the 2012 consolidated financial statements regarding the strengthening of prior year claims provisions of the group insurance companies in 2012, providing, inter alia, details of the amounts per company and business and also indicating variations in such strengthening with respect to the values set forth in the Joint Business Plan.

As already noted in the press release published on 21 December 2012 by the parent company UGF, the Joint Business Plan assumed, with reference to the year 2012, strengthening of the Non-Life prior years claims provisions (defined as the sum of the claims provisions at the end of the financial year before the reference year less the amounts paid during the year, less the prior year claims provisions at the end of the year, plus/minus the balance of the amounts recovered/to be recovered from policyholders and third parties) pertaining to the consolidation scope of the Fonsai Group amounting to approximately Euro 650 million.

Therefore, as part of the process of harmonization of the assumptions underlying the preparation of financial and economic projections set forth in the Plan, the estimates of the strengthening of prior year provisions made reference to:

- i) management data and adjustments of claims provisions processed by claim handlers during the year-end inventory and
- ii) a conservative estimate of the increase in such values, in a lump sum, to take account of any further strengthening due to the valuation of actuarial models.

With regard to the process of harmonization of the Fondiaria-SAI Group companies' provisioning policies with those adopted by the Unipol Group, in the first few months of management carried out by the new control structure it was decided to ensure that the provisioning process should include the timely implementation of legal regulations.

Therefore, at the end of the inventory process carried out by the network of claim handlers, in order to determine the final cost of claims provisions, after supplementing the valuations with the estimate of provisions for claim settlement expenses, steps were taken to verify the technical provisions with different statistical and actuarial methods reaching the results presented below.

In particular with regard to the general third party liability Sector, unlike what was done until 2011, as from financial year 2012 in place of simplified methodologies, statistical and actuarial models have been adopted such as the "Chain-Ladder Paid" and "GLM ODP" based on an analysis of time series classified by homogeneous families of risk.

In the preparation of the consolidated financial statements for financial year 2012, based on the combined results of the above methods an estimate of the final cost of prior year claims provisions emerged and led to a supplementation of the estimates of the claim handlers, which, with particular reference to the MV Sector amounted to approximately Euro 200 million. This resulted in an overall strengthening of the claims provisions of previous generations of Euro 808 million (compared to Euro 653 million projected in the Joint Business Plan), of which Euro 709 million related to the MV Sector and Euro 187 million related to the general third party liability business, while in the other classes, there was a positive balance of Euro 88 million.

The adjustment of the claims provisions of the Fonsai Group should be qualified, in the opinion of Fonsai, as an adjustment of estimates, and was represented in the 2012 consolidated financial statements of Fonsai as a cost attributable to the financial year 2012, posted under item 2.1.1 - Amounts paid and changes in technical provisions (consolidated income statement) recording an opposite equivalent increase in item 3 - Technical Provisions (Balance Sheet - Shareholders' equity and liabilities). The change in value of the claims provisions of the MV Sector that intervened between 2011 and 2012 is in fact the result of a change in accounting estimates to be treated in accordance with IAS 8 paragraphs 32 et seq. and it cannot in any way be attributable to the case of a correction of an "error".

Financial Liabilities

At 30 September 2013, the entry "Financial liabilities at fair value through profit or loss" amounted to Euro 550.1 million and was almost entirely composed of financial liabilities to be recognized at fair value through profit or loss.

The value of the item "Other financial liabilities" at 30 September 2013 amounted to Euro 1,931.3 million and mainly consisted of subordinated liabilities of Euro 891.9 million, amounts owed to banks and other loans of Euro 594.2 million and other liabilities, including operating liabilities of the subsidiary BancaSai for customer deposits of Euro 184 million, and deposits of Euro 129.3 million guaranteeing reinsurance risks.

The subordinated liabilities amounting to Euro 891.9 million at 30 September 2013 include the following loans taken out with Mediobanca:

- subordinated loan of Euro 400 million taken out by Fondiaria-SAI and disbursed on 23 July 2003. As a result of certain contractual changes that took place in December 2005, the loan has an interest rate of 6-month Euribor plus 180 basis points and is repayable in five equal annual installments starting from the 16th anniversary of the grant date. This loan is computable among the constituent elements of the solvency margin within the limit of 50%; in the event that the borrower is under liquidation, the contract will be automatically terminated and, consequently, the credit will become immediately repayable, subject to the subordination restriction;
- subordinated loan of Euro 100 million taken out by Fondiaria-SAI on 20 December 2005 (disbursed on 31 December 2005), with the same subordination characteristics as the previous one. The interest rate is 6-month Euribor plus 180 basis points and is repayable in five equal annual installments starting from the 16th anniversary of the grant date. This loan is computable among the constituent elements of the solvency margin within the limit of 25%; in the event that the borrower is under liquidation, the contract will be automatically terminated and, consequently, the credit will become immediately repayable, subject to the subordination restriction;
- original subordinated loan of Euro 300 million taken out on 22 June 2006 (paid out on 14 July 2006), half of which granted to Fonsai and half to Milano Assicurazioni. The interest rate for this loan is also the 6-month Euribor plus 180 basis points and is repayable in five equal annual installments starting from the 16th anniversary of the grant date. On 14 July 2008, Milano Assicurazioni made a partial early repayment of such loan amounting to Euro 100 million. This loan is computable among the constituent elements of the solvency margin within the limit of 25%; in the event that the borrower is under liquidation, the contract will be automatically terminated and, consequently, the credit will become immediately repayable, subject to the subordination restriction.

These financing agreements include the following covenants and negative pledges related to the capital ratios of the beneficiary company:

- prohibition to reduce the share capital other than in accordance with legal obligations and to acquire treasury shares for amounts in excess of 2% of the share capital;
- prohibition to distribute dividends in the event of loss absorption as provided for by the contract;
- prohibition to enter into subordinated loans that do not include an additional subordination restriction with respect to the existing contract.

At the date of this Information Document, all the covenants and negative pledges were respected;

- hybrid perpetual subordinated loan of Euro 250 million, taken out by and granted to Fonsai on 14 July 2008. The interest rate is the 6-month Euribor plus 350 basis points for the first 10 years and thereafter 450 basis points. Repayment will be made in a lump sum after the tenth year. This loan is computable among the constituent elements of the solvency margin within the limit of 50%;
- hybrid perpetual subordinated loan of Euro 100 million, taken out by and granted to Milano Assicurazioni on 14 July 2008. The interest rate is the 6-month Euribor plus 350 basis points for the first 10 years and thereafter 450 basis points. Repayment will be made in a lump sum after the tenth year. This loan is computable among the constituent elements of the solvency margin within the limit of 50%.

The above financing agreements include the following covenants and negative pledges related to the capital ratios of the beneficiary company:

- prohibition to reduce capital unless in compliance with legal obligations or to acquire treasury shares except to the extent provided by law;
- prohibition to distribute dividends in the event of absorption of losses as specified in the contract;
- compliance with statutory and legal requirements with regard to investment policies;
- prohibition to engage in any action or transaction aimed at the creation or assumption of assets or funding for a specific business deal as governed by the Italian Civil Code.

At the date of this Information Document, all the covenants and negative pledges were respected;

The loans granted to Milano Assicurazioni (for a total of nominal Euros 150 million) refer to the corporate assets being sold and thus accounted for under “Liabilities of a disposal group held for sale” in accordance with IFRS 5.

The item “Payables to banks and other financing”, equal to Euro 594.2 million at 30 September 2013, is mainly composed as follows:

- Euro 379.8 million relating to the Premafin Amended Pre-Merger Financing Agreement under the Restructuring Agreement entered into on 13 June 2012 as part of the recovery plan pursuant to Art. 67 of the Italian Law on Finance;
- Euro 111.8 million related to the loan entered into by the closed-end real estate fund Tikal R.E. with Mediobanca as agent bank. The loan, originally for Euro 119 million, was disbursed for the purchase of property and improvement works. The cost of the loan is the 3-month Euribor rate plus a credit spread of 90 basis points. The Fund, since 2008, has made use of interest rate derivative instruments implementing a hedging policy for the risk of potential increase in interest rates on the loan; the loan becomes immediately repayable (cross-default event) in case of early repayment or any other financial debt of the Fund was not paid at maturity. Moreover, the Fund undertakes to ensure that, at any date of calculation, the Loan To Value does not exceed 80% and that the interest-Service Coverage Ratio is

equal to or greater than 1.10. The contract does not contain “change of control” clauses. As at 30 June 2013 such ratios were complied with;

- Euro 19.5 million related to bonds issued in 2009 and 2010 by BancaSai, in part with variable rate and in part with fixed rate, with varying maturities from 2012 to 2014;
- Euro 53.6 million relating to the debt of the subsidiary Immobiliare Fondiaria-SAI. These liabilities relate principally to the bank loan taken out by Marina di Loano with Intesa Sanpaolo as agent bank with maturity at 17 March 2014 and an interest rate of 3-month Euribor plus 300 basis points. The company has resorted to an interest rate derivative instrument in implementing a hedging policy for the risk of potential increase in interest rates on the loan; the loan becomes immediately repayable (cross default event) in the event that any financial debt of Marina di Loano of an amount in excess of Euro 500,000 or of Immobiliare Fondiaria-Sai in excess of Euro 20,000,000 becomes payable as a result of the occurrence of an event of default or any event with the same effect. Moreover, Marina di Loano undertakes to ensure that, at any date of calculation, the Loan To Value does not exceed 50% and that the interest-Service Coverage Ratio is equal to or greater than 1.50 and to provide information regarding any change in ownership. As at 30 June 2013 these ratios were satisfied. The contract is currently being renegotiated with the Financing Banks;
- Euro 14.4 million relating to the loans taken out by the subsidiary Finadin with Banca Popolare di Milano and Banco Popolare under amending agreements entered into during 2012.

The residual amount of payables to banks and other loans refers to other debts of an insignificant amount per unit.

The subordinated and/or hybrid debts are assisted by specific contractual provisions to protect the rights and interests of the lenders.

Regarding Premafin:

- preservation of a ratio of net financial debt to statutory shareholders’ equity not exceeding 1.10;
- early redemption in the event of a reduction in the consolidated solvency margin to below 100% for two consecutive annual communications as from financial year 2011, unless it is restored as a result of operations initiated by the end of the financial year in which the margin was reduced to below 100%, but completed in the six months following the end of the same;
- commitment not to take out any new financial debt, except for the purpose of hedging risks associated with the interest rate of the loan;
- commitment not to make intercompany loans and other intercompany treasury operations for a total maximum amount not exceeding Euro 15 million;
- preservation by the Premafin Shareholders’ Agreement (dissolved in July 2012) of a stake of not less than 30% of the voting capital of Premafin and preservation of a Premafin stake in Fondiaria-SAI not less than 30% of the voting capital.

The ratio of net financial debt to statutory shareholders’ equity, verified in accordance with the 2011 financial statements approved by the shareholders’ meeting on 12 June 2012, was higher than the threshold of 1.10, but, pursuant to the Debt Restructuring Convention, financial lenders undertook, and agreed, to suspend the exercise of any legal or contractual remedy to which they were entitled under the financing agreement and the equity swap contract.

With the entry into force of Phase 1 of the Debt Restructuring Convention and with the full effectiveness of the Amended Pre-Merger Financing Agreement, Premafin, as from the availability of balance sheet data at 31 December 2012 and until the outstanding debt is repaid in full, undertook:

- to maintain the ratio of net financial debt, net of intercompany loans as permitted under the financing agreement, to the Premafin shareholders' equity, as the recipient of the Amended Pre-Merger Financing Agreement calculated on statutory data (the "Financial Ratio"), not over 1.20 plus an allowed negative variance of 10%;
- to ensure that compliance with the Financial Ratio is periodically checked according to the annual audited financial statements of Premafin, as well as on the basis of specific statutory six-monthly financial statements prepared by Premafin for such purpose.

The ratio of net financial debt to statutory shareholders' equity, verified on the basis of data as at 31 December 2012 was equal to 0.86. The same ratio, verified on the basis of data as at 30 June 2013 was equal to 0.88. Therefore, the Financial Ratio of 1.20 was adhered in both circumstances.

With reference to the agreement currently in force, it should be noted that the provisions relating to the possible reduction in the consolidated solvency margin, better explained in paragraph 2.1.2, (with effect from the figure recorded at 31 December 2012) and the prohibition of taking out additional debt remained essentially the same, although a provision was introduced envisaging the possibility for UGF to grant intercompany loans and/or other treasury operations in favor of Premafin, subject to certain conditions.

With regard to negative pledges, Premafin undertook to, and will ensure that Finadin and the relevant subsidiaries (excluding Fondiaria-SAI and its subsidiaries) undertake:

- not to grant pledges, mortgages or guarantees of any other nature, (except for the pledge on Fondiaria-SAI shares and V.A.T. sureties) or make any transfers of receivables or create constraints or grant voluntary privileges on its tangible or intangible assets, or on its present or future claims in favor of creditors other than the lenders subject to the privilege and further guarantees required under the law, and with the exception of (i) matters subject to existing contractual obligations and already established collateral of Premafin and/or Finadin and/or significant subsidiaries (excluding Fondiaria-SAI and its subsidiaries) and the terms and conditions laid down from time to time and (ii) of the ordinary administration of Premafin and Finadin, within the limit of Euro 5 million;
- not to set aside assets allocated as pursuant to and in accordance with the provisions referred to in Article 2447-*bis* of the Italian Civil Code.

The creation of collateral subject to the pledge on Fondiaria-SAI shares already in place is not included in the above prohibition, the granting of which is designed to allow the full and contextual repayment of the outstanding debt.

Upon the occurrence of a change in the shareholding structure of Premafin such that the new controlling entity is not assigned a rating by Standard and Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., Moody's Investors Service and Fitch Ratings Limited, or the unsecured and unsubordinated long-term bond rating of the new controlling entity is less than BBB+, Baa1 or BBB+, respectively awarded by Standard and Poor's Rating Services, a division of The McGraw-Hill Companies, Inc., Moody's Investors Service and Fitch Rating Limited, the power is attributed to the Financing Banks, in the next 60 working days from the notification by Premafin of the change in its shareholding structure, to request Premafin the full repayment of the outstanding debt. If so requested, Premafin must repay the debt in full within 20 working days. The commitment remains for Premafin to preserve a shareholding of at least 30% of the voting capital of Fonsai, subject to the cancellation of the same shares as a result of the proposed merger.

As indicated in section 2.1.2 above, at the Date of the Updated Information Document, none of the events under the main covenants, negative pledge clauses or other contractual clauses in the financing agreement took place.

Regarding Fondiaria-SAI, with reference to the subordinated loan of Euro 150 million of 22 June 2006, it should be noted that Art. 6.2.1, letter (e), as a general obligation for Fondiaria-SAI, provides for the preservation of control (pursuant to Art. 2359, paragraph 1, No. 1, Italian Civil Code) and management and coordination of Milano Assicurazioni in the hands of Fondiaria-SAI.

With reference to the hybrid financing agreement of Euro 250 million of 14 July 2008, the right to convert into shares of Fondiaria-SAI is subordinated to any resolution of the Extraordinary Shareholders' Meeting of Fondiaria-SAI to increase capital for the purpose of the conversion as contractually specified and to the contemporary occurrence (for three consecutive years) of the following conditions:

- (i) rating downgrade of the agency Standard & Poor's (or any other agency which Fondiaria-SAI is voluntarily subject to if no longer subject to Standard & Poor's ratings) of the beneficiary companies to "BBB-" or to a rating below that;
- (ii) the reduction of the solvency margin of the beneficiary companies, as defined in Art. 44 of the Code of Private Insurance, to a level less than or equal to 120% of the required solvency margin as defined by Art. 1, paragraph hh), of the Code of Private Insurance,

provided that (a) the situation arising as a result of the occurrence of these events is resolved, for both events, in the two fiscal years immediately subsequent thereto, or (b) the solvency margin is brought to at least 130% of the required solvency margin in the two fiscal years immediately subsequent thereto, thus with the possibility for Fondiaria-SAI to put in place measures to enable compliance with the required parameters over a period of two years.

It should also be noted that there are no clauses in the financing contracts of the Premafin Group (other than those listed above) involving restrictions on the use of significant financial resources for the activities as Issuer.

It should be noted that this disclosure is provided although there are no situations of non-compliance with the foregoing clauses, thus there is a poor chance of occurrence of the events contractually provided for the protection of investors.

Finally, please note that the distinguishing feature of the subordinated and/or hybrid loans in question, in general, is not only given by the possibility of repayment of the same when paying off all other debts owed by the recipient company at the date of settlement, but also by the need, in accordance with applicable legislation, to obtain the prior authorization to repayment from IVASS.

At the Date of the Updated Information Document, there were no instances of non-compliance with covenants, negative pledge clauses or other clauses of the financing agreement.

Payables

At 30 September 2013, the value of the item "Other liabilities" amounted to Euro 427.7 million and included the liability for employee severance indemnities, trade payables, tax liabilities borne by policyholders, sundry tax liabilities and other payables.

Other liabilities

At 30 September 2013, the value of the item "Liabilities of a disposal group held for sale" was equal to Euro 3,615.5 million and is composed almost entirely of liabilities identified as being part of the insurance assets to be divested in accordance with the provisions of AGCM dated 19 June 2012.

4.2.1.2 Information on technical indicators of the Premafin Group

The table below shows the evolution of the main technical indicators of the Premafin Group, with reference to direct Non-Life business for the nine-month periods ended on 30 September 2013 and 2012 and for the financial years ended on 31 December 2012, 2011 and 2010:

<i>(Amounts provided in %)</i>	Nine-month period ended on 30 September 2013	Nine-month period ended on 30 September 2012	Financial year ended on 31 December 2012	Financial year ended on 31 December 2011(restated as per IAS 8)	Financial year ended on 31 December 2011	Financial year ended on 31 December 2010
Loss ratio (1) (A)	66,4	75,5	79,4	78,1	85,4	83,2
Expense ratio (2) (B)	23,9	23,0	22,9	22,5	22,5	22,5
Combined Ratio operativo (C)= (A) + (B)	90,3	98,5	102,3	100,6	107,9	105,7
OTI Ratio (3) (D)	2,0	3,1	3,1	2,5	2,5	2,6
Combined Ratio (E)= (C) + (D)	92,3	101,6	105,4	103,1	110,4	108,3

(1) The loss ratio is calculated as the ratio of the cost of claims and accrued premiums.

(2) The Expense ratio is calculated as the ratio of operating expenses for the period and recognized gross premiums.

(3) The OTI ratio is calculated as the balance of other technical charges and other technical income and accrued premiums.

4.2.1.3 Information on the economic performance of the Premafin Group

Income statement for the nine-month periods ended on 30 September 2013 and 2012

The following data is shown in the income statement of the Premafin Group for the nine-month periods ended 30 September 2013 and 2012.

(Amounts in millions of Euros)		Nine-month period ended on 30 September 2013	Nine-month period ended on 30 September 2012
1.1	Net premiums	7,111,6	7,365,0
1.1.1	Gross premiums	7,347,2	7,598,5
1.1.2	Ceded premiums	(235,5)	(233,5)
1.2	Commission income	5,5	12,0
1.3	Gains and losses on remeasurement of financial instruments at fair value through profit or loss	79,0	451,5
1.4	Gains on investments in subsidiaries, associates and interests in joint ventures	0,1	0,4
1.5	Gains on other financial instruments and investment property	926,6	914,8
1.5.1	Interest income	665,0	608,0
1.5.2	Other income	84,7	129,9
1.5.3	Realized gains	174,8	170,1
1.5.4	Unrealized gains	2,2	6,8
1.6	Other income	343,8	225,5
1	TOTAL INCOME AND REVENUES	8,466,7	8,969,2
2.1	Net charges relating to claims	(5,967,4)	(6,804,4)
2.1.1	Amounts paid and changes in technical provisions	(6,067,6)	(7,017,5)
2.1.2	Reinsurers' share	100,1	213,1
2.2	Commission expense	(4,5)	(5,8)
2.3	Losses on investments in subsidiaries, associates and interests in joint ventures	(0,7)	(8,8)
2.4	Losses on other financial instruments and investment property	(264,8)	(321,4)
2.4.1	Interest expense	(44,2)	(61,5)
2.4.2	Other charges	(49,5)	(50,7)
2.4.3	Realized losses	(50,4)	(68,9)
2.4.4	Unrealized losses	(120,7)	(140,4)
2.5	Operating expenses	(1,170,3)	(1,234,9)
2.5.1	Commissions and other acquisition costs	(844,9)	(910,9)
2.5.2	Investment management expenses	(11,9)	(9,8)
2.5.3	Other administrative expenses	(313,5)	(314,2)
2.6	Other costs	(502,8)	(621,5)
2	TOTAL COSTS AND CHARGES	(7,910,5)	(8,996,9)
	PROFIT (LOSS) FOR THE YEAR BEFORE TAXATION	556,2	(27,7)
3	Taxation	(242,3)	(34,7)
	PROFIT (LOSS) FOR THE YEAR NET OF TAX	313,9	(62,4)
4	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	0,0	(11,5)
	CONSOLIDATED PROFIT (LOSS)	313,9	(73,9)
	attributable to the Group	52,4	(79,3)
	attributable to minority interests	261,6	5,4

The following are the main figures of the income statement by business segment in accordance with IFRS 8 with respect to the nine-month periods ended 30 September 2013 and 2012:

(Values in millions Euros)	NON-LIFE BUSINESS		LIFE BUSINESS		REAL ESTATE		OTHER ACTIVITIES		INTERSEGMENT ELIMINATIONS		TOTAL	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Net premiums	4.326,3	4.851,5	2.785,3	2.513,5	-	-	-	-	-	-	7.111,6	7.365,0
Other revenues	606,2	617,1	718,7	1.027,1	51,7	56,6	546,4	463,8	(567,9)	(560,3)	1.355,1	1.604,1
TOTAL REVENUES	4.932,5	5.468,6	3.504,0	3.540,6	51,7	56,6	546,4	463,8	(567,9)	(560,3)	8.466,7	8.969,2
Net charges relating to claims	(2.926,9)	(3.624,9)	(3.040,5)	(3.179,5)	-	-	-	-	-	-	(5.967,4)	(6.804,4)
Other costs	(1.555,9)	(1.813,9)	(281,5)	(291,1)	(93,3)	(91,7)	(580,2)	(556,0)	567,9	560,3	(1.943,1)	(2.192,4)
TOTAL COSTS	(4.482,9)	(5.438,8)	(3.322,0)	(3.470,6)	(93,3)	(91,7)	(580,2)	(556,0)	567,9	560,3	(7.910,5)	(8.996,9)
Profit (loss) for the year before income taxation	449,6	29,7	182,0	70,0	(41,6)	(35,2)	(33,9)	(92,3)	-	(0,1)	556,2	(27,8)

The first nine months of financial year 2013 show a positive consolidated result amounting to Euro 313.9 million, while the corresponding period of the previous year closed with a consolidated loss of Euro 73.9 million.

The overall technical performance of the insurance sector was characterized by a recovery in Life income (+10.8%), driven mainly by the bancassurance vehicle Popolare Vita and, in particular, by its subsidiary Lawrence Life. The positive results of the Non-Life sector also contributed to the overall technical performance. Despite a reduction of 10.7% in premiums, they benefited from a favorable performance in terms of reported claims and a corresponding reduction in the frequency of claims. The following is an analysis of the performance of the main business sectors of the Premafin Group.

Non-Life Sector

At 30 September 2013, the Non-Life sector recorded a pre-tax profit amounting to Euro 449.6 million, an increase over the pre-tax profit of Euro 29.7 million as at 30 September 2012. The MV premium income marked a significant decline of about 13%, due to many factors, including the difficult economic environment, the portfolio selection in progress and the abolition of the system of tacit extension of MV third party liability contracts, which led to a more conservative approach in the management of the receipting processes. However, this was offset by a marked reduction in reported claims and frequency thereof as well as by a substantial holding of claims provisions as recorded at the end of the previous financial year, which then resulted in no significant negative impacts on the income statement. The Non-Motor sectors show a more moderate decline (4.4%), given that the portfolio restructuring had already commenced in the previous two financial years and that the decline was affected by a recession in the national economy that made it difficult for households and businesses to extend insurance coverage. The sector's results were also influenced by Euro 32.3 million from impairment losses on AFS financial instruments (compared to Euro 47.0 million for the nine-month period ended at 30 September 2012): in particular, please note the impairment of the participation in Alitalia - Compagnia Aerea Italiana S.p.A., amounting to Euro 10.4 million.

Life Sector

At 30 September 2013, the Life sector recorded a pre-tax profit amounting to Euro 182.0 million, an increase compared to the pre-tax profit amounting to Euro 70.0 million as at 30 September 2012. The trend in production during the period under consideration was positive (an increase of 10.8%), due to the contribution recorded in Class III (+31%), which amounted to more than Euro 1 billion, due to the contribution of the subsidiary Lawrence Life. During the nine months ended on 30 September 2013 there was a slowdown in the trend of redemptions with respect to the amount recorded in the period ended on 30 September 2012. The result of the financial management improved compared to the first nine months of 2012, thanks in part to the impact of higher net realized gains recorded during the third quarter of 2013. The impact for the period of the impairment on AFS financial instruments, amounting to Euro 15.5 million at 30 September 2013 (compared to Euro 28.1 million at 30 September 2012) was more limited.

Real Estate Business

At 30 September 2013, the real estate business recorded a loss before taxes of Euro 41.6 million, compared to a loss before taxes of Euro 35.2 million recorded as at 30 September 2012. The result of this sector was negatively affected by impairment losses on investment property of Euro 16.4 million (compared to Euro 2.4 million at 30 September 2012), depreciation of Euro 22.0 million (compared to Euro 22.3 million at 30 September 2012). In particular, further recognized reductions in the value of properties during the period were mainly due to the real estate initiative of the Port of Loano (through its subsidiary Marina di Loano), the valuation method of which as used at year-end was updated. Given the continuing stagnation of the sector, there were no realized gains and management operations were directed not only to controlling costs, but to the restructuring and streamlining of existing assets characterized by specific initiatives, which do not meet the requirements of immediate realization, such as the Castello Area in Florence or the aforementioned Port of Loano.

Other Activities

The other activities sector, which, in addition to the parent company Premafin, includes companies operating in the financial sector and asset management, at 30 September 2013 showed a pre-tax loss of Euro 33.9 million (compared to a loss of Euro 92.3 million at 30 September 2012). Premafin contributed to the formation of sector's result mainly with financial expenses of Euro 5.6 million and sundry overhead costs of Euro 4 million. The negative results are also attributable to the continuing structural loss of Centro Oncologico Fiorentino and Atahotels, in addition to the loss of Sainternational S.A. in liquidation, as a result of the impairment of the RCS shares in the portfolio. It should be noted that the result at 30 September 2012 included extraordinary items, such as accruals by Premafin to the provisions for contractual risks of approximately Euro 32 million and the impact on BancaSai of the write-down of receivables from the Imco-Sinergia Group of about Euro 17 million, while it did not include the negative impact of Atahotels (as at the time it was classified among the assets being disposed of, and subsequently excluded from such allocation as a result of the renewed interest of the Group in the initiative).

At 30 September 2013, the operating expenses of the Premafin Group amounted to Euro 1,170.3 million, a decrease of approximately 5% compared to Euro 1,234.9 million at 30 September 2012. This reduction is mainly due to the reduction in acquisition commissions as a result of the contraction in Non-Life premium income.

Excluding the contribution of financial instruments at fair value through profit or loss, the total net income from investments amounted to Euro 661.8 million (Euro 593.4 million at 30 September 2012). This amount consists of interest income of Euro 665.0 million, other net income of Euro 35.1 million, and net gains on real estate and securities of Euro 124.5 million. The balance of gains and losses amounting to approximately a negative Euro 118.6 million. The amount of interest expense, amounting to Euro 44.2 million (Euro 61.5 million at 30 September 2012) is almost entirely due to the financial debt. The balance of valuation items includes Euro 48.0 million (Euro 79.5 million at 30 September 2012) value adjustments on financial instruments available for sale and Euro 51.4 million (Euro 54.3 million at 30 September 2012) in depreciation of property investments.

The contribution of financial instruments at fair value through profit and loss amounted to a positive Euro 79 million (Euro 451.5 million at 30 September 2012). This item includes the net income from financial assets where the risk is borne by policyholders (positive Euro 113.2 million, although offset by the related increase in net charges relating to claims in the Life sector), as well as fair value adjustments of financial instruments belonging to the sector. Net of the component attributable to Life policyholders, the item was essentially negative due to credit losses on hedging derivatives, which were in turn offset by gains in the underlying securities.

Net losses arising from investments in subsidiaries, associates and interests in joint ventures amounted to Euro 0.6 million at 30 September 2013.

The balance of other income and other costs was negative and amounted to Euro 159 million (compared to negative Euro 396.1 million at 30 September 2012). The balance includes the income and expenses of a technical and non-technical nature not elsewhere classified, as well as depreciation other than of property investments, contingent assets and liabilities as well as the net movement in provisions for risks and charges. The account includes amortization of intangible assets and depreciation of tangible assets of Euro 25.4 million. It should be noted that at 30 September 2012 it included impairment losses of Euro 86.0 million, relating to claims against the Group Im.Co.-Sinergia.

At 30 September 2013, the tax liability for income taxes amounted to Euro 242.3 million. This item includes the reversal of deferred tax assets related to significant absorption of part of the tax losses realized in prior years in accordance with the tax law.

The results of the discontinued operations includes the results of the subsidiary Saint George Capital Management S.A.. At 30 September 2012, this item included losses of Euro 13.8 million relating to the loss of the Group Atahotels for the period (at the time classified as discontinued operations) and Euro 2.3 million relating to the earnings arising from the sale of the investment in IGLI S.p.A..

Income statement for the financial years ended on 31 December 2012, 2011 and 2010

The following table shows the income statement data of the Premafin Group for the financial years ended on 31 December 2012, 2011 and 2010.

(Amounts in millions of Euros)		Financial year ended on 31 December 2012	Financial year ended on 31 December 2011 (restated as per IAS 8)	Financial year ended on 31 December 2011	Financial year ended on 31 December 2010
1.1	Net premiums	9.967,2	10.527,3	10.527,3	12.585,3
1.1.1	Gross premiums	10.277,2	10.850,3	10.850,3	12.911,5
1.1.2	Ceded premiums	(309,9)	(322,9)	(322,9)	(326,2)
1.2	Commission income	15,4	24,4	24,4	57,3
1.3	Gains and losses on remeasurement of financial instruments at fair value through profit or loss	544,6	304,0	304,0	378,3
1.4	Gains on investments in subsidiaries, associates and interests in joint ventures	0,6	1,9	1,9	55,8
1.5	Gains on other financial instruments and investment property	1.181,5	1.192,1	1.192,1	1.283,4
1.5.1	Interest income	823,9	828,6	828,6	722,4
1.5.2	Other income	138,4	150,7	150,7	169,7
1.5.3	Realized gains	210,9	212,6	212,6	390,8
1.5.4	Unrealized gains	8,3	0,3	0,3	0,5
1.6	Other income	501,9	666,7	666,7	551,8
1	TOTAL INCOME AND REVENUES	12.211,3	12.716,5	12.716,5	14.911,8
2.1	Net charges relating to claims	(9.357,6)	(9.723,8)	(10.240,8)	(12.152,9)
2.1.1	Amounts paid and changes in technical provisions	(9.660,0)	(9.889,9)	(10.406,9)	(12.341,9)
2.1.2	Reinsurers' share	302,5	166,1	166,1	189,0
2.2	Commission expense	(7,4)	(15,9)	(15,9)	(28,4)
2.3	Losses on investments in subsidiaries, associates and interests in joint ventures	(15,2)	(7,1)	(7,1)	(21,6)
2.4	Losses on other financial instruments and investment property	(859,1)	(977,5)	(977,5)	(826,0)
2.4.1	Interest expense	(80,0)	(90,6)	(90,6)	(88,1)
2.4.2	Other charges	(73,1)	(69,3)	(69,3)	(78,0)
2.4.3	Realized losses	(147,5)	(142,3)	(142,3)	(166,1)
2.4.4	Unrealized losses	(558,4)	(675,4)	(675,4)	(493,9)
2.5	Operating expenses	(1.707,3)	(1.887,0)	(1.887,0)	(1.928,9)
2.5.1	Commissions and other acquisition costs	(1.248,8)	(1.406,6)	(1.406,6)	(1.427,0)
2.5.2	Investment management expenses	(16,1)	(16,4)	(16,4)	(14,6)
2.5.3	Other administrative expenses	(442,5)	(464,0)	(464,0)	(487,3)
2.6	Other costs	(1.278,0)	(1.047,3)	(1.047,3)	(981,0)
2	TOTAL COSTS AND CHARGES	(13.224,5)	(13.658,5)	(14.175,5)	(15.938,9)
	PROFIT (LOSS) FOR THE YEAR BEFORE TAXATION	(1.013,2)	(942,0)	(1.459,0)	(1.027,0)
3	Taxation	129,2	213,1	391,1	77,1
	PROFIT (LOSS) FOR THE YEAR NET OF TAX	(884,0)	(729,0)	(1.068,0)	(949,9)
4	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	1,8	30,9	30,9	1,8
	CONSOLIDATED PROFIT (LOSS)	(882,2)	(698,1)	(1.037,1)	(948,2)
	attributable to the Group	(283,6)	(188,1)	(263,6)	(271,5)
	attributable to minority interests	(598,6)	(510,0)	(773,5)	(676,6)

The following are the main figures of the income statement by business segment in accordance with IFRS 8 with respect to the financial years ended 31 December 2012, 2011 and 2010:

(Values in millions Euros)	NON-LIFE BUSINESS			LIFE BUSINESS			REAL ESTATE			OTHER			INTERSEGMENT ELIMINATIONS			TOTAL		
	2012	2011 (restated as per IAS 8)	2011	2012	2011 (restated as per IAS 8)	2011	2012	2011 (restated as per IAS 8)	2011	2012	2011 (restated as per IAS 8)	2011	2012	2011 (restated as per IAS 8)	2011	2012	2011 (restated as per IAS 8)	2011
Net premiums	6.364,2	6.792,1	6.792,1	3.603,0	3.735,3	3.735,3	-	-	-	-	-	-	-	-	-	9.967,2	10.527,3	10.527,3
Other revenues	850,1	849,7	849,7	1.332,7	1.203,7	1.203,7	74,0	134,1	134,1	720,0	731,1	731,1	(732,6)	(729,4)	(729,4)	2.244,1	2.189,2	2.189,2
TOTAL REVENUES	7.214,3	7.641,8	7.641,8	4.935,7	4.939,0	4.939,0	74,0	134,1	134,1	720,0	731,1	731,1	(732,6)	(729,4)	(729,4)	12.211,3	12.716,5	12.716,5
Net charges relating to claims	(4.999,3)	(5.407,8)	(5.924,8)	(4.358,2)	(4.316,0)	(4.316,0)	-	-	-	-	-	-	-	-	-	(9.357,6)	(9.723,8)	(10.240,8)
Other costs	(2.789,1)	(2.770,1)	(2.770,1)	(617,0)	(722,8)	(722,8)	(311,6)	(338,3)	(338,3)	(882,0)	(833,1)	(833,1)	732,6	729,6	729,6	(3.866,9)	(3.934,7)	(3.934,7)
TOTAL COSTS	(7.788,4)	(8.177,9)	(8.694,9)	(4.975,2)	(5.038,8)	(5.038,8)	(311,6)	(338,3)	(338,3)	(882,0)	(833,1)	(833,1)	732,6	729,6	729,6	(13.224,5)	(13.658,5)	(14.175,5)
Profit (loss) for the year before income taxation	(574,2)	(536,1)	(1.053,1)	(39,5)	(99,8)	(99,8)	(237,6)	(204,2)	(204,2)	(162,0)	(102,1)	(102,1)	0,0	0,1	0,1	(1.013,2)	(942,0)	(1.459,0)

(Values in millions Euros)	NON-LIFE BUSINESS		LIFE BUSINESS		REAL ESTATE		OTHER		INTERSEGMENT ELIMINATIONS		TOTAL	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Net premiums	6.792,1	6.854,8	3.735,3	5.730,5	-	-	-	-	-	-	10.527,3	12.585,3
Other revenues	849,7	857,9	1.203,7	1.264,6	134,1	184,4	731,1	762,1	(729,4)	(742,5)	2.189,2	2.326,5
TOTAL REVENUES	7.641,8	7.712,7	4.939,0	6.995,1	134,1	184,4	731,1	762,1	(729,4)	(742,5)	12.716,5	14.911,8
Net charges relating to claims	(5.924,8)	(5.786,5)	(4.316,0)	(6.366,5)	-	-	-	-	-	-	(10.240,8)	(12.152,9)
Other costs	(2.770,1)	(2.887,3)	(722,8)	(556,4)	(338,3)	(235,4)	(833,1)	(849,7)	729,6	742,8	(3.934,8)	(3.785,9)
TOTAL COSTS	(8.694,9)	(8.673,8)	(5.038,8)	(6.922,9)	(338,3)	(235,4)	(833,1)	(849,7)	729,6	742,8	(14.175,5)	(15.938,9)
Profit (loss) for the year before income taxation	(1.053,1)	(961,1)	(99,8)	72,2	(204,2)	(50,9)	(102,1)	(87,6)	0,1	0,3	(1.459,0)	(1.027,0)

Comparison of economic data of financial year 2012 and financial year 2011

The consolidated result for the year ended 31 December 2012 was a loss of Euro 882.2 million, compared to a loss of Euro 698.1 million (restated figures) and Euro 1,037.1 million (original data) in the previous year.

The overall technical performance of the insurance sectors was characterized by a decline in premiums of the Non-Life business (-9.1%) and in the Life business (-3.8%), as a result of the effects of actions taken in the selection and improvement of the quality of the portfolio, as well as, in the MV Classes due the reduction of the circulating fleets. The following is an analysis of the main areas of activity of the Premafin Group.

Non-Life Business

At December 31, 2012, the Non-Life sector recorded a loss before taxes amounting to Euro 574.2 million, compared to a loss before taxes for the year 2011 amounting to Euro 536.1 million, with restated figures, and equal Euro 1,053.1 million with reference to the original data. In the MV third party liability premiums decreased by 9.1% compared to 2011, partly because of the multi-risk portfolio restructuring policies and the continuing influence of the effects of specific regulations which strongly reduced the discriminatory power of the “Bonus Malus” system. The Group’s economic performance in 2012 Premafin suffered a significant drop in registrations. Current operations were positive and showed a positive trend with a reduction in the number of reported claims and they benefited from the strict settlement policy undertaken by Fonsai, aimed, inter alia, to act as a deterrent in relation to the many scams that plague the industry. The claims of previous generations, conversely, continue to be affected by the year-end inventory activity by the settlement network, which significantly impacted the civil liability sectors (MV third party liability and general third party liability). Therefore, compared with a loss ratio of the current generation on the whole positive, the strengthening of the residual burden carried out primarily by the settlement network caused the overall combined ratio to be 104% in 2012. The earthquake that hit the Emilia Romagna region in the months of May and June 2012 had an impact on Fire insurance by increasing the loss ratio for the current year. The cost of such claims, however, was mostly recovered through the coverage of reinsurance in excess of claims. Positive results were instead achieved in the classes of Accident, legal protection and assistance. The result of the Non-Life sector was also influenced by Euro 126 million in impairment on financial assets available for sale (compared to Euro 159 million for the year ended 31 December 2011).

Life Business

The Life sector recorded a pre-tax loss of Euro 39.5 million, compared to a loss of Euro 99.8 million (restated data and original data) for the year 2011. The premiums reflect the general trend of the market, both for insurance with a social security content, and for capitalization insurance with primarily financial content, proof of the financial difficulties incurred both by households and by businesses. The trend in income remained negative, although the latter part of the year helped contain the decline that occurred for most of 2012. The trend in redemptions was particularly relevant amounting to approximately Euro 5 billion, compared with Euro 2.9 billion in the previous year, against which the Premafin Group companies operated by limiting the related liquidity risk as a result of gains in the underlying financial assets. Moreover, the volatility of the financial markets was an impediment to recording significant disposal gains, which were limited to those realized earlier in the year. The sector’s result also reflects the failure to charge Life policyholders, through the income statement, with valuation losses related to government bonds of the Hellenic Republic. In fact, the losses recorded in late 2011, for the portions attributable to Life policyholders, had been partially charged in compliance with the guaranteed minimum. As a result of the swap on Greek government bonds and the consequent allocation of the same outside the separate management (as a result of the indications of the Supervisory Authority) it became no longer possible to charge the abovementioned losses. The impairments on AFS financial instruments amounted to Euro 58 million, compared to Euro 208 million for the year ended on 31 December 2011. The sector’s result was also affected by the goodwill impairment loss of the subsidiary Popolare Vita for Euro 159 million (compared to Euro 101 million for the financial year ended at 31 December 2011).

Real Estate Business

The real estate business recorded a loss before taxes of approximately Euro 237.6 million, compared to a loss of Euro 204.2 million (restated data and original data) for the financial year ended at 31 December 2011, primarily due to the valuation impact of properties owned. Impairment losses and depreciation were in fact recorded amounting to approximately Euro 222 million, compared to Euro 221 million in the previous year. This was due in particular to the specific nature of the property belonging to the sector (development initiatives, land, buildings for tourist hotels) for which the economic environment contributed to determine a significantly adjusted recoverable value compared to the previous year, owing to the severe illiquidity that characterizes some of the company's assets.

During 2012, there were no significant disposal transactions: the privileged operations entailed streamlining and cost containment. The real estate business in 2012 also reflected the write-down of the receivable from Im.Co. (Euro 3.8 million) for the bankruptcy which occurred on 14 June 2012 with regard to this real estate initiative having as its object the whole site in San Pancrazio Parmense, as well as the complete write-off of advances amounting to Euro 7.2 million, paid out by the subsidiary Nit to Europrogetti for activities related to the development of the Castello Area in Florence. By contrast, the net result of the sector benefited from the gain on the sale of the stake in IGLI of approximately Euro 2.3 million, which was recorded as part of the gain resulting from discontinued operations.

Other activities

The sector of other activities, which, in addition to Premafin, includes companies operating in the financial sector, in asset management and in the hotel business, posted a loss before taxes of Euro 162.0 million, compared to a loss of Euro 102.1 million (restated data and original data) for the financial year ended at 31 December 2011. Premafin contributed to the formation of the consolidated results of the other activities sector in 2012 with the following charges:

- Provisions of Euro 31.6 million for contractual risks;
- Recurring and non-recurring overhead cost and sundry costs of Euro 14.4 million;
- financial expenses of Euro 19.6 million;
- extraordinary expenses of Euro 2.0 million for debt restructuring.

The negative result of the sector in 2012 is also attributable to Atahotels and healthcare facilities belonging to the Company, which, despite the restructuring in progress, still have an imbalance between overhead costs and revenues. The impact on the accounts of BancaSai of the write-down of receivables from the Group Im.Co. - Sinergia of approximately Euro 17 million must be added to this. The impairments on AFS financial instruments amounted to approximately Euro 4.3 million.

In 2012, the operating expenses of the Premafin Group were down from Euro 1,887 million for the year 2011 to Euro 1,707 million for the year 2012, also because of the reduction in premiums and the subsequent contraction of intermediation costs. In the Non-Life sector such expenses, net of those strictly related to the management of investments, amounted to Euro 1,397 million, representing 21.8% of the premiums (Euro 1,568 million, representing 22% of the premiums for the year 2011), while in the Life sector the total amount of expenses, net of those strictly related to the management of investments, was Euro 198 million, representing 5.5% of the premiums (Euro 193 million, representing 5.1% of the premiums for the year 2011).

Net fees for financial services rendered and received created a gain amounting to Euro 8 million (Euro 9 million for the year 2011) and referred almost exclusively to the diversified sector in which the subsidiary BancaSai operates.

The contribution of net income from financial instruments at fair value through profit or loss was a gain amounting to Euro 545 million, compared to a gain of Euro 304 million for the year 2011. This item includes net income from financial assets for which the risk is borne by policyholders (gain of Euro 561 million,

although offset by the corresponding increase in net charges relating to claims in the Life sector), as well as, residually, from the fair value adjustment of financial instruments belonging to the sector.

Net charges arising from investments in subsidiaries, associates and interests in joint ventures amounted to Euro 15 million (Euro 5 million for financial year 2011) and derived mainly from the contribution of the associated companies Garibaldi S.c.a. and Isola S.c.a. operating within real estate development projects in the Porta Nuova area in Milan. These development projects provide for the achievement of profit only at the end of the construction works and the subsequent sale of the buildings. The negative impact was therefore temporary and destined to be reabsorbed once marketing activities have been completed.

Excluding the contribution of the net proceeds from financial instruments at fair value through profit or loss, total income net of investments, including income (net of the related expenses) from investments in subsidiaries, associates and interests in joint ventures of a negative Euro 15 million, in 2012 amounted to Euro 308 million (Euro 209 million for the year 2011). This value benefited from interest income of Euro 824 million, other net income of Euro 65 million, net gains on disposal of Euro 63 million and valuation losses, net of reversals of approximately Euro 550 million. The latter include impairments on AFS financial instruments of Euro 188 million and impairment and depreciation of Euro 353 million of property investments.

The amount of interest expense, i.e. Euro 80 million (compared to Euro 91 million for the year ended on 31 December 2011) was almost entirely due to financial debt.

The balance of other income and expenses was a loss amounting to Euro 776 million (loss amounting to Euro 381 million for the year ended on 31 December 2011). This item included depreciation of tangible assets and amortization of intangible assets of approximately Euro 55 million (Euro 58 million for the year 2011), Euro 260 million relating to impairment losses recognized on goodwill and Euro 19 million related to impairment on Tangible assets (of which Euro 14 million related to property used for business purposes). This item included impairment write-downs of approximately Euro 86 million, recorded in relation to claims against the Im.Co.-Sinergia Group's bankruptcy.

Income from discontinued operations amounted to Euro 1.8 million (Euro 30.8 million for the year 2011) and included Euro 2.3 million relating to the gains from the disposal of the investment in IGLI S.p.A., which was completed in the first part of financial year 2012.

Taxes in 2012 were constituted by a gain of Euro 129 million, compared to Euro 213 million (2011 restated figures) and Euro 391 million (original data for 2011), due to the recognition of net deferred tax assets.

The failure to achieve any savings on write-downs on AFS shares recognized in the income statement and fiscally irrelevant, on the other hand, determined an increase in the actual tax burden compared to the theoretical burden. This was aided by, among other things, the positive result, net of consolidation adjustments, achieved by foreign subsidiaries, such as Lawrence R.E. and DDOR Novi Sad, which underwent significantly lighter taxation.

Comparison of economic data of financial year 2011 and financial year 2010

The consolidated result for financial year 2012 was a loss of Euro 882.2 million, compared to a loss in the previous year amounting to Euro 698.1 million (restated figures) and Euro 1,037.1 million (original figures).

The consolidated result for financial year 2011 was a loss of Euro 1,037.1 million, compared to a loss of Euro 948.2 million for the year 2010.

The overall technical performance of the insurance sector was characterized by a decline in the premium income of the Non-Life sector (-2%) and a decrease (34.7%) in the Life sector, which the turbulence on the financial markets and in particular, the drop in prices of securities of Italian sovereign debt contributed to, in addition to the reduction in the contribution of the bancassurance channel. The following is an analysis of the main areas of activity of the Premafin Group.

Non-Life Business

The Non-Life sector recorded a loss before taxes of Euro 1,053.1 million for financial year 2011, compared to a loss before taxes amounting to Euro 961.1 million for the year 2010. This result, compared to a positive trend in current operations in the motor vehicle classes, reflected the write-up of the residual claims of previous generations in MV third party liability, performed both as a result of IVASS reports received by the Premafin Group, for the inspection conducted on the cycle “third party liability claims”, and as a result of the inventory carried out by the settlement network in order to regularly review the residual technical provisions for each claim in place, as well as, most recently, at the conclusion of the refining process of statistical and actuarial models that ratified the regulatory and legislative developments during 2011. Impairment of AFS financial instruments increased from Euro 304 million for 2010 to Euro 133 million for the year 2011.

Life Business

The Life sector recorded a loss before taxes of Euro 99.8 million, compared to a profit of Euro 72.2 million for the year 2010. In 2011, the sector was significantly affected by a reduction of 34.7% in premiums. The premiums were affected by the difficult economic situation, while the investment policy pursued the containment of volatility in a highly difficult context. These factors influenced i) the valuation of financial instruments, where impairment of Euro 208 million (Euro 84 million for the year 2010) was recorded in the income statement in 2011, as well as ii) the valuation prospects regarding the projections of expected future returns. The sector's result was also affected by the goodwill impairment loss in the subsidiary Popolare Vita.

Real Estate Business

The real estate business recorded a loss before taxes of approximately Euro 204.2 million, compared with a loss of Euro 50.9 million for 2010, primarily due to the valuation impact of the properties owned. Impairment losses and depreciation of approximately Euro 220 million were in fact recorded (of which Euro 18 million related to write-downs of investments in associated companies involved in real estate development projects), compared to Euro 42 million for the year 2010. This was due in particular to the specific nature of the assets belonging to the real estate business (development projects, land, buildings for tourist hotels) for which, given the difficulty in obtaining credit from real estate operators and the significant slowdown in demand, the Premafin Group adopted a more prudent approach. This result does not take into account the capital gain of Euro 30.9 million arising from the sale of the stake in CityLife as the same, despite having been achieved within the real estate industry, was classified under “Income from discontinued operations” as provided for by IFRS 5.

Other activities

The sector of other activities, which, in addition to Premafin, includes companies operating in the financial sector, in asset management and in the hotel industry, showed a loss before taxes of Euro 102.1 million in 2011, compared to a loss of Euro 87.6 million for the year 2010. The negative result includes losses on fair value valuations of Euro 15.6 million related to the equity swap contract of Premafin on Fonsai ordinary shares, as well as the interest expense related to the Premafin loan of Euro 12 million. The negative result is also due to Atahotels and healthcare facilities belonging to the Company, which, in spite of the ongoing restructuring, had an imbalance between overhead costs and revenues.

The implementation of a cost containment policy resulted in a decrease in total operating expenses of the Premafin Group, from Euro 1,928.9 million for 2010 to Euro 1,887.0 million for the year 2011. In the Non-Life sector such expenses, net of those strictly related to the management of investments, amounted to Euro 1,568 million, representing 22% of the premiums (Euro 1,586 million, representing 22% of the premiums for the year 2010), while in the Life sector the total amount of expenses was Euro 193 million, representing 5.1% of the premiums (compared to Euro 203 million, representing 3.5% of the premiums for the year 2010). The decrease in operating expenses was even more significant when one considers that they include

non-recurring charges including retirement incentives and Euro 10 million related to the severance package of the former Chief Executive Officer.

Net fees for financial services rendered and received resulted in a gain of Euro 8.5 million (compared to Euro 28.9 million for the year ended on 31 December 2010) and referred almost exclusively to the diversified sector in which the subsidiary BancaSai operates.

The contribution of net income from financial instruments at fair value through profit or loss was a gain amounting to Euro 304.0 million (Euro 378.3 million for the year 2010). This item includes the net income of financial assets for which the risk is borne by policyholders (a gain of Euro 328 million, although offset by the corresponding increase in net charges relating to claims in the Life sector), and, residually, the fair value adjustment of financial instruments belonging to the sector.

Net charges arising on investments in subsidiaries, associates and interests in joint ventures amounted to Euro 5.2 million (Euro 34.2 million for the year 2010).

Excluding the contribution of the net proceeds from financial instruments at fair value through profit or loss, the total net income from investments, including net income from investments in subsidiaries, associates and interests in joint ventures of Euro -5.2 million, reached Euro 209 million (Euro 492 million for the year 2010). Interest income of Euro 829 million contributed to this total amount, as well as other net income of Euro 81 million, net gains on disposal of Euro 70 million and losses, net of reversals, of approximately Euro 675 million. The latter included Euro 341 million in relation to impairments on AFS financial instruments and Euro 316 million in relation to the impairment and depreciation of property investments.

The amount of interest expense, i.e. Euro 90.6 million (Euro 88.1 million for the year 2010) was almost entirely due to the financial debt.

The balance of other income and expenses was a loss amounting to Euro 381 million (loss of Euro 429 million for the year 2010). This item includes amortization of intangible assets and depreciation of tangible assets of approximately Euro 58 million (Euro 82 million for the year 2010), impairment of Euro 101 million recognized on goodwill recorded in the subsidiary Popolare Vita and impairment of Euro 23 million (of which Euro 22 million relating to property used for business purposes) on Tangible assets.

Income from discontinued operations entailed a gain of Euro 30.9 million from the disposal of CityLife.

Income taxes in 2011 included the positive effect arising from, on the one hand, the recognition of future tax savings resulting from the existence of tax losses to be offset in subsequent fiscal years by the major subsidiaries and, on the other hand, from the choice made by Fonsai to exercise the right to detach the goodwill recorded in the consolidated financial statements - as a result of the acquisition of controlling stakes in Popolare Vita, Liguria Assicurazioni, DDOR Novi Sad and Incontra Assicurazioni - by payment of a 16% substitute IRES and IRAP tax, at the same time, recognizing the deferred tax assets related to the future deduction of detached capital gains with an overall positive impact of Euro 117 million. In contrast, the increase of the tax burden compared to the nominal one was substantially related to the failure to achieve tax savings on the impairment of AFS shares recognized in the income statement and fiscally irrelevant.

4.2.1.4 Cash Flow Statements of the Premafin Group

Cash flow statements of the nine-month periods ended on 30 September 2013 and 2012

The following table shows the cash flow statements of the Premafin Group for the nine-month periods ended on 30 September 2013 and 2012.

<i>(Amounts in millions of Euros)</i>	Nine-month period ended on 30 September 2013	Nine-month period ended on 30 September 2012
Profit (loss) for the year before taxation	556,2	(27,7)
Change in non-monetary items	(1.180,2)	(2.288,6)
Change in non-life premium provisions	(354,9)	(371,7)
Change in claims provision and other Non-Life technical provisions	(492,4)	(65,9)
Change in mathematical provisions and other Life technical provisions	(221,2)	(1.789,7)
Change in deferred acquisition costs	(7,8)	0,6
Change in provisions	16,1	44,1
Non-monetary gains and losses on financial instruments, investment property and investments	(34,9)	(105,9)
Other changes	(85,3)	(0,0)
Change in receivables and payables generated by operating activities	439,5	509,9
Change in receivables and payables relating to direct insurance and reinsurance	278,9	457,3
Change in other receivables and payables	160,6	52,5
Paid taxes	(43,3)	(9,3)
Net cash flows generated by/used for monetary items from investing and financing activities	574,9	1.612,5
Liabilities from financial contracts issued by insurance companies	9,1	(762,7)
Payables to bank and interbank customers	18,3	(39,6)
Loans and receivables from banks and interbank customers	37,8	(115,4)
Other financial instruments at fair value through profit or loss	509,7	2.530,2
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	347,0	(203,3)
Net cash flow generated by/used for investment property	19,8	154,9
Net cash flow generated by/used for investments in subsidiaries, associates and joint ventures	0,6	(24,8)
Net cash flow generated by/used for loans and receivables	17,7	166,5
Net cash flow generated by/used for held-to-maturity investments	82,5	(144,1)
Net cash flow generated by/used for available-for-sale financial assets	(104,4)	(1.298,4)
Net cash flow generated by/used for property, plant and equipment and intangible assets	(18,6)	6,6
Other cash flow generated by/used for investing activities	0,0	87,2
TOTAL NET CASH FLOW GENERATED BY/USED FOR INVESTING ACTIVITIES	(2,3)	(1.052,1)
Net cash flow generated by/used for equity instruments attributable to the owners of the Parent	-	331,7
Net cash flow generated by/used for treasury shares	-	-
Dividends distributed attributable to the owners of the Parent	-	(0,2)
Net cash flow generated by/used for share capital and reserves attributable to non-controlling interests	-	714,5
Net cash flow generated by/used for subordinated liabilities and equity instruments	-	-
Net cash flow generated by/used for other financial liabilities	(61,9)	74,5
TOTAL NET CASH FLOW GENERATED BY/USED FOR FINANCING ACTIVITIES	(61,9)	1.120,4
Effect of exchange rate gains/losses on cash and cash equivalents	(0,5)	(2,9)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	569,8	1.004,1
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	282,3	(137,9)
CASH AND CASH EQUIVALENTS AT YEAR-END (*)	852,2	866,2

(*) Includes cash and cash equivalents of non-current assets or disposal groups held for sale (Euro 27.0 million)

Cash flow statements for the financial years ended on 31 December 2012, 2011 and 2010

The following table shows the cash flow statements of the Premafin Group for the financial years ended on 31 December 2012, 2011 and 2010.

(Amounts in millions of Euros)	Financial year ended on 31 December 2012	Financial year ended on 31 December 2011 (restated as per IAS 8)	Financial year ended on 31 December 2011	Financial year ended on 31 December 2010
Profit (loss) for the year before taxation	(1.013,2)	(942,0)	(1.459,0)	(1.027,0)
Change in non-monetary items	(1.226,3)	1.321,1	1.838,1	4.148,8
Change in non-life premium provisions	(242,2)	(38,7)	(38,7)	35,6
Change in claims provision and other Non-Life technical provisions	33,7	292,3	809,3	217,4
Change in mathematical provisions and other Life technical provisions	(1.952,2)	(87,2)	(87,2)	3.233,2
Change in deferred acquisition costs	(21,9)	57,3	57,3	54,5
Change in provisions	(20,8)	(1,8)	(1,8)	61,5
Non-monetary gains and losses on financial instruments, investment property and investments	322,0	609,2	609,2	230,2
Other changes	655,3	490,1	490,1	316,3
Change in receivables and payables generated by operating activities	189,8	(360,7)	(360,7)	(188,2)
Change in receivables and payables relating to direct insurance and reinsurance	156,5	(155,2)	(155,2)	(141,6)
Change in other receivables and payables	33,3	(205,5)	(205,5)	(46,6)
Paid taxes	(32,8)	(125,6)	(125,6)	(29,5)
Net cash flows generated by/used for monetary items from investing and financing activities	2.104,2	(543,8)	(543,8)	(585,0)
Liabilities from financial contracts issued by insurance companies	(759,3)	(368,9)	(368,9)	(449,5)
Payables to bank and interbank customers	(63,3)	(48,5)	(48,5)	(52,1)
Loans and receivables from banks and interbank customers	143,9	98,7	98,7	(48,3)
Other financial instruments at fair value through profit or loss	2.783,0	(225,1)	(225,1)	(35,0)
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	21,7	(651,0)	(651,0)	2.319,1
Net cash flow generated by/used for investment property	76,0	29,0	29,0	84,1
Net cash flow generated by/used for investments in subsidiaries, associates and joint ventures	(27,3)	161,2	161,2	47,0
Net cash flow generated by/used for loans and receivables	8,5	(628,1)	(628,1)	(385,1)
Net cash flow generated by/used for held-to-maturity investments	(76,1)	(7,6)	(7,6)	216,3
Net cash flow generated by/used for available-for-sale financial assets	(1.532,4)	1.263,8	1.263,8	(2.034,8)
Net cash flow generated by/used for property, plant and equipment and intangible assets	(21,2)	(35,8)	(35,8)	(17,0)
Other cash flow generated by/used for investing activities	87,2	(15,0)	(15,0)	228,6
TOTAL NET CASH FLOW GENERATED BY/USED FOR INVESTING ACTIVITIES	(1.485,4)	767,6	767,6	(1.860,8)
Net cash flow generated by/used for equity instruments attributable to the owners of the Parent	337,2	-	-	-
Net cash flow generated by/used for treasury shares	-	-	-	-
Dividends distributed attributable to the owners of the Parent	(0,2)	-	-	-
Net cash flow generated by/used for share capital and reserves attributable to non-controlling	714,5	563,1	563,1	(192,5)
Net cash flow generated by/used for subordinated liabilities and equity instruments	-	-	-	-
Net cash flow generated by/used for other financial liabilities	(19,8)	(303,9)	(303,9)	(228,6)
TOTAL NET CASH FLOW GENERATED BY/USED FOR FINANCING ACTIVITIES	1.031,6	259,2	259,2	(421,1)
Effect of exchange rate gains/losses on cash and cash equivalents	(2,2)	(0,0)	(0,0)	(3,3)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1.004,1	628,4	628,4	591,2
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(434,3)	375,7	375,7	37,2
CASH AND CASH EQUIVALENTS AT YEAR-END	567,8	1.004,1	1.004,1	628,4

4.2.1.5 Debt of the Premafin Group

The following table shows the debt of the Premafin Group as at 30 September 2013, at 31 December 2012, 2011 and 2010. For the purposes of proper representation, it is considered appropriate to give evidence in this section of only items relating to financial debt, defined as the total amount of financial liabilities not strictly related to core operations. Liabilities that are operating debt or liabilities that have a direct or indirect correlation with the assets are therefore excluded.

<i>(Amounts in millions of Euros)</i>	At 30 September 2013 (*)	At 31 December 2012	At 31 December 2011 (restated as per IAS 8)	At 31 December 2011	At 31 December 2010
Subordinated loans	1.042,30	1.048,1	1.049,5	1.049,5	1.041,4
Amounts owed to banks and other loans	594,2	651,3	642,9	642,9	863,4
Financial debt	1.636,5	1.699,4	1.692,4	1.692,4	1.904,8
Interbank loans	(7,7)	(2,9)	(29,1)	(29,1)	(78,6)
Interbank debt	-	-	-	-	-
Net interbank deposits	(7,7)	(2,9)	(29,1)	(29,1)	(78,6)
Total financial debt	1.628,8	1.696,5	1.663,3	1.663,3	1.826,2

The debts represented above are shown in the consolidated financial statements of the Premafin Group under “Other financial liabilities”, which also includes the liabilities of an operating nature, which at 30 September 2013 amounted to Euro 445.2 million. Moreover, limited to 30 September 2013, financial debt included the item “subordinated loans” of Euro 150.4 million related to liabilities forming part of the insurance assets to be divested in accordance with the provisions of the AGCM dated 19 June 2012 and posted in the balance sheet item “Liabilities of a disposal group held for sale”.

More details on the subordinated loans and amounts owed to banks and other loans are described in section 4.2.1.1.

4.3 Financial information regarding the Milano Assicurazioni Group

4.3.1 Balance sheet, income statement and cash flow statement of the Milano Assicurazioni Group for the nine-month period ended at 30 September 2013 and for the financial years ended on 31 December 2012, 2011 and 2010

This paragraph shows the balance sheet, the income statement, the cash flow statement and the debt of the Milano Assicurazioni Group for the nine-month period ended at 30 September 2013, as well as with regard to the financial years ended on 31 December 2012, 2011 and 2010. This information was extracted from the following documents:

- condensed consolidated interim financial statements of the Milano Assicurazioni Group for the nine-month period ended at 30 September 2013 subjected to a limited audit by PricewaterhouseCoopers, which issued its unqualified report on 2 December 2013. These financial statements were prepared in accordance with accounting standards applicable to interim financial reports (IAS 34).
- consolidated financial statements of the Milano Assicurazioni Group for the financial years ended on 31 December 2012, 2011 and 2010. These financial statements were prepared in accordance with IAS/IFRS issued by the IASB (International Accounting Standards Board), as approved by the European Union, and on the basis of the interpretations issued by the official bodies. The consolidated financial statements as at 31 December 2012 were audited by Reconta Ernst & Young, which issued its unqualified report on 24 April 2013. The consolidated financial statements at 31 December 2011 and 2010 were audited by Deloitte & Touche S.p.A., which issued its unqualified reports, respectively, on 30 March 2012 and 5 April 2011.

The condensed consolidated interim financial statements for the nine-month period ended at 30 September 2013, and the consolidated financial statements for the financial years ended on 31 December 2012, 2011 and 2010 are included in the Updated Information Document by reference. These documents, together with management report, may be inspected at the registered office of Milano Assicurazioni and on the website www.milass.it.

To facilitate the identification of the information contained in the incorporated documents by reference, the following are the pages related to the main sections of the documents in question:

	September 2013	Financial year 2012	Financial year 2011	Financial year 2010
Management Report	7	5	479	469
Consolidated Balance Sheet	70	80	598	574
Consolidated Income Statement	72	82	600	576
Consolidated Statement of Comprehensive Income	73	83	601	577
Statement of Changes in Consolidated Shareholders' Equity	75	88	606	582
Consolidated Cash Flow Statement	77	89	608	584
Explanatory Notes	79	91	609	585
Report of Independent Auditors	167	271	785	743

With reference to the data for financial year 2011, this section also reports restated figures following the Consob Communication of 17 April 2013. In particular, as a result of such communication, Milano Assicurazioni showed the column “restated as per IAS 8” on the 2011 data in the financial statements and in the notes to the financial year 2012.

The restatements of the 2011 data were as follows:

- claims charges: these were reduced by Euro 203 million since such amount, which represents the shortage in claims provisions for the MV Class as highlighted by IVASS in the note on findings dated 17 November 2011 for Milano Assicurazioni, it was considered, according to Consob Resolution No. 18432, as a correction of an error of the previous consolidated financial statements and therefore, net of the related tax effect deducted from capital reserves;
- income taxes: these were increased by Euro 70 million, equal to the tax effect related to the changes made to the claims charges.

These restatements resulted in a reduction of Euro 133 million in the 2011 loss and a reduction of the same amount in equity-related reserves, with the total shareholders' equity remaining unchanged.

The changes did not result in any modification of the insurance liabilities represented by the claims provisions, or of the adjusted solvency situation.

With regard to the cash flow statements, there was no impact on either the net cash flows from operating activities, or on the overall change in “Cash and cash equivalents”.

4.3.1.1 Balance Sheet of the Milano Assicurazioni Group

The following table provides the balance sheet of the Milano Assicurazioni Group as at 30 September 2013, and as at 31 December 2012, 2011 and 2010.

(Amounts in millions of Euros)		At 30 September 2013	At 31 December 2012	At 31 December 2011 (restated as per IAS 8)	At 31 December 2011	At 31 December 2010
1	INTANGIBLE ASSETS	164,6	234,8	242,5	242,5	250,0
1.1	Goodwill	164,3	230,9	231,1	231,1	231,1
1.2	Other intangible assets	0,3	3,9	11,4	11,4	19,0
2	TANGIBLE ASSETS	5,1	39,0	52,4	52,4	64,1
2.1	Land and buildings	1,7	34,7	47,0	47,0	58,1
2.2	Other tangible assets	3,5	4,3	5,3	5,3	6,0
3	TECHNICAL PROVISIONS - REINSURERS' SHARE	177,2	340,2	328,9	328,9	434,7
4	INVESTMENTS	5.122,3	8.475,4	8.355,9	8.355,9	9.101,1
4.1	Real estate investments	466,5	613,2	910,7	910,7	1.000,3
4.2	Investments in subsidiaries, associates and interests in joint ventures	116,0	112,0	100,4	100,4	202,4
4.3	Investments held to maturity	95,4	185,4	128,9	128,9	121,8
4.4	Loans and receivables	820,6	891,5	905,5	905,5	660,5
4.5	Financial assets available for sale	3.534,9	6.508,3	6.084,2	6.084,2	6.827,5
4.6	Financial assets at fair value through profit or loss	88,8	165,1	226,1	226,1	288,6
5	SUNDRY RECEIVABLES	511,6	975,0	959,3	959,3	1.034,8
5.1	Receivables relating to direct insurance business	115,4	502,4	614,0	614,0	662,8
5.2	Receivables relating to reinsurance business	21,6	32,5	47,1	47,1	69,6
5.3	Other receivables	374,6	440,2	298,2	298,2	302,5
6	OTHER ASSETS	4.257,9	421,9	558,1	558,1	327,9
6.1	Non-current assets held for sale or disposal groups	3.934,5	-	44,5	44,5	3,5
6.2	Deferred acquisition costs	9,9	13,9	10,7	10,7	7,5
6.3	Deferred tax assets	211,2	283,7	393,8	393,8	205,9
6.4	Current tax assets	30,0	42,1	40,6	40,6	42,8
6.5	Other assets	72,4	82,3	68,4	68,4	68,2
7	CASH AND CASH EQUIVALENTS	188,6	320,3	470,8	470,8	284,7
	TOTAL ASSETS	10.427,3	10.806,6	10.967,9	10.967,9	11.497,3

(Amounts in millions of Euros)		At 30 September 2013	At 31 December 2012	At 31 December 2011 (restated as per IAS 8)	At 31 December 2011	At 31 December 2010
1	SHAREHOLDERS' EQUITY	1.206,3	1.039,2	929,5	929,5	1.304,6
1.1	Group equity	1.204,9	1.037,9	928,2	928,2	1.303,2
1.1.1	Capital	373,7	373,7	373,7	373,7	305,9
1.1.2	Other equity instruments	-	-	-	-	-
1.1.3	Equity-related reserves	295,5	406,6	951,2	951,2	718,1
1.1.4	Income-related reserves and other reserves	309,0	414,0	217,1	350,1	981,0
1.1.5	(Treasury shares)	(31,4)	(31,4)	(31,4)	(31,4)	(31,4)
1.1.6	Translation reserve	-	-	-	-	-
1.1.7	Gains or losses on financial assets available for sale	101,8	106,7	(222,2)	(222,2)	2,0
1.1.8	Other gains or losses recognized directly in equity	(13,4)	(15,7)	(5,8)	(5,8)	(3,7)
1.1.9	Profit (loss) for the year attributable to the shareholders of the Parent Company	169,7	(216,0)	(354,5)	(487,5)	(668,7)
1.2	Minority Interests	1,4	1,3	1,3	1,3	1,3
1.2.1	Share capital and reserves attributable to non-controlling interests	1,4	1,5	1,5	1,5	1,5
1.2.2	Gains or losses recognized directly in equity	-	-	(0,0)	(0,0)	(0,0)
1.2.3	Profit (loss) for the year attributable to minority interests	(0,1)	(0,1)	(0,1)	(0,1)	(0,2)
2	PROVISIONS	64,3	92,1	119,9	119,9	136,1
3	TECHNICAL PROVISIONS	5.022,4	8.874,5	9.072,2	9.072,2	9.144,3
4	FINANCIAL LIABILITIES	155,3	327,4	370,2	370,2	427,9
4.1	Financial liabilities at fair value through profit or loss	71,2	72,5	70,9	70,9	61,6
4.2	Other financial liabilities	84,1	254,9	299,3	299,3	366,3
5	PAYABLES	220,2	312,5	290,5	290,5	309,4
5.1	Payables arising from direct insurance business	11,6	19,5	24,7	24,7	31,4
5.2	Payables arising from reinsurance business	20,9	33,3	26,6	26,6	40,4
5.3	Other payables	187,7	259,8	239,2	239,2	237,6
6	OTHER LIABILITIES	3.758,8	160,8	185,5	185,5	174,9
6.1	Liabilities associated with non-current assets held for sale	3.629,1	-	-	-	-
6.2	Deferred tax liabilities	38,6	36,1	46,5	46,5	33,2
6.3	Current tax liabilities	9,8	10,1	-	-	2,2
6.4	Other liabilities	81,3	114,7	139,0	139,0	139,5
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	10.427,3	10.806,6	10.967,9	10.967,9	11.497,3

With regard to the balance sheet items “Non-current assets held for sale or disposal groups” and “Liabilities associated with non-current assets held for sale” at 30 September 2013, please refer to the notes relating to the Premafin Group in Paragraph 4.2.1.1. above.

4.3.1.2 Income Statement of the Milano Assicurazioni Group

Income Statement for the nine-month periods ended on 30 September 2013 and 2012

The following table shows the income statement data of the Milano Assicurazioni Group for the nine-month periods ended on 30 September 2013 and 2012.

(Amounts in millions of Euros)		Nine-month period ended on 30 September 2013	Nine-month period ended on 30 September 2012
1.1	Net premiums	2,075,3	2,320,3
1.1.1	Gross premiums	2,182,7	2,413,9
1.1.2	Ceded premiums	(107,4)	(93,6)
1.2	Commission income	0,3	0,4
1.3	Gains and losses on remeasurement of financial instruments at fair value through profit or loss	(3,5)	13,5
1.4	Gains on investments in subsidiaries, associates and interests in joint ventures	0,4	0,4
1.5	Gains on other financial instruments and investment property	263,7	293,9
1.5.1	Interest income	194,9	176,4
1.5.2	Other income	26,2	38,1
1.5.3	Realized gains	42,6	77,3
1.5.4	Unrealized gains	0,0	2,1
1.6	Other income	117,2	128,4
1	TOTAL INCOME AND REVENUES	2,453,4	2,757,0
2.1	Net charges relating to claims	(1,524,8)	(1,921,4)
2.1.1	Amounts paid and changes in technical provisions	(1,584,4)	(1,986,0)
2.1.2	Reinsurers' share	59,6	64,6
2.2	Commission expense	(0,1)	(0,1)
2.3	Losses on investments in subsidiaries, associates and interests in joint ventures	(6,0)	(9,7)
2.4	Losses on other financial instruments and investment property	(57,0)	(105,6)
2.4.1	Interest expense	(5,9)	(8,3)
2.4.2	Other charges	(15,5)	(15,8)
2.4.3	Realized losses	(8,8)	(19,7)
2.4.4	Unrealized losses	(26,9)	(61,7)
2.5	Operating expenses	(403,0)	(436,9)
2.5.1	Commissions and other acquisition costs	(320,2)	(349,2)
2.5.2	Investment management expenses	(2,8)	(2,9)
2.5.3	Other administrative expenses	(80,0)	(84,9)
2.6	Other costs	(188,5)	(280,3)
2	TOTAL COSTS AND CHARGES	(2,179,3)	(2,754,0)
	PROFIT (LOSS) FOR THE YEAR BEFORE TAXATION	274,1	3,0
3	Taxation	(104,5)	(9,0)
	PROFIT (LOSS) FOR THE YEAR NET OF TAX	169,6	(6,0)
4	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	0,0	(5,6)
	CONSOLIDATED PROFIT (LOSS)	169,6	(11,6)
	attributable to the Group	169,7	(11,5)
	attributable to minority interests	(0,1)	(0,1)

Income Statement for the financial years ended on 31 December 2012, 2011 and 2010

The following table shows the income statement data of the Milano Assicurazioni Group for the financial years ended on 31 December 2012, 2011 and 2010.

(Amounts in millions of Euros)		Financial year ended on 31 December 2012	Financial year ended on 31 December 2011 (restated as per IAS 8)	Financial year ended on 31 December 2011	Financial year ended on 31 December 2010
1.1	Net premiums	3,074.1	3,279.5	3,279.5	3,464.9
1.1.1	Gross premiums	3,205.5	3,421.1	3,421.1	3,613.9
1.1.2	Ceded premiums	(131.5)	(141.6)	(141.6)	(149.1)
1.2	Commission income	0.8	0.9	0.9	0.9
1.3	Gains and losses on remeasurement of financial instruments at fair value through profit	11.2	(15.1)	(15.1)	(0.6)
1.4	Gains on investments in subsidiaries, associates and interests in joint ventures	0.6	0.4	0.4	1.7
1.5	Gains on other financial instruments and investment property	384.2	372.3	372.3	447.4
1.5.1	Interest income	237.4	238.1	238.1	213.2
1.5.2	Other income	46.6	51.8	51.8	70.1
1.5.3	Realized gains	96.7	82.4	82.4	163.8
1.5.4	Unrealized gains	3.5	-	-	0.3
1.6	Other income	168.6	180.1	180.1	166.5
1	TOTAL INCOME AND REVENUES	3,639.5	3,818.0	3,818.0	4,080.7
2.1	Net charges relating to claims	(2,669.8)	(2,859.8)	(3,062.8)	(3,278.4)
2.1.1	Amounts paid and changes in technical provisions	(2,773.9)	(2,920.8)	(3,123.8)	(3,342.5)
2.1.2	Reinsurers' share	104.1	61.0	61.0	64.1
2.2	Commission expense	(0.1)	(0.2)	(0.2)	(0.1)
2.3	Losses on investments in subsidiaries, associates and interests in joint ventures	(23.4)	(17.5)	(17.5)	(41.4)
2.4	Losses on other financial instruments and investment property	(267.1)	(392.8)	(392.8)	(511.8)
2.4.1	Interest expense	(10.9)	(12.5)	(12.5)	(13.7)
2.4.2	Other charges	(20.5)	(21.3)	(21.3)	(23.0)
2.4.3	Realized losses	(61.1)	(52.4)	(52.4)	(56.7)
2.4.4	Unrealized losses	(174.7)	(306.6)	(306.6)	(418.2)
2.5	Operating expenses	(588.5)	(632.7)	(632.7)	(668.8)
2.5.1	Commissions and other acquisition costs	(473.4)	(508.1)	(508.1)	(541.3)
2.5.2	Investment management expenses	(5.5)	(5.5)	(5.5)	(4.1)
2.5.3	Other administrative expenses	(109.6)	(119.1)	(119.1)	(123.4)
2.6	Other costs	(371.2)	(336.7)	(336.7)	(335.2)
2	TOTAL COSTS AND CHARGES	(3,920.1)	(4,239.7)	(4,442.7)	(4,835.6)
	PROFIT (LOSS) FOR THE YEAR BEFORE TAXATION	(280.6)	(421.6)	(624.6)	(754.9)
3	Taxation	63.3	36.2	106.2	82.7
	PROFIT (LOSS) FOR THE YEAR NET OF TAX	(217.3)	(385.5)	(518.5)	(672.2)
4	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	1.2	30.9	30.9	3.3
	CONSOLIDATED PROFIT (LOSS)	(216.2)	(354.6)	(487.6)	(668.9)
	attributable to the Group	(216.0)	(354.5)	(487.5)	(668.7)
	attributable to minority interests	(0.1)	(0.1)	(0.1)	(0.2)

4.3.1.3 Cash flow statement of the Milano Assicurazioni Group

Cash flow statement concerning the nine-month periods ended at 30 September 2013 and 2012

The following table shows the cash flow statement of the Milano Assicurazioni Group for the nine-month periods ended on 30 September 2013 and 2012.

<i>(Amounts in millions of Euros)</i>	Nine-month period ended on 30 September 2013	Nine-month period ended on 30 September 2012
Profit (loss) for the year before taxation	274,1	3,0
Change in non-monetary items	(451,9)	(290,7)
Change in non-life premium provisions	(170,7)	(149,1)
Change in claims provision and other Non-Life technical provisions	(272,2)	(36,9)
Change in mathematical provisions and other Life technical provisions	(74,3)	(231,6)
Change in deferred acquisition costs	(2,9)	(1,7)
Change in provisions	1,9	(10,6)
Non-monetary gains and losses on financial instruments, investment property and investments	55,3	109,7
Other changes	11,0	29,5
Change in receivables and payables generated by operating activities	191,9	212,7
Change in receivables and payables relating to direct insurance and reinsurance	192,4	222,7
Change in other receivables and payables	(0,6)	(10,0)
Paid taxes	(41,4)	(22,1)
Net cash flows generated by/used for monetary items from investing and financing activities	35,9	47,7
Liabilities from financial contracts issued by insurance companies	(1,3)	0,9
Payables to bank and interbank customers	-	-
Loans and receivables from banks and interbank customers	-	-
Other financial instruments at fair value through profit or loss	37,2	46,8
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	8,6	(49,4)
Net cash flow generated by/used for investment property	(0,8)	49,7
Net cash flow generated by/used for investments in subsidiaries, associates and joint ventures	(18,0)	(8,7)
Net cash flow generated by/used for loans and receivables	12,9	8,4
Net cash flow generated by/used for held-to-maturity investments	0,5	(49,0)
Net cash flow generated by/used for available-for-sale financial assets	(67,8)	(59,2)
Net cash flow generated by/used for property, plant and equipment and intangible assets	0,4	0,4
Other cash flow generated by/used for investing activities	-	40,7
TOTAL NET CASH FLOW GENERATED BY/USED FOR INVESTING ACTIVITIES	(72,9)	(17,7)
Net cash flow generated by/used for equity instruments attributable to the owners of the Parent	(0,1)	1,8
Net cash flow generated by/used for treasury shares	-	-
Dividends distributed attributable to the owners of the Parent	-	-
Net cash flow generated by/used for share capital and reserves attributable to non-controlling interests	0,1	0,1
Net cash flow generated by/used for subordinated liabilities and equity instruments	(1,5)	(2,0)
Net cash flow generated by/used for other financial liabilities	13,1	(11,1)
TOTAL NET CASH FLOW GENERATED BY/USED FOR FINANCING ACTIVITIES	11,6	(11,3)
Effect of exchange rate gains/losses on cash and cash equivalents	-	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	320,3	470,8
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(52,7)	(78,4)
CASH AND CASH EQUIVALENTS AT YEAR-END	267,6	392,4

(*) Includes cash and cash equivalents of non-current assets held for sale or disposal groups (Euro 79 million).

Cash flow statement for the years ended on 31 December 2012, 2011 and 2010

The following is the cash flow statement of the Milano Assicurazioni Group for the years ended on 31 December 2012, 2011 and 2010.

<i>(Amounts in millions of Euros)</i>	Financial year ended on 31 December 2012	Financial year ended on 31 December 2011 (restated as per IAS 8)	Financial year ended on 31 December 2011	Financial year ended on 31 December 2010
Profit (loss) for the year before taxation	(280,6)	(421,6)	(624,6)	(754,9)
Change in non-monetary items	(128,1)	238,6	441,6	759,4
Change in non-life premium provisions	(87,7)	(43,1)	(43,1)	15,0
Change in claims provision and other Non-Life technical provisions	31,1	163,2	366,2	190,5
Change in mathematical provisions and other Life technical provisions	(260,3)	(231,3)	(231,3)	29,8
Change in deferred acquisition costs	(5,3)	(4,7)	(4,7)	-
Change in provisions	(27,8)	(16,3)	(16,3)	46,3
Non-monetary gains and losses on financial instruments, investment property and investments	185,1	316,6	316,6	474,4
Other changes	36,8	54,0	54,0	3,5
Change in receivables and payables generated by operating activities	98,8	53,9	53,9	52,5
Change in receivables and payables relating to direct insurance and reinsurance	127,7	50,8	50,8	86,4
Change in other receivables and payables	(28,9)	3,1	3,1	(33,9)
Paid taxes	5,3	(0,6)	(0,6)	(0,2)
Net cash flows generated by/used for monetary items from investing and financing activities	64,5	68,5	68,5	35,6
Liabilities from financial contracts issued by insurance companies	1,7	8,2	8,2	(6,0)
Payables to bank and interbank customers	-	-	-	-
Loans and receivables from banks and interbank customers	-	-	-	-
Other financial instruments at fair value through profit or loss	62,9	60,3	60,3	41,6
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	(240,1)	(61,2)	(61,2)	92,4
Net cash flow generated by/used for investment property	49,9	(18,7)	(18,7)	40,2
Net cash flow generated by/used for investments in subsidiaries, associates and joint ventures	(11,5)	57,5	57,5	(13,1)
Net cash flow generated by/used for loans and receivables	10,0	(246,7)	(246,7)	(149,2)
Net cash flow generated by/used for held-to-maturity investments	(55,6)	(7,0)	(7,0)	(6,6)
Net cash flow generated by/used for available-for-sale financial assets	89,3	190,5	190,5	36,8
Net cash flow generated by/used for property, plant and equipment and intangible assets	0,5	(0,0)	(0,0)	8,0
Other cash flow generated by/used for investing activities	44,5	-	-	225,2
TOTAL NET CASH FLOW GENERATED BY/USED FOR INVESTING ACTIVITIES	127,2	(24,6)	(24,6)	141,4
Net cash flow generated by/used for equity instruments attributable to the owners of the Parent	6,8	338,7	338,7	(1,4)
Net cash flow generated by/used for treasury shares	-	-	-	-
Dividends distributed attributable to the owners of the Parent	-	-	-	(58,6)
Net cash flow generated by/used for share capital and reserves attributable to non-controlling interests	0,1	0,1	0,1	(104,5)
Net cash flow generated by/used for subordinated liabilities and equity instruments	(0,6)	0,7	0,7	0,0
Net cash flow generated by/used for other financial liabilities	(43,9)	(67,6)	(67,6)	(31,7)
TOTAL NET CASH FLOW GENERATED BY/USED FOR FINANCING ACTIVITIES	(37,5)	271,9	271,9	(196,2)
Effect of exchange rate gains/losses on cash and cash equivalents	-	-	-	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	470,8	284,7	284,7	247,0
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(150,5)	186,1	186,1	37,6
CASH AND CASH EQUIVALENTS AT YEAR-END	320,3	470,8	470,8	284,7

4.3.1.4 Debt of the Milano Assicurazioni Group

The following table shows the debt of the Milano Assicurazioni Group as at 30 September 2013, at 31 December 2012, 2011 and 2010.

<i>(Amounts in millions of Euros)</i>	At 30 September 2013 (*)	At 31 December 2012	At 31 December 2011 (restated as per IAS 8)	At 31 December 2011	At 31 December 2010
Subordinated loans	150,4	151,9	152,5	152,5	151,8
Amounts owed to banks and other loans	-	-	23,3	23,3	69,7
Total debt	150,4	151,9	175,8	175,8	221,5

(*) At 30 September 2013, the debt shown in the table consisted entirely of the liabilities forming part of the insurance assets to be disposed of in accordance with the provisions of the AGCM of 19 June 2012.

4.4 Financial information regarding the Fonsai Group

4.4.1 Balance sheet, income statement and cash flow statement of the Fonsai Group for the nine-month period ended at 30 September 2013 and for the financial years ended on 31 December 2012, 2011 and 2010

This paragraph shows consolidated economic and financial information of the Fonsai Group for the nine-month period ended at 30 September 2013, as well as for the financial years ended on 31 December 2012, 2011 and 2010. This information was extracted from the following documents:

- condensed consolidated interim financial statements of the Fonsai Group for the nine-month period ended at 30 September 2013, subjected to limited audit by PricewaterhouseCoopers, which issued its unqualified report on 2 December 2013. These financial statements were prepared in accordance with accounting standards applicable to interim financial reports (IAS 34).
- consolidated financial statements of the Fonsai Group for the financial years ended on 31 December 2012, 2011 and 2010. These financial statements were prepared in accordance with IAS/IFRS issued by the IASB (International Accounting Standards Board), as approved by the European Union, and on the basis of the interpretations issued by the official bodies. These consolidated financial statements were audited by Reconta Ernst & Young, which issued its unqualified reports, respectively, on 24 April 2013, 31 March 2012 and 5 April 2011.

The condensed consolidated interim financial statements for the nine-month period ended at 30 September 2013, and the consolidated financial statements for the years ended on 31 December 2012, 2011 and 2010 are included in the Updated Information Document by reference. These documents, together with the management report, may be inspected at the registered office of Fonsai and on its website www.fondiarisai.it.

To facilitate the identification of the information contained in the documents incorporated by reference, the pages relating to the main sections of the documents in question are shown in the following table:

	September 2013	Fiscal year 2012	Fiscal year 2011	Fiscal year 2010
Management Report	17	24	19	15
Consolidated Statement of Financial Position	104	192	193	173
Consolidated Income Statement	106	194	195	175
Consolidated Statement of Comprehensive Income	107	195	196	176
Statement of Changes in Consolidated Shareholders' Equity	109	196	197	178
Consolidated Cash Flow Statement	111	198	199	180
Explanatory Notes	113	203	205	183
Report of Independent Auditors	199	417	403	365

With reference to the data for financial year 2011, this section also reports restated figures following the Consob Communication of 17 April 2013. In particular, as a result of such communication, Fonsai showed the column “restated as per IAS 8” on the 2011 data.

The restatements of the 2011 data were as follows:

- claims charges: these were reduced by Euro 517 million since such amount, which represents the shortage in claims provisions for the MV third party liability as highlighted by IVASS in the note on findings dated 29 September 2011 for Fondiaria-SAI and 17 November 2011 for Milano Assicurazioni, it was considered, according to Consob Resolution No. 18430, as a correction of an error of the previous consolidated financial statements and therefore, net of the related tax effect deducted from capital reserves;
- income taxes: these were increased by Euro 178 million, equal to the tax effect related to the changes made to the claims charges.

These restatements resulted in a reduction of Euro 339 million in the 2011 loss and a reduction of the same amount in equity-related reserves, with a total shareholders' equity remaining unchanged.

The changes did not result in any modification of the insurance liabilities represented by the claims provisions, or of the adjusted solvency situation.

With regard to the cash flow statement, there was no impact on either the net cash flows from operating activities, or on the overall change in “Cash and cash equivalents”.

4.4.1.1 Balance Sheet of the Fonsai Group

The following table shows the balance sheet of the Fonsai Group at 30 September 2013, at 31 December 2012, 2011 and 2010.

(Amounts in millions of Euros)		At 30 September 2013	At 31 December 2012	At 31 December 2011 (restated as per IAS 8)	At 31 December 2011	At 31 December 2010
1	INTANGIBLE ASSETS	1,049,8	1,160,2	1,462,9	1,462,9	1,587,7
1.1	Goodwill	1,002,6	1,101,7	1,367,7	1,367,7	1,468,6
1.2	Other intangible assets	47,2	58,5	95,2	95,2	119,2
2	TANGIBLE ASSETS	337,0	373,1	401,7	401,7	594,3
2.1	Land and buildings	288,7	304,2	315,5	315,5	500,7
2.2	Other tangible assets	48,3	68,9	86,2	86,2	93,6
3	TECHNICAL PROVISIONS - REINSURERS' SHARE	644,5	807,3	701,9	701,9	823,2
4	INVESTMENTS	30,025,6	33,859,1	33,789,3	33,789,3	36,013,9
4.1	Real estate investments	1,977,0	2,200,8	2,759,2	2,759,2	2,894,2
4.2	Investments in subsidiaries, associates and interests in joint ventures	136,4	125,8	116,6	116,6	325,4
4.3	Investments held to maturity	577,4	718,1	599,7	599,7	592,1
4.4	Loans and receivables	3,400,5	3,527,0	3,688,9	3,688,9	3,159,2
4.5	Financial assets available for sale	18,052,1	20,848,0	17,598,3	17,598,3	20,302,9
4.6	Financial assets at fair value through profit or loss	5,882,2	6,439,3	9,026,7	9,026,7	8,740,1
5	SUNDRY RECEIVABLES	1,396,9	2,091,0	2,340,7	2,340,7	2,314,4
5.1	Receivables relating to direct insurance business	725,5	1,322,8	1,698,4	1,698,4	1,747,6
5.2	Receivables relating to reinsurance business	56,9	64,8	78,6	78,6	101,8
5.3	Other receivables	614,6	703,4	563,7	563,7	465,0
6	OTHER ASSETS	5,070,3	1,534,6	1,803,4	1,803,4	996,1
6.1	Non-current assets held for sale or disposal groups	3,888,5	3,3	87,2	87,2	3,5
6.2	Deferred acquisition costs	55,1	52,3	30,3	30,3	87,6
6.3	Deferred tax assets	726,5	954,4	1,155,1	1,155,1	361,2
6.4	Current tax assets	271,2	299,5	316,2	316,2	387,6
6.5	Other assets	129,1	225,1	214,7	214,7	156,2
7	CASH AND CASH EQUIVALENTS	819,3	560,2	976,6	976,6	625,9
	TOTAL ASSETS	39,343,4	40,385,5	41,476,6	41,476,6	42,955,5

(Amounts in millions of Euros)		At 30 September 2013	At 31 December 2012	At 31 December 2011 (restated as per IAS 8)	At 31 December 2011	At 31 December 2010
1	SHAREHOLDERS' EQUITY	3.064,9	2.762,7	1.556,7	1.556,7	2.550,1
1.1	Group equity	2.368,8	2.115,7	1.037,0	1.037,0	1.882,1
1.1.1	Capital	1.194,6	1.194,6	494,7	494,7	167,0
1.1.2	Other equity instruments	-	-	-	-	-
1.1.3	Equity-related reserves	198,9	669,6	315,5	315,5	209,9
1.1.4	Income-related reserves and other reserves	612,1	898,8	1.548,6	1.834,6	2.620,8
1.1.5	(Treasury shares)	(68,2)	(68,2)	(213,0)	(213,0)	(321,9)
1.1.6	Translation reserve	(68,2)	(66,0)	(56,8)	(56,8)	(56,6)
1.1.7	Gains or losses on financial assets available for sale	257,3	257,6	(478,3)	(478,3)	(34,8)
1.1.8	Other gains or losses recognized directly in equity	8,3	(21,0)	(7,0)	(7,0)	15,2
1.1.9	Profit (loss) for the year attributable to the shareholders of the Parent Company	234,1	(749,7)	(566,7)	(852,7)	(717,6)
1.2	Minority Interests	696,1	647,0	519,8	519,8	668,0
1.2.1	Share capital and reserves attributable to non-controlling interests	574,4	673,6	850,7	903,7	902,1
1.2.2	Gains or losses recognized directly in equity	32,0	23,2	(202,0)	(202,0)	(22,9)
1.2.3	Profit (loss) for the year attributable to minority interests	89,8	(49,9)	(128,9)	(181,9)	(211,3)
2	PROVISIONS	265,8	271,9	322,3	322,3	340,6
3	TECHNICAL PROVISIONS	29.228,5	33.657,9	35.107,5	35.107,5	34.828,0
4	FINANCIAL LIABILITIES	2.082,9	2.315,6	3.143,3	3.143,3	3.850,1
4.1	Financial liabilities at fair value through profit or loss	549,7	568,6	1.303,9	1.303,9	1.646,9
4.2	Other financial liabilities	1.533,2	1.747,1	1.839,4	1.839,4	2.203,2
5	PAYABLES	566,1	764,9	792,1	792,1	836,9
5.1	Payables arising from direct insurance business	80,6	96,4	79,0	79,0	91,9
5.2	Payables arising from reinsurance business	62,8	67,9	84,9	84,9	106,9
5.3	Other payables	422,7	600,7	628,2	628,2	638,2
6	OTHER LIABILITIES	4.135,1	612,5	554,7	554,7	549,8
6.1	Liabilities associated with non-current assets held for sale	3.615,5	-	-	-	-
6.2	Deferred tax liabilities	109,6	178,2	133,5	133,5	132,1
6.3	Current tax liabilities	52,1	54,1	16,5	16,5	54,3
6.4	Other liabilities	357,9	380,2	404,7	404,7	363,4
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	39.343,4	40.385,5	41.476,6	41.476,6	42.955,5

With regard to the balance sheet items “Non-current assets held for sale or disposal groups” and “Liabilities associated with non-current assets held for sale” at 30 September 2013, please refer to the notes relating to the Premafin Group in Paragraph 4.2.1.1. above.

4.4.1.2 Income Statement of the Fonsai Group

Income statement for the nine-month periods ended on 30 September 2013 and 2012

The following data is shown in the income statement of the Fonsai Group for the nine-month periods ended 30 September 2013 and 2012.

(Amounts in millions of Euros)		Nine-month period ended on 30 September 2013	Nine-month period ended on 30 September 2012
1.1	Net premiums	7.111,6	7.365,0
1.1.1	Gross premiums	7.347,2	7.598,5
1.1.2	Ceded premiums	(235,5)	(233,5)
1.2	Commission income	5,5	12,0
1.3	Gains and losses on remeasurement of financial instruments at fair value through profit or loss	78,3	452,0
1.4	Gains on investments in subsidiaries, associates and interests in joint ventures	0,1	0,4
1.5	Gains on other financial instruments and investment property	926,5	914,9
1.5.1	Interest income	664,9	607,9
1.5.2	Other income	84,6	130,2
1.5.3	Realized gains	174,8	170,1
1.5.4	Unrealized gains	2,2	6,8
1.6	Other income	342,9	225,7
1	TOTAL INCOME AND REVENUES	8.465,0	8.970,1
2.1	Net charges relating to claims	(5.967,4)	(6.804,4)
2.1.1	Amounts paid and changes in technical provisions	(6.067,6)	(7.017,5)
2.1.2	Reinsurers' share	100,1	213,1
2.2	Commission expense	(4,5)	(5,8)
2.3	Losses on investments in subsidiaries, associates and interests in joint ventures	(0,7)	(11,0)
2.4	Losses on other financial instruments and investment property	(259,0)	(305,3)
2.4.1	Interest expense	(38,4)	(45,4)
2.4.2	Other charges	(49,5)	(50,7)
2.4.3	Realized losses	(50,4)	(68,9)
2.4.4	Unrealized losses	(120,7)	(140,4)
2.5	Operating expenses	(1.166,4)	(1.227,4)
2.5.1	Commissions and other acquisition costs	(844,9)	(910,9)
2.5.2	Investment management expenses	(11,8)	(9,7)
2.5.3	Other administrative expenses	(309,7)	(306,8)
2.6	Other costs	(500,8)	(571,0)
2	TOTAL COSTS AND CHARGES	(7.898,9)	(8.924,9)
	PROFIT (LOSS) FOR THE YEAR BEFORE TAXATION	566,1	45,1
3	Taxation	(242,3)	(34,7)
	PROFIT (LOSS) FOR THE YEAR NET OF TAX	323,9	10,4
4	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	0,0	(11,5)
	CONSOLIDATED PROFIT (LOSS)	323,9	(1,1)
	attributable to the Group	234,1	(21,0)
	attributable to minority interests	89,8	19,9

Income statement for the financial years ended on 31 December 2012, 2011 and 2010

The following data is shown in the income statement of the Fonsai Group for the years ended on 31 December 2012, 2011 and 2010.

(Amounts in millions of Euros)		Financial year ended 31 December 2012	At 31 December 2011 (restated as per IAS 8)	Financial year ended 31 December 2011	Financial year ended 31 December 2010
1.1	Net premiums	9,967,2	10,527,3	10,527,3	12,585,3
1.1.1	Gross premiums	10,277,2	10,850,3	10,850,3	12,911,5
1.1.2	Ceded premiums	(309,9)	(322,9)	(322,9)	(326,2)
1.2	Commission income	15,4	24,4	24,4	57,3
1.3	Gains and losses on remeasurement of financial instruments at fair value through profit or loss	544,7	321,7	321,7	395,3
1.4	Gains on investments in subsidiaries, associates and interests in joint ventures	0,6	0,8	0,8	55,8
1.5	Gains on other financial instruments and investment property	1,181,7	1,189,7	1,189,7	1,281,4
1.5.1	Interest income	823,8	827,3	827,3	722,3
1.5.2	Other income	138,7	149,6	149,6	167,6
1.5.3	Realized gains	210,9	212,5	212,5	390,9
1.5.4	Unrealized gains	8,3	0,3	0,3	0,5
1.6	Other income	502,1	666,7	666,7	556,5
1	TOTAL INCOME AND REVENUES	12,211,8	12,730,7	12,730,7	14,931,6
2.1	Net charges relating to claims	(9,357,6)	(9,723,8)	(10,240,8)	(12,152,9)
2.1.1	Amounts paid and changes in technical provisions	(9,660,0)	(9,889,9)	(10,406,9)	(12,341,9)
2.1.2	Reinsurers' share	302,5	166,1	166,1	189,0
2.2	Commission expense	(7,4)	(15,9)	(15,9)	(28,4)
2.3	Losses on investments in subsidiaries, associates and interests in joint ventures	(19,6)	(22,1)	(22,1)	(55,3)
2.4	Losses on other financial instruments and investment property	(837,2)	(995,6)	(995,6)	(815,3)
2.4.1	Interest expense	(59,7)	(76,9)	(76,9)	(80,4)
2.4.2	Other charges	(73,1)	(69,5)	(69,5)	(78,1)
2.4.3	Realized losses	(147,5)	(142,3)	(142,3)	(166,1)
2.4.4	Unrealized losses	(556,9)	(707,0)	(707,0)	(490,7)
2.5	Operating expenses	(1,698,3)	(1,875,3)	(1,875,3)	(1,920,2)
2.5.1	Commissions and other acquisition costs	(1,248,8)	(1,406,6)	(1,406,6)	(1,427,0)
2.5.2	Investment management expenses	(16,0)	(16,0)	(16,0)	(14,4)
2.5.3	Other administrative expenses	(433,6)	(452,7)	(452,7)	(478,8)
2.6	Other costs	(1,224,6)	(1,038,6)	(1,038,6)	(967,2)
2	TOTAL COSTS AND CHARGES	(13,144,6)	(13,671,3)	(14,188,3)	(15,939,3)
	PROFIT (LOSS) FOR THE YEAR BEFORE TAXATION	(932,8)	(940,6)	(1,457,6)	(1,007,7)
3	Taxation	131,4	214,1	392,1	77,1
	PROFIT (LOSS) FOR THE YEAR NET OF TAX	(801,4)	(726,5)	(1,065,5)	(930,6)
4	PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	1,8	30,9	30,9	1,8
	CONSOLIDATED PROFIT (LOSS)	(799,6)	(695,6)	(1,034,6)	(928,9)
	attributable to the Group	(749,7)	(566,7)	(852,7)	(717,6)
	attributable to minority interests	(49,9)	(128,9)	(181,9)	(211,3)

4.4.1.3 Cash Flow Statement of the Fonsai Group

Cash flow statement of the nine-month periods ended on 30 September 2013 and 2012

The following table shows the cash flow statement of the Fonsai Group for the nine-month periods ended on 30 September 2013 and 2012.

(Amounts in millions of Euros)	Nine-month period ended on 30 September 2013	Nine-month period ended on 30 September 2012
Profit (loss) for the year before taxation	566,1	45,1
Change in non-monetary items	(1.181,5)	(2.337,8)
Change in non-life premium provisions	(354,9)	(371,7)
Change in claims provision and other Non-Life technical provisions	(492,4)	(65,9)
Change in mathematical provisions and other Life technical provisions	(221,2)	(1.789,7)
Change in deferred acquisition costs	(7,8)	0,6
Change in provisions	15,2	20,4
Non-monetary gains and losses on financial instruments, investment property and investments	(34,8)	(118,8)
Other changes	(85,7)	(12,6)
Change in receivables and payables generated by operating activities	439,7	491,9
Change in receivables and payables relating to direct insurance and reinsurance	278,9	457,3
Change in other receivables and payables	160,8	34,6
Paid taxes	(41,3)	(9,3)
Net cash flows generated by/used for monetary items from investing and financing activities	575,2	1.610,9
Liabilities from financial contracts issued by insurance companies	9,1	(762,7)
Payables to bank and interbank customers	18,0	(41,2)
Loans and receivables from banks and interbank customers	37,8	(115,4)
Other financial instruments at fair value through profit or loss	510,4	2.530,2
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	358,3	(199,2)
Net cash flow generated by/used for investment property	19,8	154,9
Net cash flow generated by/used for investments in subsidiaries, associates and joint ventures	(9,7)	(24,6)
Net cash flow generated by/used for loans and receivables	17,7	166,5
Net cash flow generated by/used for held-to-maturity investments	82,5	(144,1)
Net cash flow generated by/used for available-for-sale financial assets	(104,4)	(1.300,1)
Net cash flow generated by/used for property, plant and equipment and intangible assets	(18,1)	6,4
Other cash flow generated by/used for investing activities	0,0	87,2
TOTAL NET CASH FLOW GENERATED BY/USED FOR INVESTING ACTIVITIES	(12,1)	(1.053,9)
Net cash flow generated by/used for equity instruments attributable to the owners of the Parent	-	1.054,0
Net cash flow generated by/used for treasury shares	-	-
Dividends distributed attributable to the owners of the Parent	-	-
Net cash flow generated by/used for share capital and reserves attributable to non-controlling interests	-	-
Net cash flow generated by/used for subordinated liabilities and equity instruments	-	-
Net cash flow generated by/used for other financial liabilities	(59,6)	68,0
TOTAL NET CASH FLOW GENERATED BY/USED FOR FINANCING ACTIVITIES	(59,6)	1.122,0
Effect of exchange rate gains/losses on cash and cash equivalents	(0,5)	(2,9)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	560,2	976,6
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	286,1	(134,0)
CASH AND CASH EQUIVALENTS AT YEAR-END	846,3	842,6

* includes cash and cash equivalents of non-current assets held for sale or disposal groups (Euro 27.0 million)

Cash flow statement for the financial years ended on 31 December 2012, 2011 and 2010

The following table shows the cash flow statement of the Fonsai Group for the financial years ended on 31 December 2012, 2011 and 2010.

<i>(Amounts in millions of Euros)</i>	Financial year ended on 31 December 2012	Financial year ended on 31 December 2011 (restated as per IAS 8)	Financial year ended on 31 December 2011	Financial year ended on 31 December 2010
Profit (loss) for the year before taxation	(932,8)	(940,6)	(1.457,6)	(1.007,7)
Change in non-monetary items	(1.275,5)	1.304,4	1.821,4	4.144,2
Change in non-life premium provisions	(242,2)	(38,7)	(38,7)	35,6
Change in claims provision and other Non-Life technical provisions	33,7	292,3	809,3	217,4
Change in mathematical provisions and other Life technical provisions	(1.952,2)	(87,2)	(87,2)	3.233,2
Change in deferred acquisition costs	(21,9)	57,3	57,3	54,5
Change in provisions	(50,4)	(18,3)	(18,3)	42,0
Non-monetary gains and losses on financial instruments, investment property and investments	319,4	615,5	615,5	245,3
Other changes	638,2	483,6	483,6	316,2
Change in receivables and payables generated by operating activities	179,8	(352,3)	(352,3)	(191,7)
Change in receivables and payables relating to direct insurance and reinsurance	156,5	(155,2)	(155,2)	(141,6)
Change in other receivables and payables	23,3	(197,1)	(197,1)	(50,1)
Paid taxes	(30,7)	(124,6)	(124,6)	(29,5)
Net cash flows generated by/used for monetary items from investing and financing activities	2.102,6	(568,8)	(568,8)	(585,0)
Liabilities from financial contracts issued by insurance companies	(759,3)	(368,9)	(368,9)	(449,5)
Payables to bank and interbank customers	(64,9)	(71,6)	(71,6)	(52,1)
Loans and receivables from banks and interbank customers	143,9	98,7	98,7	(48,3)
Other financial instruments at fair value through profit or loss	2.783,0	(227,0)	(227,0)	(35,0)
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	43,5	(681,9)	(681,9)	2.330,3
Net cash flow generated by/used for investment property	75,2	29,0	29,0	80,7
Net cash flow generated by/used for investments in subsidiaries, associates and joint ventures	(27,4)	59,6	59,6	49,4
Net cash flow generated by/used for loans and receivables	8,5	(628,1)	(628,1)	(385,1)
Net cash flow generated by/used for held-to-maturity investments	(76,1)	(7,6)	(7,6)	216,3
Net cash flow generated by/used for available-for-sale financial assets	(1.534,2)	1.248,7	1.248,7	(2.043,2)
Net cash flow generated by/used for property, plant and equipment and intangible assets	(21,2)	(35,7)	(35,7)	(15,9)
Other cash flow generated by/used for investing activities	89,5	(15,0)	(15,0)	228,6
TOTAL NET CASH FLOW GENERATED BY/USED FOR INVESTING ACTIVITIES	(1.485,6)	650,9	650,9	(1.869,1)
Net cash flow generated by/used for equity instruments attributable to the owners of the Parent	1.054,0	433,2	433,2	-
Net cash flow generated by/used for treasury shares	-	-	-	-
Dividends distributed attributable to the owners of the Parent	-	-	-	(67,8)
Net cash flow generated by/used for share capital and reserves attributable to non-controlling	-	248,7	248,7	(115,2)
Net cash flow generated by/used for subordinated liabilities and equity instruments	-	-	-	-
Net cash flow generated by/used for other financial liabilities	(26,0)	(300,2)	(300,2)	(228,3)
TOTAL NET CASH FLOW GENERATED BY/USED FOR FINANCING ACTIVITIES	1.028,0	381,7	381,7	(411,3)
Effect of exchange rate gains/losses on cash and cash equivalents	(2,2)	(0,0)	(0,0)	(3,3)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	976,6	625,9	625,9	576,0
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(416,4)	350,6	350,6	49,9
CASH AND CASH EQUIVALENTS AT YEAR-END	560,2	976,6	976,6	625,9

4.4.1.4 Debt of the Fonsai Group

The following table shows the debt of the Fonsai Group as at 30 September 2013, at 31 December 2012, 2011 and 2010.

<i>(Amounts in millions of Euros)</i>	At 30 September 2013 (*)	At 31 December 2012	At 31 December 2011 (restated as per IAS 8)	At 31 December 2011	At 31 December 2010
Subordinated loans	1.042,3	1.048,1	1.049,5	1.049,5	1.041,4
Amounts owed to banks and other loans	195,0	249,8	300,4	300,4	530,9
Total debt	1.237,3	1.297,9	1.349,9	1.349,9	1.572,3

(*) At 30 September 2013, the debt shown in the table includes Euro 150.4 million in “subordinated loans” with respect to liabilities that are part of the insurance assets to be divested in accordance with the provisions of AGCM of 19 June 2012.

4.5 Declaration on the working capital

Pursuant to the Regulation 809/2004/EC and the definition of working capital as a “means whereby the issuer obtains the necessary cash resources to meet its liabilities as they fall due”, contained in the ESMA 2011/81 Recommendations, at the Date of the Updated Information Document, Fondiaria-SAI, at Group level, had sufficient working capital to meet the liquidity requirements of the Fonsai Group, as well as to meet the liquidity requirements of the UnipolSai Group in its post-Merger configuration, by which is meant those relating to the 12 months after the Date of the Updated Information Document.

4.6 Capitalization and Indebtedness

The following table shows capitalization and indebtedness of Unipol Assicurazioni and Premafin consolidated at 30 September 2013 and the aggregate value of the above two consolidations. The breakdown of capitalization and indebtedness relating to Fonsai and Milano Assicurazioni is not shown, as they are already included in the consolidated values of Premafin.

Description Values in millions of Euros	At 30 September 2013		
	Unipol Assicurazioni consolidated figures	Premafin consolidated figures	Aggregate figures of Unipol Assicurazioni and Premafin
Subordinated loans	962.6	1,042.3	2,004.9
Amounts owed to banks and other financing	-	594.2	594.2
Total financial debt	962.6	1,636.5	2,599.1
Interbank receivables		(7.7)	(7.7)
Interbank payables		-	-
Net interbank deposits		(7.7)	(7.7)
Total financial indebtedness	962.6	1,628.8	2,591.4
Share capital	259.1	481.0	N/A
Other reserves (including result for the period)	1,790.0	2,207.2	N/A
Total capitalization	2,049.1	2,688.2	4,737.3

Total capitalization and indebtedness	3,011.7	4,324.7	7,336.4
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Further details in relation to indebtedness and capitalization of the Unipol Assicurazioni Group can be found in paragraph 4.1.1.1. Further details in relation to indebtedness and capitalization of the Premafin Group can be found in paragraph 4.2.1.1.

The table below shows the updated indebtedness at 31 October 2013.

Description Values in millions of Euros	At 31 October 2013		
	Unipol Assicurazioni consolidated figures	Premafin consolidated figures	Aggregated figures of Unipol Assicurazioni and Premafin
Subordinated loans	962.8	1,045.1	2,007.9
Amounts owed to banks and other financing	-	594.1	594.1
Total indebtedness	962.8	1,639.2	2,602.0

The changes compared to 30 September 2013 are due to the reporting of economic component updated at such date.

5 Pro Forma Income Statement and Balance Sheet figures of the Acquiring Company

This Chapter shows the statements for the consolidated Pro Forma balance sheet, income statement and cash flow statement of Fondiaria-SAI (or the “**Acquiring Company**”) for the financial year ended at 31 December 2012 (the “**2012 Pro Forma Consolidated Statements**”) and for the nine-month period ended at 30 September 2013 (the “**Interim Pro Forma Consolidated Statements**”, and together with the Pro Forma Consolidated Statements 2012, the “**Pro Forma Consolidated Statements**”), which retroactively represent the transactions relating to the merger of Unipol Assicurazioni, Premafin and Milano Assicurazioni (the “**Merged Companies**”) into Fondiaria-SAI (the “**Merger**”). The Company Resulting from the Merger will be called UnipolSai Assicurazioni S.p.A. (“**UnipolSai**”). The information contained in the Pro Forma Consolidated Statements simulates the possible effects which could arise from the Merger, as if the Merger had been implemented by the date referred to in said Pro Forma Consolidated Statements and it is given for illustrative purposes only.

On 25 and 26 October 2013, the Extraordinary Shareholders’ Meetings of the Acquiring Company and of the Merged Companies and on 28 October 2013, the Special Meeting of savings shareholders of Milano Assicurazioni, pursuant to Art. 2502 of the Italian Civil Code, approved the merger plan, drawn up and approved by the respective boards of directors on 20 December 2012 (the “**Merger Plan**”). The exchange ratios of the Acquiring Company’s shares with shares of the Merged Companies were approved as follows: (i) 0.050 ordinary shares of the Acquiring Company for each ordinary share of Premafin, (ii) 1.497 ordinary shares of the Acquiring Company for each ordinary share of Unipol Assicurazioni, and (iii) finally with respect to Milano Assicurazioni: (a) 0.339 ordinary shares of the Acquiring Company, with dividend rights, for each ordinary share of Milano Assicurazioni and (b) 0.549 savings shares of category “B” of the Acquiring Company for each savings share of Milano Assicurazioni.

As provided for in the Merger Plan, the shares held by the Merged Companies in the Acquiring Company will be reallocated to the shareholders of the Merged Companies as a result of the Merger. Consequently, the Fondiaria-SAI capital increase for the purpose of the share exchange will be net of the aforementioned allocations. More precisely, Fondiaria-SAI will issue, for the purpose of the Merger, up to a maximum of 1,632,878,373 new ordinary shares, without nominal value, and up to a maximum of 55,430,483 new savings shares of category “B”, without nominal value, all with dividend rights.

The issue of new ordinary shares and savings shares of category “B” will take place against a capital increase of Euro 0.565 for each newly issued share, thus against a capital increase of up to a maximum of Euro 953,894,503.64.

5.1 2012 Pro Forma Consolidated Statements

5.1.1 Premise

The 2012 Pro Forma Consolidated Statements were prepared drawing from the consolidated financial statements of Premafin at 31 December 2012, which include Fondiaria-SAI and Milano Assicurazioni in the scope of consolidation (the “**Premafin Group**”) and the consolidated financial statements of Unipol Assicurazioni and its subsidiaries (the “**Unipol Assicurazioni Group**”) at 31 December 2012.

The consolidated financial statements of Premafin at 31 December 2012, as well as the underlying consolidated financial statements of Fondiaria-SAI and Milano Assicurazioni as at the same date, and the consolidated financial statements of the Unipol Assicurazioni Group were prepared in accordance with the International Financial Reporting Standards (IFRS) as approved by the European Union.

The consolidated financial statements of the Premafin Group at 31 December 2012 were audited by Reconta Ernst & Young, which issued its report on 24 April 2013, and the consolidated financial statements of the Unipol Assicurazioni Group as at 31 December 2012 were audited by PricewaterhouseCoopers, which issued its report on 2 December 2013.

The Pro Forma consolidated figures were obtained by applying appropriate pro forma adjustments to the above historical data, which are set out in detail in the following paragraphs, in order to retroactively reflect the significant effects of the Merger operation and related financial transactions.

The Pro Forma Consolidated Financial Statements were prepared in millions of Euro.

With regard to the accounting policies adopted by the Premafin Group for the preparation of consolidated historical data, please refer to the relevant notes to the consolidated financial statements as at 31 December 2012 prepared in accordance with IFRS as approved by the European Union and available on the website www.premafin.it, while in relation to the accounting policies adopted by the Unipol Assicurazioni Group for the preparation of consolidated historical data, please refer to the relevant notes to the consolidated financial statements prepared in accordance with IFRS as approved by the European Union and attached to this Updated Information Document.

5.1.2 Purpose of showing Pro Forma consolidated figures

The Pro Forma consolidated figures were prepared for illustrative purposes only and obtained by applying appropriate Pro Forma adjustments to the consolidated figures as at 31 December 2012 of the Premafin Group and of the Unipol Assicurazioni Group in order to retroactively reflect the significant effects of the Merger.

These effects were reflected in retrospect as though this Merger, and the associated or resulting transactions preparatory thereto, had been implemented on the reference date of the net worth situation, therefore at 31 December 2012 for the balance sheet of the 2012 Pro Forma Consolidated Statements and at the beginning of the reference period, therefore at 1 January 2012 for the income statement and the cash flow statement of the 2012 Pro Forma Consolidated Statements.

In order to correctly interpret the information provided by the Pro Forma figures, the following aspects must be taken into consideration:

- as these representations are based on assumptions, should the Merger be concretely implemented on the dates taken as a reference for the preparation of the Pro Forma figures, rather than on the effective date, not all the historical figures would necessarily be identical to the Pro Forma figures;
- Pro Forma figures do not reflect prospective figures as they were prepared in such a way as to only represent effects of the Merger that may be isolated and measured with objective criteria, without taking into account the potential effects due to possible management initiatives adopted as a result of the Merger.

Furthermore, considering the different purposes of the Pro Forma figures compared with the historical financial statements and the different calculation methods of the effects on the balance sheet and income statement, the Pro Forma balance sheets, Pro Forma income statements and Pro Forma cash flow statements should be read and interpreted separately, without trying to establish accounting connections between the documents.

5.1.3 Assumptions considered for the preparation of the 2012 Pro Forma Consolidated Statements

Following the subscription of Premafin increase share capital, excluding the Premafin option right, UGF obtained the control of Premafin, and through the latter of Fondiaria-Sai. On the basis of the IAS/IFRS applied by UGF to draw up its own consolidated financial statements, the Merger appears as a business combination between entities under common control. Since this is a business combination “Under common control”, the Merger is explicitly excluded from the area of application of IFRS 3 and is not currently regulated specifically by any other international accounting standards or interpretations. As no specific principles can be found in IFRS to be applied to the Merger, management will have to be prepared, using its own judgment on the basis of IAS 8.10, to develop and apply an accounting treatment which will

simultaneously provide both relevant and reliable information. When making its own judgment, the company management will have to consider (i) the implementation measures and guidelines in the IFRS which regulate similar related cases, and (ii) the definitions, criteria and concepts contained in the so-called systematic framework.

Considering the above, the Unipol Group believed that the accounting treatment to be followed in order to adequately represent the purposes of the business combination operation should be grounded in the following main assumptions:

- the Unipol Group, considered as a single economic entity, has undergone a change due to the acquisition of the Premafin Group, which was concluded in July 2012;
- the Unipol Group's plans for subsequent reorganizations have no other purpose than to streamline its own structure, replicating the image given to the market also at a corporate level, as far as possible.

Unipol Group, also in relation to the Premafin Group, therefore confirmed a unified general direction of the Group, which can be expressed by the valuations, appraisals and accounting policies adopted to draw up financial reports.

Unipol Group considers that said unified general direction can be adequately represented in the consolidated financial statements of the Company Resulting From the Merger, by exclusively obtaining the values of assets and liabilities, acquired based on the values resulting from the consolidated financial statements of the common Group.

Consequently, the preparation of the Pro Forma Consolidated Statements was performed in order to have the same values, confirming the effects of the Purchase Price Allocation performed by UGF in its consolidated financial statements following the acquisition of control in the Premafin Group by UGF.

These effects, as permitted by IFRS 3, were measured at the end of the measurement period of one year from the date of acquisition and reported in the condensed consolidated interim financial statements of UGF at 30 June 2013.

For the purpose of preparing the income statement and the cash flow statement of the 2012 Pro Forma Consolidated Statements, the values arising from the PPA were taken as initial values at 1 January 2012 and subsequently an appraisal was made of the effects that this back-dating would entail for the 2012 income statement. A description of the principal effects of this assumption is given in the notes to the tables.

To summarize, for the purpose of preparing the Pro Forma Consolidated Statements:

- 1) the accounting options used to prepare the consolidated financial statements at 31 December 2012 of the Premafin Group were harmonized with those used by UGF to prepare its consolidated financial statements at 31 December 2012;
- 2) The values used to prepare the consolidated financial statements at 31 December 2012 of Premafin were aligned with the final values arising from the PPA process which ended when the condensed consolidated interim financial statements of UGF were drawn up at 30 June 2013;
- 3) The consolidated financial statements of the Unipol Assicurazioni Group were drawn up using the same accounting standards, assessment criteria and accounting options as those of the Unipol Group.

5.1.4 Pro Forma Consolidated Statements

The 2012 Pro Forma Consolidated Statements are detailed below. For the information on the criteria for the preparation of Pro Forma figures and the notes included in the corresponding statements, see Paragraph 5.1.5 of the Updated Information Document.

5.1.4.1 Pro Forma Consolidated Balance Sheet of UnipolSai at 31 December 2012

(Amounts in Euro millions)	Unipol Assicurazioni Group Note 1.	Premafin Group Note 2.	PPA and alignment on accounting principles Note 3.	Premafin Group post PPA	Capital increase and dividend distribution Note 4.	Merger expenses Note 5.	Convertible loan Note 6.	Put option Unipol Banca Note 7.	Non-controlling interests recalculation Note 8.	Pro-forma Consolidated
INTANGIBLE ASSETS	352.3	1,214.9	(454.8)	760.1	-	-	-	-	-	1,112.4
Goodwill	306.7	1,156.4	(1,156.4)	-	-	-	-	-	-	306.7
Other intangible assets	45.5	58.5	701.7	760.2	-	-	-	-	-	805.7
PROPERTY PLANT AND EQUIPMENT	396.0	376.6	183.7	560.3	-	-	-	-	-	956.3
Property	368.1	307.5	183.9	491.4	-	-	-	-	-	859.5
Other tangible assets	27.9	69.0	(0.2)	68.9	-	-	-	-	-	96.8
REINSURERS' SHARE OF TECHNICAL PROVISIONS	365.2	807.3	-	807.3	-	-	-	-	-	1,172.5
INVESTMENTS	20,365.0	33,883.4	506.0	34,389.4	-	-	-	7.4	-	54,761.8
Investment property	620.4	2,216.4	474.9	2,691.3	-	-	-	-	-	3,311.7
Investments in subsidiaries, associates and joint ventures	333.5	126.0	(1.1)	124.9	-	-	-	7.4	-	465.8
Investments held to maturity	1,754.3	718.1	19.9	738.0	-	-	-	-	-	2,492.3
Loans and receivables	4,456.6	3,527.0	(833.7)	2,693.3	-	-	-	-	-	7,149.9
Available for sale financial assets	9,986.5	20,856.5	824.9	21,681.4	-	-	-	-	-	31,667.9
Financial assets at fair value through profit or loss	3,213.6	6,439.3	21.2	6,460.5	-	-	-	-	-	9,674.1
OTHER RECEIVABLES	1,213.4	2,092.5	1.0	2,093.5	-	-	-	-	-	3,306.9
Receivables arising out of direct insurance operations	705.5	1,322.8	-	1,322.8	-	-	-	-	-	2,028.3
Receivables arising out of reinsurance operations	42.6	64.8	(0.1)	64.7	-	-	-	-	-	107.3
Other receivable	465.3	704.9	1.1	706.0	-	-	-	-	-	1,171.3
OTHER ASSETS	505.1	1,534.7	123.4	1,658.1	-	5.7	-	-	-	2,168.9
Non-current assets or disposal groups classified as held for sale	-	3.3	-	3.3	-	-	-	-	-	3.3
Deferred acquisition costs	14.7	52.3	-	52.3	-	-	-	-	-	67.0
Deferred tax assets	388.1	954.4	133.7	1,088.1	-	5.7	-	-	-	1,481.9
Current tax assets	-	299.5	4.6	304.2	-	-	-	-	-	304.2
Other assets	102.3	225.1	(14.9)	210.2	-	-	-	-	-	312.5
CASH AND CASH EQUIVALENTS	576.3	569.8	-	569.8	450.0	-	-	-	-	1,596.1
TOTAL ASSETS	23,773.2	40,479.2	359.4	40,838.6	450.0	5.7	-	7.4	-	65,074.9

(Amounts in Euro millions)	Unipol Assicurazioni Group Note 1.	Premafin Group Note 2.	PPA and alignment on accounting principles Note 3.	Premafin Group post PPA Note 3.	Capital increase and dividend distribution Note 4.	Merger expenses Note 5.	Convertible loan Note 6.	Put option Unipol Banca Note 7.	Non-controlling interests recalculation Note 8.	Pro-forma Consolidated
EQUITY	1,909.8	2,395.7	(23.2)	2,372.5	450.0	(10.9)	178.2	7.4	-	4,907.0
Attributable to the owners of the Parent	1,909.8	187.6	(63.8)	123.8	450.0	(10.9)	178.2	7.4	1,908.4	4,566.7
Attributable to non-controlling interests	-	2,208.1	40.6	2,248.7	-	-	-	-	(1,908.4)	340.3
PROVISIONS	67.1	323.6	28.1	351.7	-	-	-	-	-	418.5
TECHNICAL PROVISIONS	19,206.3	33,657.9	(7.2)	33,650.7	-	-	-	-	-	52,857.0
FINANCIAL LIABILITIES	1,797.9	2,716.8	(32.9)	2,683.9	-	-	(178.2)	-	-	4,303.6
Financial liabilities at fair value through profit or loss	686.8	569.8	4.5	574.3	-	-	-	-	-	1,261.1
Other financial liabilities	1,111.1	2,147.0	(37.4)	2,109.6	-	-	(178.2)	-	-	3,042.5
PAYABLES	364.6	769.9	0.5	770.4	-	16.6	-	-	-	1,151.6
Payables arising out of direct insurance operations	48.4	96.4	-	96.4	-	-	-	-	-	144.8
Payables arising out of reinsurance operations	13.3	67.9	-	67.9	-	-	-	-	-	81.2
Other payables	302.8	605.6	0.5	606.1	-	16.6	-	-	-	925.5
OTHER LIABILITIES	427.6	615.4	394.1	1,009.5	-	-	-	-	-	1,437.1
Liabilities of a disposal group held for sale	-	-	-	-	-	-	-	-	-	-
Deferred tax liabilities	128.1	178.2	396.6	574.8	-	-	-	-	-	702.9
Current tax liabilities	56.6	57.0	(0.7)	56.3	-	-	-	-	-	112.9
Other liabilities	242.9	380.2	(1.8)	378.4	-	-	-	-	-	621.3
TOTAL EQUITY AND LIABILITIES	23,773.2	40,479.2	359.4	40,838.6	450.0	5.7	-	7.4	-	65,074.9

5.1.4.2 Pro Forma Consolidated Income Statement of UnipolSai for the year ended at 31 December 2012

(Amounts in EUR millions)	Unipol Assicurazioni Group	Premafin Group	PPA and alignment on accounting principles	Premafin Group post PPA	Capital increase and dividend distribution	Merger expenses	Convertible loan	Put option Unipol Banca	Non- controlling interests recalculation	Pro-forma Consolidated
	Note 1.	Note 2.	Note 3.		Note 4.	Note 5.	Note 6.	Note 7.	Note 8.	
Net premiums	5,569.5	9,967.2	(1.2)	9,966.1	-	-	-	-	-	15,535.6
<i>Gross premiums</i>	5,701.7	10,277.2	(1.2)	10,276.0	-	-	-	-	-	15,977.7
<i>Reinsurance premium</i>	(132.1)	(309.9)	-	(309.9)	-	-	-	-	-	(442.0)
Fee and commission income	10.6	15.4	-	15.4	-	-	-	-	-	26.0
Gains and losses on financial instruments at fair value through profit or loss	207.8	544.6	(7.0)	537.6	-	-	-	-	-	745.4
Income from investments in subsidiaries, associates and joint ventures	3.6	0.6	4.4	5.0	-	-	-	(2.1)	-	6.5
Income from other financial instruments and investment property	858.3	1,181.5	(22.2)	1,159.3	-	-	-	-	-	2,017.6
<i>Interest income</i>	613.5	823.9	84.3	908.2	-	-	-	-	-	1,521.7
<i>Other income</i>	74.1	138.4	0.5	138.9	-	-	-	-	-	213.0
<i>Realized gains</i>	141.1	210.9	(98.7)	112.2	-	-	-	-	-	253.3
<i>Unrealized gains</i>	29.7	8.3	(8.2)	0.1	-	-	-	-	-	29.8
	54.6	501.9	(32.8)	469.1	-	-	-	-	-	523.7
TOTAL REVENUES	6,704.6	12,211.3	(58.8)	12,152.5	-	-	-	(2.1)	-	18,854.9
Net insurance claim	(5,000.1)	(9,357.6)	518.2	(8,839.3)	-	-	-	-	-	(13,839.4)
<i>Amounts paid and changes in technical provisions</i>	(5,117.8)	(9,660.0)	518.5	(9,141.5)	-	-	-	-	-	(14,259.3)
<i>Reinsurers' share</i>	117.7	302.5	(0.3)	302.2	-	-	-	-	-	419.9
Fee and commission expense	(9.5)	(7.4)	-	(7.3)	-	-	-	-	-	(16.8)
Losses on investments in subsidiaries, associates and joint ventures	(0.1)	(15.2)	(1.3)	(16.5)	-	-	-	-	-	(16.6)
Charges from other financial instruments and property	(249.2)	(859.1)	614.6	(244.5)	-	-	(2.9)	-	-	(496.6)
<i>Interest expense</i>	(44.2)	(80.0)	(19.2)	(99.2)	-	-	(2.9)	-	-	(146.3)
<i>Other charges</i>	(11.3)	(73.1)	(0.5)	(73.6)	-	-	-	-	-	(84.9)
<i>Realized losses</i>	(50.9)	(147.5)	129.0	(18.5)	-	-	-	-	-	(69.4)
<i>Unrealized losses</i>	(142.8)	(558.4)	505.3	(53.1)	-	-	-	-	-	(195.9)
Management expenses	(990.6)	(1,707.3)	1.8	(1,705.5)	-	-	-	-	-	(2,696.1)
<i>Commissions and other acquisition costs</i>	(811.6)	(1,248.8)	2.7	(1,246.1)	-	-	-	-	-	(2,057.7)
<i>Investment management expenses</i>	(32.7)	(16.1)	(0.5)	(16.6)	-	-	-	-	-	(49.3)
<i>Other administration expenses</i>	(146.3)	(442.5)	(0.3)	(442.8)	-	-	-	-	-	(589.1)
Other costs	(87.3)	(1,278.0)	264.4	(1,013.6)	-	24.5	-	-	-	(1,076.4)
TOTAL COSTS AND EXPENSES	(6,336.7)	(13,224.5)	1,397.8	(11,826.7)	-	24.5	(2.9)	-	-	(18,141.9)
NET PROFIT (LOSS) BEFORE TAX	367.9	(1,013.2)	1,338.9	325.7	-	24.5	(2.9)	(2.1)	-	713.1
Taxes	(123.1)	129.2	(245.0)	(115.8)	-	(8.4)	0.8	-	-	(246.5)
NET PROFIT (LOSS)	244.8	(884.0)	1,093.9	209.9	-	16.1	(2.1)	(2.1)	-	466.6
NET PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	-	1.8	0.5	2.3	-	-	-	-	-	2.3
CONSOLIDATED PROFIT (LOSS)	244.8	(882.2)	1,094.4	212.2	-	16.1	(2.1)	(2.1)	-	468.9
Attributable to the owners of the Parent	244.8	(283.6)	285.9	2.3	-	10.7	(2.1)	(2.1)	192.6	446.2
Attributable to non-controlling interests	-	(598.6)	808.5	209.9	-	5.4	-	-	(192.6)	22.7

5.1.4.3 Pro Forma Consolidated Cash Flow Statement of UnipolSai for the year ended at 31 December 2012

(Amounts in Euro millions)	Unipol Assicurazioni Group	Premafin Group	PPA and alignment on accounting principles	Premafin Group post PPA	Capital increase and dividend distribution	Merger expenses	Convertible loan	Put option Unipol Banca	Non- controlling interests recalculation	Pro-forma Consolidated
	Note 1.	Note 2.	Note 3.		Note 4.	Note 5.	Note 6.	Note 7.	Note 8.	
Profit (loss) before tax for the year	367.9	(1,013.2)	1,338.9	325.7	-	24.5	(2.9)	(2.1)	-	713.1
Change in non-monetary items	(196.7)	(1,226.3)	(1,433.6)	(2,659.8)	-	(24.5)	-	2.1	-	(2,878.9)
Change in non-life premium provision	(63.3)	(242.2)	-	(242.2)	-	-	-	-	-	(305.5)
Change in the claims provision and other non-life technical provisions	(30.4)	33.7	(710.1)	(676.5)	-	-	-	-	-	(706.9)
Change in mathematical provisions and other life technical provisions	306.1	(1,952.2)	190.5	(1,761.7)	-	-	-	-	-	(1,455.6)
Change in deferred acquisition costs	3.9	(21.9)	-	(21.9)	-	-	-	-	-	(18.0)
Change in provisions	(18.2)	(20.8)	(124.3)	(145.2)	-	-	-	-	-	(163.3)
Non-monetary gains and losses on financial instruments, investment property and investments	(162.4)	322.0	(683.1)	(361.1)	-	-	-	2.1	-	(521.4)
Other changes	(232.5)	655.3	(106.5)	548.7	-	(24.5)	-	-	-	291.8
Change in receivables and payables generated by operating activities	235.8	189.8	-	189.8	-	-	-	-	-	425.6
Change in receivables and payables arising out of direct insurance and reinsurance	35.4	156.5	-	156.5	-	-	-	-	-	191.9
Change in other receivables and payables	200.4	33.3	-	33.3	-	-	-	-	-	233.7
Paid taxes	-	(32.8)	-	(32.8)	-	-	-	-	-	(32.8)
Net cash flows generated by/used for monetary items from investing and financing activities	(57.7)	2,104.2	-	2,104.2	-	-	-	-	-	2,046.6
Liabilities from financial contracts issued by insurance companies	(61.7)	(759.3)	-	(759.3)	-	-	-	-	-	(821.1)
Payables to bank and interbank customers	-	(63.3)	-	(63.3)	-	-	-	-	-	(63.3)
Loans and receivables from banks and interbank customers	-	143.9	-	143.9	-	-	-	-	-	143.9
Other financial instruments at fair value through profit or loss	4.1	2,783.0	-	2,783.0	-	-	-	-	-	2,787.0
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	349.3	21.7	(94.6)	(72.9)	-	-	(2.9)	-	-	273.4

(Amounts in Euro millions)	Unipol Assicurazioni Group Note 1.	Premafin Group Note 2.	PPA and alignment on accounting principles Note 3.	Premafin Group post PPA	Capital increase and dividend distribution Note 4.	Merger expenses Note 5.	Convertible loan Note 6.	Put option Unipol Banca Note 7.	Non-controlling interests recalculation Note 8.	Pro-forma Consolidated
Net cash flow generated by/used for investment property	(146.5)	76.0	-	76.0	-	-	-	-	-	(70.5)
Net cash flow generated by/used for investments in subsidiaries, associates and joint ventures	(10.7)	(27.3)	-	(27.3)	-	-	-	-	-	(38.0)
Net cash flow generated by/used for loans and receivables	48.2	8.5	-	8.5	-	-	-	-	-	56.8
Net cash flow generated by/used for held to maturity investments	362.8	(76.1)	-	(76.1)	-	-	-	-	-	286.7
Net cash flow generated by/used for available for sale financial assets	(355.5)	(1,532.4)	-	(1,532.4)	-	-	-	-	-	(1,888.0)
Net cash flow generated by/used for property, other tangible and intangible assets	66.3	(21.2)	-	(21.2)	-	-	-	-	-	45.1
Other net cash flows generated/absorbed by investing activities	-	87.2	-	87.2	-	-	-	-	-	87.2
TOTAL NET CASH FLOW GENERATED BY/USED FOR INVESTING ACTIVITIES	(35.3)	(1,485.4)	-	(1,485.4)	-	-	-	-	-	(1,520.7)
Net cash flow generated by/used for equity instruments attributable to the owners of the Parent	-	337.2	-	337.2	-	-	-	-	714.5	1,051.7
Net cash flow generated by/used for own shares	-	-	-	-	-	-	-	-	-	-
Distribution of dividends attributable to the owners of the Parent	-	(0.2)	-	(0.2)	-	-	-	-	-	(0.2)
Net cash flow generated by/used for share capital and reserves attributable to non-controlling interests	-	714.5	-	714.5	-	-	-	-	(714.5)	-
Net cash flow generated by/used for by subordinated liabilities and equity instruments	-	-	-	-	-	-	-	-	-	-
Net cash flow generated by/used for other financial liabilities	(0.7)	(19.8)	-	(19.8)	-	-	-	-	-	(20.5)
TOTAL NET CASH FLOW GENERATED BY/USED FOR FINANCING ACTIVITIES	(0.7)	1,031.6	-	1,031.6	-	-	-	-	-	1,031.0
Effect of exchange rate gains/losses on cash and cash equivalents	-	(2.2)	-	(2.2)	-	-	-	-	-	(2.2)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	263.1	1,004.1	94.6	1,098.7	450.0	-	-	-	-	1,811.8
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	313.2	(434.3)	(94.6)	(528.9)	-	-	(2.9)	-	-	(218.6)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	576.3	569.8	-	569.8	450.0	-	(2.9)	-	-	1,593.2
	-	-	-	-	-	-	-	-	-	-
Pro-forma adjustments determining cash flows not reflected into pro-forma balance sheet	-	-	-	-	-	-	2.9	-	-	2.9
CASH AND CASH EQUIVALENTS AS PER BALANCE SHEET	576.3	569.8	-	569.8	450.0	-	-	-	-	1,596.1

5.1.5 Description of Pro Forma adjustments to consolidated historical data at 31 December 2012

With reference to the 2012 Pro Forma Consolidated Statements, the following should be noted:

- i) the first column, “Unipol Assicurazioni Group”, includes consolidated financial statements at 31 December 2012 of the Unipol Assicurazioni Group;
- ii) the second column, “Premafin Group”, includes the consolidated financial statements at 31 December 2012 of the Premafin Group which, as a holding company, includes the figures related to Fondiaria-SAI and to Milano Assicurazioni;
- iii) the third column, “PPA and alignment on accounting standards”, illustrates the figures relating to the adjustments made to the consolidated financial statements of the Premafin Group at 31 December 2012 to adjust the assets and liabilities of the Premafin Group to the values of the same recorded in the consolidated financial statements of the parent company UGF, in application of the accounting standard identified for the representation of the Merger and illustrated in Paragraph 5.1.3 above of the Updated Information Document. Therefore adjustments, as described in more detail in Note 3 below, were recorded arising from:
 - the PPA, i.e. the measurement of the initial carrying value of the assets and liabilities of the Premafin Group made by the Unipol Group in compliance with IFRS 3, based on the fair value at the acquisition date. The main effects of such measurement affected intangible assets, real property, financial assets (and consequently the effects of shadow accounting), financial liabilities and contingent liabilities;
 - the harmonization of accounting policies of the Premafin Group with those of the Unipol Group, mainly concerning the impairment of the financial instruments classified among the “Financial assets available for sale” (thresholds of significance and relevance applied to restated carrying values) and the depreciation of the real estate classified among the “Tangible assets” and among “Investments” (redefinition of cost items and relevant useful life);
- iv) the fourth column, “Premafin Group post PPA”, illustrates the sum of the second and third column;
- v) the fifth column, “Capital increase and Dividend Distribution”, illustrates the accounting effects arising from the approved capital increase by Unipol Assicurazioni (Euro 600 million), envisaged in the Merger Integration Plan and from the distribution of the dividend (Euro 150 million) which was taken into account in the calculation of the Exchange Ratios;
- vi) the sixth column, “Merger Expenses”, illustrates the ancillary costs of the Merger operation net of the fiscal effects and concerning the fees recognized to consultants who assisted the Merged Companies and the Acquiring Company in the implementation of the operation;
- vii) the seventh column, “Convertible Loan”, illustrates the estimated accounting effects arising from the issuance of the Convertible Loan;
- viii) the eighth column, “Put Option Unipol Banca”, illustrates the accounting effects related to the put-call option on the investment in Unipol Banca, accorded in the context of the Exchange of Correspondence on the Essential Values of the Merger;
- ix) the ninth column, “Non-controlling Interests”, illustrates the figures concerning the recalculation of the net worth quotas belonging to minority interests following the Merger;
- x) the tenth column, “Consolidated Pro Forma”, illustrates the Pro Forma Consolidated Balance Sheet at 31 December 2012, the Pro Forma Consolidated Income Statement and the Pro Forma cash Flow Statement for the financial year ended at 31 December 2012 arising from the sum of the previous columns.

It should be noted that all of the Pro Forma adjustments made with reference to the income statement and cash flow statement data, with the exception of those relating to the merger expenses described in Note 5 hereunder, will have a permanent effect on the Company Resulting from the Merger.

Note 1. Unipol Assicurazioni Group

The column “Unipol Assicurazioni Group” includes balance sheet data as at 31 December 2012 and the income statement and cash flow statement data of the Unipol Assicurazioni Group for the year ended at 31 December 2012, audited by PricewaterhouseCoopers.

Note 2. Premafin Group

The column “Premafin Group” includes balance sheet data as at 31 December 2012 and the income statement and cash flow statement of the Premafin Group for the year ended at 31 December 2012, audited by Reconta Ernst & Young. This data is shown in millions of Euro for the purpose of a common representation with the consolidated financial statements of the Unipol Assicurazioni Group.

Note 3. PPA and Alignment on Accounting Standards

The column, “PPA and Alignment on Accounting Standards”, includes the effects arising from PPA on Premafin Group following acquisition of control by UGF on the date of acquisition.

The main effects of the records on the balance sheet are summarized as follows:

- elimination of goodwill regarding Premafin Group (equal to Euro 1,156.4 million) as, following acquisition by UGF, UGF recalculated the goodwill on the basis of PPA;
- measurement of the fair value of other intangible assets linked to the Life and Non-life Sectors (“VIF” and “VOBA”) net of the intangible assets already included in the consolidated financial statements of the Premafin Group before the acquisition and net of amortization in the second half of 2012 (for a total of Euro 701.7 million);
- adjustment to the fair value on the date of acquisition of the tangible assets concerning the real estate for instrumental use and real estate investments calculated on the basis of reports by independent experts, and net of the effects of the movement which took place (including depreciations) in the second half of 2012 (for a total of Euro 658.8 million);
- adjustment to the fair value of the classified securities among the investments held to maturity (equal to Euro 19.9 million);
- adjustment to the fair value and restatement of part of the financial assets (equal to Euro -833.7 million) from loans and receivables to financial assets available for sale (Euro 824.9 million) and financial assets at fair value reported in the income statement (Euro 21.2 million). This restatement was made in order to align with the classification criteria used by Unipol Group;
- adjustment of Euro 28.1 million to accumulated provisions to measure potential liabilities regarding events occurring prior to the date of acquisition;
- recalculation of the technical provisions to adjust the effects of the shadow accounting as a result of the different value assigned to financial assets (for an overall effect of Euro 7.2 million);
- alignment of the accounting representation of the financial liabilities regarding derivatives (Euro 4.5 million) of the Premafin Group to that used by the Unipol Group. Such different representation has no impact on the income statement and shareholders’ equity;
- adjustment to the fair value of subordinate financial loans (equal to Euro 37.4 million) included among the other financial liabilities and entered at the depreciated cost;
- recognition of the tax effects linked to the preceding adjustments.

With regard to the effects on the income statement, attention should be first given to the fact that, in accordance with the preparation criteria of Pro Forma figures, the values resulting from the PPA were taken as initial values at 1 January 2012, resulting in effects on the income statement for the period.

The main effects of the accounts on the income statement are summarized as follows:

- the reduction in the gains and losses deriving from financial instruments at fair value through profit or loss (Euro -7.0 million) is due to the harmonization of the valuation method and accounting

representation of derivative instruments between the Unipol Group and the Premafin Group during PPA (mainly due to the measurement and recognition of put and call options separately for each option rather than for common categories of hedged instruments) (Euro 18.4 million) and to the write-off of the result of the first half of 2012 of the assets held for trading and recognized at fair value, with the exception of those regarding Class D, due to the Pro Forma backdating of PPA to 1 January 2012 (Euro -25.4 million);

- the net increase in gains and losses deriving from shareholdings in subsidiaries, affiliated companies and joint ventures (equal to Euro 3.1 million) is due to the acknowledgment of the results at 30 June 2012 of some affiliated companies upon PPA;
- the increase in interest income (equal to Euro 84.3 million) refers to the recalculation of the depreciated cost of financial assets held for sale, loans and receivables and investments held to maturity on the basis of fair value calculated upon PPA;
- the net reduction in realized gains (equal to Euro -98.7 million) refers to the recalculation of income obtained in the second half of 2012 on the basis of the fair value of the investments held to maturity and of the financial assets held for sale (for a total of Euro 36.3 million) and investment property (equal to Euro -5.5 million) calculated during PPA and to the elimination of the trading result (equal to Euro -129.6 million, realized in the first half of 2012 as a result of backdating PPA to 1 January 2012 in order to draw up the Pro Forma figures;
- the reduction in valuation gains (equal to Euro -8.2 million) refers to the recalculation of the result arising from the fair value valuation, carried out during PPA, of the financial assets available for sale (equal to Euro -1.4 million) in the second half of 2012 and to the elimination of the results of the valuation of loans and receivables for the first half of 2012 (equal to Euro -6.8 million), due to the backdating of PPA to 1 January 2012 in order to draw up the Pro Forma figures;
- the reduction in other revenue (equal to Euro -32.8 million) mainly refers to the elimination of revenues deriving from the issuance of allocations by Premafin Group to the provisions for risks and charges as they had already been taken into account at the PPA stage;
- the net reduction in the item amounts paid and changes in technical provisions (equal to Euro 518.5 million) is due mainly to: (i) the elimination of the integration of the Motor Vehicle Third Party Liability Claims and General Third Party Liability Claims provision (equal to Euro 710.1 million) the effects of which were taken into account during PPA by increasing the starting value of claims provisions by the same amount, without any impact on the value of provisions at the end of the period, (ii) integration of shadow accounting relating to the recalculation of the effects on the fair value of financial assets (equal to Euro -237.2 million) and (iii) the elimination of shadow accounting (equal to Euro 46.7 million) due to the backdating of PPA to 1 January 2012 in order to draw up the Pro Forma figures;
- the increase in interest expense (equal to Euro -19.2 million) is due to the recalculation of the depreciated cost of the subordinate financial liabilities of Fondiaria-SAI and Milano Assicurazioni on the basis of the fair value determined upon occurrence of PPA;
- the reduction in realized losses (equal to Euro 129.0 million) refers to the recalculation of the losses realized in the second half of 2012 on the basis of the fair value of the financial assets held for sale and the loans and receivables (for a total of Euro 83.3 million) calculated during the PPA stage, and to the elimination of losses from the trading of financial assets held for sale, investment property and loans and receivables (for a total of Euro 45.6 million) realized during the first half of 2012 as a result of the backdating of PPA to 1 January 2012 in order to draw up the Pro Forma figures;
- the reduction in valuation losses (equal to Euro 505.3 million) refers to: (i) the cancellation of the real depreciations made in the second half of 2012, since they were acknowledged upon occurrence of PPA (equal to Euro 278.4 million), (ii) minor depreciations on real estate investments due to the recalculation of the fair value during the PPA stage and to the harmonization of accounting standards (for a total of Euro 29.3 million), (iii) the elimination of the value reductions of financial assets available for sale and of loans and receivables (for a total of Euro 121.1 million), and (iv) the elimination of the value reductions of loans and receivables and assets available for sale in the first

half of 2012 (for a total of Euro 76.5 million) due to the backdating of PPA to 1 January 2012 in order to draw up the Pro Forma figures;

- the decrease in other costs (equal to Euro 264.4 million) is mainly due to: (i) the elimination of the value reduction of goodwill of the Premafin Group (equal to Euro 246.8 million), (ii) allocation of the amortization charges of intangible assets, i.e. VIF and VOBA, measured upon the PPA (equal to Euro 165.0 million), (iii) elimination of the allocation value by Im.CO and Sinergia in the first half of 2012 (equal to Euro 73.0 million) as a result of the backdating of PPA to 1 January 2012, i.e. the adjustment for the same amount of the starting value of accumulated adjustments, (iv) elimination of losses on receivables (of Euro 20.2 million), of real estate depreciations (of Euro 14.3 million) and allocations to the provisions for risks and charges already recognized upon the PPA (of Euro 64.3 million), and (v) the elimination of the costs regarding the Fondiaria-SAI Capital Increase during the second half of 2012 (of Euro 11.2 million), recognized in the shareholders' equity for the same amount upon PPA;
- recognition of tax effects related to the above adjustments.

With reference to the cash flow statement, the effects represented in the column in question reflect the changes made to the assets during PPA and the resulting economic Pro Forma adjustments which result in a change in the allocation of financial flows, without affecting liquidity at year end.

Nota 4. Capital Increase and Dividend Distribution

The column, “Capital Increase and Dividend Distribution”, includes the total effect of the following adjustments:

- Unipol Assicurazioni Capital Increase of Euro 600 million by UGF to be implemented prior to the signing of the deed of Merger;
- Distribution of an ordinary dividend equal to Euro 150 million referring to financial year 2012 in favor of UGF, implemented during the first half of 2013.

These Pro Forma adjustments only impact the balance sheet.

The Pro Forma consolidated income statement presents enough investments and liquidity to generate net financial income. According to the prevailing procedures used to prepare Pro Forma figures, the simulation of the capital increase did not take into account the financial income which would have arisen if the resulting cash and cash equivalents of the aforementioned capital increase had been invested as of 1 January 2012.

The cash flow statement includes the effects of the capital increase and dividend distributions as if the same transactions had been made at the beginning of the period. Therefore, cash and cash equivalents at the beginning of the year were adjusted, with a corresponding impact on the same item as at 31 December 2012.

Note 5. Merger Expenses

The expenses related to the Merger accrued to the Companies Participating in the Merger were estimated at a total of Euro 41.1 million (see Chapter 9 of the Updated Information Document), of which Euro 24.5 million had already been incurred at 31 December 2012 and were reflected in the assets of the 2012 Pro -Forma Consolidated Statements. The economic effects on cash flows relating to the expenditure already incurred are not significant in relation to the consolidated pre-tax profit of the Acquiring Company and of the Company Resulting from the Merger based on the 2012 Pro Forma Consolidated Statements.

The share of costs yet to be incurred as at 31 December 2012, amounting to Euro 16.6 million, was represented as a liability in the Pro Forma balance sheet, recognizing the related deferred tax assets amounting to Euro 5.7 million, with an impact on Pro Forma shareholders' equity amounting to Euro 10.9 million. The financial effects of the share of costs yet to be incurred, which are not significant in relation to both the consolidated result before taxes of the Acquiring Company and the consolidated result of the Company Resulting from the Merger based on the 2012 Pro Forma Consolidated Statements, did not undergo specific Pro Forma adjustments. Consistent with the foregoing, no Pro Forma adjustments were made on the cash flow statement data for the share of costs yet to be incurred.

Note 6. Convertible Loan

The column, “Convertible Loan”, sets out the effects of the issue of the Convertible Loan by UnipolSai.

It should be noted that the issue of the Convertible Loan, as well as the modification of the Amended Pre-Merger Financing Agreement, does not give rise to financial resources as it is a restructuring of financial debt of Premafin already in place in respect of the Financing Banks.

In view of the above, the effects of the Pro Forma entries relating to the issue of the Convertible Loan are summarized below:

- *Balance sheet*: restatement of financial liabilities to shareholders' equity (i.e. equity-related reserves) for a total amount of Euro 178.2 million, corresponding to the nominal loan value issued (equal to Euro 201.8 million) net of the financial liability component corresponding to the current value of expected cash flows for interest expense (equal to Euro 23.6 million). In order to calculate the cash flows, the loan interest rate was estimated at 5.0% and the discount rate was taken as 9.59%, corresponding to the average discount rate used by Fondiaria-SAI, in line with the rate used by UGF, for the impairment test on goodwill and recorded in the consolidated financial statements of the Premafin Group at 31 December 2012;
- *Income statement*: recognition of interest expense before tax equal to Euro 2.9 million (equal to Euro 2.1 million net of tax effect), calculated on the financial liability (at the rate of 9.59% calculated as indicated in the preceding point).

- *Cash flow statement*: recognition of cash flows related to interest expense amounting to Euro 2.9 million, as described above.

The cash flows associated with the issuance of the Convertible Loan to the extent subscribed by UGF will be fully allocated to a partial repayment of the amount owed to the Financing Banks, with no impact on liquidity.

It should be noted that the Pro Forma adjustments do not consider the economic and financial effects of changes in the Amended Pre-Merger Financing Agreement, which would have led, on the one hand, to the elimination of interest expense relating to the portion of the debt replaced by the Convertible Loan and, on the other, an increase in interest expense due on the residual financing in respect of the Financing Banks. The cumulative effect would result in a net reduction in interest expense and related cash outflows of an insignificant amount, both in relation to the consolidated pre-tax profit of the Acquiring Company and to that of the Company Resulting from the Merger on the basis of the 2012 Pro Forma Consolidated Statements.

Note 7. Put Option - Unipol Banca

The column, “Put Option - Unipol Banca”, shows the accounting effects regarding the agreement included in the Essential Values of the Merger, which provides for:

- 1) the commitment by UGF to grant Fondiaria-SAI a put option on the same shareholding held by Unipol Assicurazioni in Unipol Banca, equal to 32.26% of the relevant share capital, to be exercised at a price equal to Euro 299.4 million (which corresponds to the entry value of said shareholding in Unipol Assicurazioni at the time of signing the agreement) to mature on the fifth year following the effective date of the Merger;
- 2) the commitment by Fondiaria-SAI to grant UGF a call option on same investment at the same price, with the possibility for UGF to exercise it throughout the period between the effective Merger date and the maturity date at the end of the fifth year after such date.

It should be noted that, as at the Date of the Updated Information Document, the remaining terms and conditions of the put and call options do not appear to be fully defined and agreed upon between the parties. However, these terms and conditions are expected to comply with the good practices for similar operations.

This option aims mainly to neutralise the effect on the Acquiring Company of the gains and losses made by Unipol Banca in the period taken into account. Therefore, for the purpose of preparing the 2012 Pro Forma Consolidated Statements:

- as regards the income statement, the profit entry from Unipol Banca (equal to Euro 2.1 million), recognized following the equity method to account for same investment, was eliminated in the consolidated financial statements of Unipol Assicurazioni;
- as regards the balance sheet, the shareholding was adjusted to the value for exercising the options, as agreed between the parties, equal to Euro 299.4 million.
- with reference to the cash flow statement, the economic changes mentioned above were represented and, being of non-cash nature, do not entail impacts on net cash flows from operating activities.

Note 8. Non-controlling interests recalculations

The column entitled “Non-controlling interests recalculations” includes the recalculation of the shareholders’ equity attributable to minority interests following the Merger of Premafin and Milano Assicurazioni in Fondiaria-SAI. The merger of Unipol Assicurazioni in Fondiaria-SAI has no impact on minority interests. As a result of this adjustment, the shareholders’ equity attributable to minority interests of UnipolSai can be traced back to the equity stake of the subsidiaries which are not fully held and, in this case, mainly to:

- 50% of shareholders’ equity of the subsidiary Popolare Vita S.p.A.;
- 50% of shareholders’ equity of the subsidiary The Lawrence Life Assurance Co. Ltd;
- 50% of shareholders’ equity of the subsidiary BIM Vita S.p.A.;
- 49% of shareholders’ equity of the subsidiary Incontra Assicurazioni S.p.A.;

- 11% of shareholders' equity of the subsidiary Scontofin S.p.A.;
- 5.31% of shareholders' equity of the subsidiary SIAT – Società Italiana Assicurazioni e Riassicurazioni S.p.A.;
- 4.99% of the units of Tikal R.E. Fund.

5.1.6 Other Information

5.1.6.1 AGCM Order

On 19 June 2012, the AGCM approved the acquisition of control by UGF of the Premafin Group and, consequently, of the companies under its control, including Fondiaria-SAI and Milano Assicurazioni, provided that certain operations were performed, as described below. These operations were not considered for the purpose of preparing the Pro Forma Consolidated Statements for the reasons set out below.

Divestiture

The Unipol Group was required – aided by a leading independent international advisor approved by the AGCM – to dispose of the following assets: (i) all of the shares held by Milano Assicurazioni S.p.A. in Liguria Assicurazioni S.p.A. and Liguria Vita S.p.A. and (ii) one or more company branches consisting, inter alia, in the trademarks “Milano Assicurazioni” and “Sasa” and corporate assets of the same Milano Assicurazioni involving the production and distribution of insurance products through commercial divisions, so that as a result of such transfers the Unipol Group could transfer premiums as at 31 December 2012 amounting to Euro 1.7 billion to third parties, provided that, as a result of the divestiture its market share at national and provincial levels is less than 30% in each of the Non-Life and Life sectors based on IVASS data sources (or ensure the sale of the entire share acquired as a result of the acquisition of control of the Premafin Group, if the 30% share had already been held prior to the merger).

As at 30 June 2013 and 30 September 2013, the assets and liabilities identified for disposal were classified in accordance with IFRS 5 among assets and liabilities held for sale, while the economic effects of the same were not isolated and would in any case include the relevant reduction in premiums. This representation was not made in the consolidated financial statements at 31 December 2012 of the Premafin Group, as at that date the assets and liabilities to be disposed of had not yet been identified and were, therefore, classified in the appropriate relevant items. For this reason, the assets and liabilities as at 30 September 2013 are not immediately comparable with the figures at 31 December 2012.

At the Date of the Updated Information Document, it is not possible to estimate the actual timing for completion of the Divestiture or the total consideration which may be obtained against the said Divestiture.

Divestiture of Shares

The Company was required to reduce the shareholder relationship with Mediobanca - Banca di Credito Finanziario S.p.A. (“**Mediobanca**”) and Assicurazioni Generali S.p.A. through the disposal of the stakes held in the same.

With regard to the stake in Mediobanca, at 31 December 2012, the total investment held by the Premafin Group represented a participation of 3.8%, and the fair value of the same amounted to Euro 153.8 million. On 9 October 2013, through accelerated book building, the Premafin Group sold 23,114,386 Mediobanca ordinary shares, accounting for approximately 2.7% of the share capital, for a total consideration of Euro 135.2 million fully collected. The additional 9,905,500 Mediobanca shares held by Fondiaria-SAI, representing approximately 1.1% of the share capital, were subject to forward sale contracts entered into beforehand and were settled by the end of November 2013 for a total amount of approximately Euro 50.5 million.

It should be noted that the above-described sale of the stake in Mediobanca was not included in the Pro Forma figures as it would have resulted in non-significant changes in relation to the total investments, total assets and consolidated results of operations of the Acquiring Company and of the Company Resulting from the Merger as shown in the 2012 Pro Forma Consolidated Statements.

With reference to the investment in Assicurazioni Generali S.p.A., the same was transferred in its entirety in financial year 2012, realizing a gain of Euro 11.0 million.

Reduction in subordinated financial loans

The Company was required to reduce subordinated financial loans to Mediobanca for a total amount of Euro 350 million, of which Euro 100 million as part of the aforementioned sale of business units.

At the Date of the Updated Information Document, the terms and timing of the reduction in the value of subordinated financial loans to Mediobanca, as required by AGCM, cannot be predicted. However, the estimated effects should be solely due to a possible difference in the cost of debt, which is reasonably assumed not to be significant.

5.1.6.2 Pro Forma indicators per share

On the basis of the provisions of Art. 27 of the By-laws of the Company Resulting from the Merger attached to the Merger Plan (the “**By-laws**”):

“Any profits resulting from the financial statements approved by the Shareholders’ Meeting, after deduction of quotas allocated to ordinary reserves in the amounts laid down by law, shall be distributed according to the following order:

- *to Shares of Category A, a preferred dividend of up to Euro 6.5 per share;*
- *to Shares of Category B, a preferred dividend per share of up to 6.5% of the Accounting Par Value of the Shares of Category B;*
- *the residual amount to ordinary shares and Savings Shares so that the Shares of Category A can be entitled to a higher dividend, with respect to that of ordinary shares, equal to Euro 5.2 per share, and to Shares of Category B, an overall dividend higher than that of ordinary shares in an amount equal to 5.2% of the Accounting Par Value of the Shares of Category B; without prejudice to the right of the Shareholders’ Meeting to decide on the allocation, in whole or in part, to reserves or provisions or carry-forward or a partial extraordinary allocation to the company’s employees and to establish the extent, conditions and criteria for allocation or even for such other purposes as it deems consistent with the corporate interests.*

When in a given fiscal year, the Shares of category A have been awarded a dividend of less than Euro 6.5 per share and/or the Shares of Category B a dividend per share of less than 6.5% of the Accounting Par Value of the Shares of Category B, the difference shall be added to the preferred dividend in two subsequent financial years”.

Moreover, Art. 6 of the By-laws of the Company Resulting from the Merger attached to the Merger Plan provides, among other things, that the Accounting Par Value of the Shares of Category B should be understood as: “(...) *the ratio from time to time of the total amount of capital contributions made over time when subscribing Shares of Category B and the total number of existing Shares of Category B*”.

At the Date of the Updated Information Document, the Accounting Par Value of Shares of Category B was Euro 0.565 and therefore 6.5% of the Accounting Par Value of Shares of Category B was equal to Euro 0.036 for each savings share of category B.

At the Date of the Updated Information Document, the savings shares of category “A” had accrued the right to the amount pursuant to Art. 6 of the By-laws in relation to the two financial years ended at 31 December 2011 and 2012, when the Acquiring Company reported no income. The savings shares of category “B”, issued during the year 2012 under the Fonsai Capital Increase with regular dividend rights, accrued the right to the above amount only in relation to the financial year ended at 31 December 2012.

It should be noted that the Accounting Par Value of the Shares of Category B will not change as a result of the issue of new savings shares of category “B” by the Acquiring Company for the purpose of the Merger (on the assumption that Milano Assicurazioni participates in the Merger itself) .

Without prejudice to the foregoing, the following tables show the main Pro Forma indicators per share of UnipolSai for the year ended at 31 December 2012 and the number of shares used in the calculation of the Pro Forma indicators per share. It should be noted that such Pro Forma indicators were calculated: (i) by considering the purchase in full of shares subject to withdrawal in the context of the Option Offer and Pre-emption Offer by shareholders other than UGF and its subsidiaries and (ii) by ignoring any potential impact in terms of the dilutive effects of the issuance of the Convertible Loan, taking into account that such impact cannot be estimated in quantitative terms for the time being.

	2012	
Total number of Shares	2,576,520,677	
Ordinary shares	2,198,050,686	
Savings Shares of Cat. A	1,276,836	
Savings Shares of Cat. B	377,193,155	
Group net profit Euro millions	446.2	
Group net profit per Share	Pro Forma indicator per share	of which accrued in previous financial years
Ordinary shares	0.16	-
Savings Shares of Cat. A	19.50	13.00
Savings Shares of Cat. B	0.19	-
Total Group Shareholders' Equity Euro millions	4,550.3	
Total Group Shareholders' Equity per Share	Pro Forma indicator per share	
Ordinary shares	1.72	
Savings Shares of Cat. A	100.00	
Savings Shares of Cat. B	1.72	
Total Operating Cash Flow Euro millions	273.4	
Total Operating Cash Flow per share	Pro Forma indicator per share	of which accrued in previous financial years
Ordinary shares	0.09	-
Savings Shares of Cat. A	19.50	13.00
Savings Shares of Cat. B	0.12	-

Number of shares not including treasury shares

The number of shares not including treasury shares was determined considering the outstanding UnipolSai ordinary and savings shares following the Merger (equal to 2,629,376,743), minus the treasury shares held by the UnipolSai Group as at the Date of the Updated Information Document.

Group net profit per share

This indicator was calculated based on the Pro Forma consolidated profit of the UnipolSai Group attributable to owners of the parent company on the basis of the criteria set out in Art. 27 of the By-laws of the Company Resulting from the Merger and of the assumptions summarized above.

Shareholders' equity per ordinary share

This indicator was calculated by attributing the shareholders' equity in accordance with the provisions of Art. 31 of the By-laws of the Company Resulting from the Merger.

Cash flow per share

This indicator was calculated on the basis of Operating Cash of the UnipolSai Group attributable to owners of the parent company on the basis of the criteria set out in Art. 27 of the By-laws of the Company Resulting from the Merger and of the assumptions summarized above.

5.1.7 Report of the independent auditors

On 19 December 2013, the auditing firm Reconta Ernst & Young issued its report on the 2012 Pro Forma Consolidated Statements, as reproduced below.

5.2 Interim Pro Forma Consolidated Statements

5.2.1 Premise

The Interim Pro Forma Consolidated Statements, drawn up for illustrative purposes only, were prepared on the basis of the Premafin Group's condensed consolidated interim financial statements at 30 September 2013, which include Fondiaria-SAI and Milano Assicurazioni in their scope of consolidation (the "**Premafin Group**"), and of the consolidated interim financial statements of Unipol Assicurazioni and its subsidiaries (the "**Unipol Assicurazioni Group**") at 30 September 2013.

The condensed consolidated interim financial statements of Premafin at 30 September 2013, as well as the underlying consolidated financial statements of Fondiaria-SAI and Milano Assicurazioni as at the same date, and the consolidated interim financial statements of the Unipol Assicurazioni Group were prepared in accordance with International Accounting Standards (IFRS) as adopted by the European Union and in particular in accordance with IAS 34 on interim financial reporting.

The condensed consolidated interim financial statements of the Premafin Group and the consolidated interim financial statements of the Unipol Assicurazioni Group at 30 September 2013 were submitted to a limited audit by PricewaterhouseCoopers, which issued its reports on 2 December 2013.

The pro forma consolidated figures were obtained by applying appropriate pro forma adjustments to the abovementioned historical figures, as set out in detail in the following paragraphs, in order to retroactively reflect the significant effects of the Merger operation and the financial transactions related thereto.

The Interim Pro Forma Consolidated Statements were prepared in millions of Euros.

With regard to the accounting policies adopted by the Premafin Group for the preparation of consolidated historical figures, please refer to the notes to the condensed consolidated interim financial statements as at 30 September 2013, and to the consolidated financial statements at 31 December 2012 of the Premafin Group, prepared in accordance with the IFRS as adopted by the European Union and available on the website www.premafin.it, while in relation to the accounting policies adopted by the Unipol Assicurazioni Group for the preparation of consolidated historical figures, please refer to the notes to the consolidated interim financial statements at 30 September 2013 of the Unipol Assicurazioni Group, prepared in accordance with the IFRS as adopted by the European Union, attached to this Updated Information Document.

5.2.2 Purpose of presenting pro forma consolidated figures

The pro forma consolidated figures were prepared for illustrative purposes only and were obtained by applying appropriate pro forma adjustments to the consolidated figures at 30 September 2013 of the Premafin Group and Unipol Assicurazioni Group to retroactively reflect the significant effects of the Merger.

These effects were reflected retroactively as if the Merger and the transactions preparatory, connected or consequential thereto had been put in place at the balance sheet reporting date, thus at 30 September 2013 for the balance sheets of the Interim Pro Forma Consolidated Statements, and at the beginning of the reporting period, thus at 1 January 2013 for the income statements and the cash flow statements of the Interim Pro Forma Consolidated Statements.

For the purposes of a correct interpretation of the information provided by the pro Forma figures, the following aspects must be taken into consideration:

- as these figures are based on assumptions, if the Merger had actually been executed at the dates taken as reference for the preparation of pro forma figures, rather than at the actual date, the historical figures would not necessarily be the same as the pro forma figures;
- the pro forma figures do not reflect the prospective figures as they were prepared in order only to represent effects of the Merger that may be isolated and objectively measured, without considering the potential effects generated by any management initiatives undertaken as a result of the Merger.

Moreover, given the different purposes of the pro forma figures with respect to the historical figures in the financial statements and the different ways to calculate the effects with reference to the balance sheet and the income statement, pro forma balance sheets, pro forma income statements and pro forma cash flow statements should be read and interpreted separately, without attempting to reconcile the three documents from the accounting standpoint.

5.2.3 Assumptions considered for the preparation of the Interim Pro Forma Consolidated Statements

Following the subscription of the capital increase with exclusion of the option right of Premafin, UGF took over both Premafin and, through the latter, Fondiaria-SAI. On the basis of the IAS/IFRS, as applied by UGF for the preparation of its consolidated financial statements, the Merger was a business combination between entities under common control. As such, the Merger was explicitly excluded from the scope of application of IFRS 3 and it is currently not specifically regulated by any other international accounting standards or interpretations. As no specific principles to be applied to the Merger can be found in the IFRS, based on IAS 8.10 the company's management needs to use its judgment in developing and applying an accounting policy which provides information that is at the same time relevant and reliable. In forming its judgment, the company's senior management must consider (i) the requirements and guidelines contained in the IFRS, which govern similar and related issues, and (ii) the definitions, recognition criteria and concepts found in the so-called systematic framework.

Taking into account the foregoing, the Unipol Group believes that the accounting treatment to be followed to adequately represent the purposes of such business combination should be based on the following key assumptions:

- the Unipol Group, considered as a single economic entity, changed due to the acquisition of the Premafin Group finalized in July 2012;
- in the Unipol Group's plans, the subsequent reorganization has no other purpose but to streamline its structure replicating, to the extent possible, the image transmitted to the market even at the corporate level.

The Unipol Group thus decided that it should, also with reference to the Premafin Group, confirm the choice of a unified and overall management of the Group, which finds apt expression in the accounting valuations, estimates and policies adopted for the preparation of financial reports.

The Unipol Group therefore considers that the above unified and overall management can be adequately represented in the consolidated financial statements of the Company Resulting from the Merger by only reporting the values of acquired assets and liabilities based on the values resulting from the consolidated financial statements of the common Group.

The preparation of the Interim Pro Forma Consolidated Statements was thus carried out at constant values, confirming the effects of the Purchase Price Allocation carried out by UGF in its consolidated financial statements after the acquisition of control of the Premafin Group by UGF.

These effects, as permitted by IFRS 3, were recorded at the end of the measurement period, i.e. one year from the date of acquisition, and were reported in the condensed consolidated interim financial statements of UGF at 30 June 2013.

In summary, for the purposes of the preparation of the Pro-Forma Consolidated Interim Statements:

- 1) the accounting options used for the preparation of the condensed consolidated interim financial statements at 30 September 2013 of the Premafin Group were made consistent with those used by UGF in the preparation of the condensed consolidated interim financial statements at 30 September 2013;

- 2) the values used for the preparation of the condensed consolidated interim financial statements at 30 September 2013 of Premafin were aligned with the values resulting from the PPA process and included in the condensed consolidated interim financial statements of UGF at 30 September 2013;
- 3) the condensed consolidated interim financial statements of the Unipol Assicurazioni Group were prepared using the same accounting standards, valuation policies and accounting options as those of the Unipol Group.

5.2.4 Interim Pro Forma Consolidated Statements

The following are the Interim Pro Forma Consolidated Statements. For information on accounting policies in preparing the pro forma figures and the notes shown in the same, please refer to Paragraph 5.2.5.

5.2.4.1 Pro Forma Consolidated Balance Sheet of UnipolSai at 30 September 2013

(Millions of Euros)	Unipol Assicurazioni Group Note 1.	Premafin Group Note 2.	PPA and alignment on accounting policies Note 3.	Gruppo Premafin post PPA	Cancellations Note 4.	Capital increase Note 5.	Merger expenses Note 6.	Convertible loan Note 7.	Put Option of Unipol Banca Note 8.	Non-controlling interests recalculations Note 9.	Pro Forma Consolidated
INTANGIBLE ASSETS	356,5	1.104,5	(562,2)	542,3	-	-	-	-	-	-	898,8
Goodwill	306,7	1.057,3	(1.057,3)	-	-	-	-	-	-	-	306,7
Other intangible assets	49,8	47,2	495,1	542,3	-	-	-	-	-	-	592,1
TANGIBLE ASSETS	369,3	340,4	144,3	484,7	-	-	-	-	-	-	854,1
Land and buildings	346,6	292,0	144,5	436,5	-	-	-	-	-	-	783,1
Other tangible assets	22,7	48,4	(0,2)	48,2	-	-	-	-	-	-	71,0
TECHNICAL PROVISIONS - REINSURERS' SHARE	340,1	644,5	-	644,5	(20,3)	-	-	-	-	-	964,3
INVESTMENTS	21.258,4	30.039,6	563,7	30.603,2	-	-	-	-	51,6	-	51.913,3
Real estate investments	658,2	1.992,6	525,8	2.518,4	-	-	-	-	-	-	3.176,6
Investments in subsidiaries, associates and intere	289,5	127,5	-	127,5	-	-	-	-	51,6	-	468,6
Investments held to maturity	1.472,6	577,4	5,7	583,1	-	-	-	-	-	-	2.055,7
Loans and receivables	4.247,7	3.400,5	(790,4)	2.610,0	-	-	-	-	-	-	6.857,7
Financial assets available for sale	11.391,0	18.059,3	792,3	18.851,6	-	-	-	-	-	-	30.242,6
Financial assets at fair value through profit or loss	3.199,6	5.882,2	30,3	5.912,5	-	-	-	-	-	-	9.112,1
SUNDRY RECEIVABLES	904,3	1.397,8	-	1.397,8	(25,1)	-	-	-	-	-	2.277,0
Receivables relating to direct insurance business	385,7	725,5	-	725,5	-	-	-	-	-	-	1.111,2
Receivables relating to reinsurance business	45,3	56,9	-	56,9	(21,0)	-	-	-	-	-	81,3
Other receivables	473,2	615,5	-	615,5	(4,1)	-	-	-	-	-	1.084,6
OTHER ASSETS	695,6	5.070,4	85,0	5.155,4	(4,9)	-	1,5	-	-	-	5.847,6
Non-current assets held for sale or disposal grou	0,0	3.888,5	42,8	3.931,3	(4,7)	-	-	-	-	-	3.926,6
Deferred acquisition costs	13,0	55,1	-	55,1	-	-	-	-	-	-	68,1
Deferred tax assets	538,9	726,5	43,1	769,6	-	-	1,5	-	-	-	1.310,0
Current tax assets	-	271,2	4,6	275,8	-	-	-	-	-	-	275,8
Other assets	143,8	129,1	(5,4)	123,7	(0,2)	-	-	-	-	-	267,2
CASH AND CASH EQUIVALENTS	353,0	825,1	(0,1)	825,1	-	600,0	-	-	-	-	1.778,0
TOTAL ASSETS	24.277,2	39.422,4	230,7	39.653,1	(50,3)	600,0	1,5	-	51,6	-	64.533,1

(Millions of Euros)	Unipol Assicurazioni Group Note 1.	Premafin Group Note 2.	PPA and alignment on accounting policies Note 3.	Gruppo Premafin post PPA	Cancellations Note 4.	Capital increase Note 5.	Merger expenses Note 6.	Convertible loan Note 7.	Put Option of Unipol Banca Note 8.	Non-controlling interests recalculations Note 9.	Pro Forma Consolidated
SHAREHOLDERS' EQUITY	2.049,1	2.688,2	(69,8)	2.618,4	-	600,0	(2,9)	182,8	51,6	-	5.499,1
attributable to owners of the parent company	2.049,1	245,4	(71,9)	173,5	-	600,0	(2,9)	182,8	51,6	2.112,6	5.166,7
attributable to minority interests	-	2.442,8	2,1	2.444,9	-	-	-	-	-	(2.112,6)	332,4
PROVISIONS	66,0	317,9	6,6	324,5	-	-	-	-	-	-	390,5
TECHNICAL PROVISIONS	19.591,5	29.228,5	1,6	29.230,2	(25,0)	-	-	-	-	-	48.796,7
FINANCIAL LIABILITIES	1.700,5	2.481,4	(17,6)	2.463,8	-	-	-	(182,8)	-	-	3.981,4
Financial liabilities at fair value through profit or loss	628,8	550,1	0,2	550,4	-	-	-	-	-	-	1.179,1
Other financial liabilities	1.071,7	1.931,3	(17,8)	1.913,4	-	-	-	(182,8)	-	-	2.802,3
PAYABLES	318,1	571,2	0,1	571,3	(4,0)	-	4,4	-	-	-	889,9
Payables arising from direct insurance business	41,2	80,6	-	80,6	-	-	-	-	-	-	121,8
Payables arising from reinsurance business	40,3	62,8	-	62,8	(0,8)	-	-	-	-	-	102,3
Other payables	236,7	427,7	0,1	427,8	(3,2)	-	4,4	-	-	-	665,8
OTHER LIABILITIES	551,9	4.135,2	309,8	4.445,0	(21,4)	-	-	-	-	-	4.975,5
Liabilities associated with non-current assets held for sale	-	3.615,5	59,6	3.675,1	(7,2)	-	-	-	-	-	3.667,9
Deferred tax liabilities	327,5	109,6	242,6	352,3	-	-	-	-	-	-	679,8
Current tax liabilities	13,9	52,2	0,3	52,5	-	-	-	-	-	-	66,4
Other liabilities	210,5	357,9	7,3	365,2	(14,1)	-	-	-	-	-	561,6
TOTAL EQUITY AND LIABILITIES	24.277,2	39.422,4	230,7	39.653,1	(50,3)	600,0	1,5	-	51,6	-	64.533,1

5.2.4.2 Pro Forma Consolidated Income Statement of UnipolSai for the nine-month period ended at 30 September 2013

(Millions of Euros)	Unipol Assicurazioni Group	Premafin Group	PPA and alignment on accounting policies	Gruppo Premafin post PPA	Cancellations	Capital increase	Merger expenses	Convertible loan	Put Option of Unipol Banca	Non-controlling interests recalculations	Pro Forma Consolidated
	Note 1.	Note 2.	Note 3.		Note 4.	Note 5.	Note 6.	Note 7.	Note 8.	Note 9.	
Net premiums	4.160,2	7.111,6	-	7.111,6	-	-	-	-	-	-	11.271,9
<i>Gross premiums</i>	4.275,2	7.347,2	-	7.347,2	(56,1)	-	-	-	-	-	11.566,2
<i>Ceded premiums</i>	(115,0)	(235,5)	-	(235,5)	56,1	-	-	-	-	-	(294,4)
Commission income	6,8	5,5	-	5,5	-	-	-	-	-	-	12,3
Gains and losses on remeasurement of financial instruments at fair value through profit or loss	86,2	79,0	14,2	93,2	-	-	-	-	-	-	179,5
Gains on investments in subsidiaries, associates and interests in joint ventures	1,5	0,1	-	0,1	-	-	-	-	48,2	-	49,9
Gains on other financial instruments and investment property	609,7	926,6	121,3	1.047,9	(0,9)	-	-	-	-	-	1.656,7
<i>Interest income</i>	439,9	665,0	56,8	721,8	(0,9)	-	-	-	-	-	1.160,7
<i>Other income</i>	49,2	84,7	0,2	84,8	-	-	-	-	-	-	134,0
<i>Realized gains</i>	120,7	174,8	66,0	240,8	-	-	-	-	-	-	361,5
<i>Unrealized gains</i>	-	2,2	(1,7)	0,5	-	-	-	-	-	-	0,5
Other income	45,0	343,8	(7,8)	336,0	(4,3)	-	-	-	-	-	376,6
TOTAL INCOME AND REVENUES	4.909,5	8.466,7	127,7	8.594,4	(5,2)	-	-	-	48,2	-	13.546,9
Net charges relating to claims	(3.574,2)	(5.967,4)	(49,5)	(6.016,9)	-	-	-	-	-	-	(9.591,1)
<i>Amounts paid and changes in technical provisions</i>	(3.608,2)	(6.067,6)	(49,5)	(6.117,1)	29,6	-	-	-	-	-	(9.695,6)
<i>Reinsurers' share</i>	34,0	100,1	-	100,1	(29,6)	-	-	-	-	-	104,5
Commission expense	(6,5)	(4,5)	-	(4,5)	-	-	-	-	-	-	(11,0)
Losses on investments in subsidiaries, associates and interests in joint ventures	(49,0)	(0,7)	-	(0,7)	-	-	-	-	-	-	(49,7)
Losses on other financial instruments and investment property	(151,1)	(264,8)	71,1	(193,7)	-	-	-	(1,6)	-	-	(346,4)
<i>Interest expense</i>	(27,6)	(44,2)	(11,7)	(55,9)	-	-	-	(1,6)	-	-	(85,1)
<i>Other charges</i>	(6,4)	(49,5)	(0,3)	(49,8)	-	-	-	-	-	-	(56,2)
<i>Realized losses</i>	(20,9)	(50,4)	21,2	(29,2)	-	-	-	-	-	-	(50,1)
<i>Unrealized losses</i>	(96,1)	(120,7)	61,8	(58,9)	-	-	-	-	-	-	(155,0)
Operating expenses	(741,7)	(1.170,3)	(0,2)	(1.170,4)	0,9	-	-	-	-	-	(1.911,2)
<i>Commissions and other acquisition costs</i>	(597,1)	(844,9)	-	(844,9)	0,9	-	-	-	-	-	(1.441,1)
<i>Investment management expenses</i>	(25,2)	(11,9)	(0,2)	(12,1)	-	-	-	-	-	-	(37,3)
<i>Other administrative expenses</i>	(119,4)	(313,5)	-	(313,5)	-	-	-	-	-	-	(432,8)
Other costs	(74,7)	(502,8)	(96,7)	(599,5)	4,3	-	12,2	-	-	-	(657,8)
TOTAL COSTS AND CHARGES	(4.597,2)	(7.910,5)	(75,2)	(7.985,8)	5,2	-	12,2	(1,6)	-	-	(12.567,2)
PROFIT (LOSS) FOR THE YEAR BEFORE TAXATION	312,3	556,2	52,4	608,6	-	-	12,2	(1,6)	48,2	-	979,7
Taxation	(116,7)	(242,3)	(13,7)	(256,0)	-	-	(4,2)	0,4	-	-	(376,4)
PROFIT (LOSS) FOR THE YEAR NET OF TAX	195,6	313,9	38,7	352,6	-	-	8,0	(1,2)	48,2	-	603,3
PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	-	-	-	-	-	-	-	-	-	-	-
CONSOLIDATED PROFIT (LOSS)	195,6	313,9	38,7	352,6	-	-	8,0	(1,2)	48,2	-	603,3
attributable to the Group	195,6	52,4	6,5	58,9	-	-	5,8	(1,2)	48,2	259,1	566,4
attributable to minority interests	-	261,6	32,2	293,8	-	-	2,2	-	-	(259,1)	36,9

5.2.4.3 Pro Forma Consolidated Cash Flow Statement of UnipolSai for the nine-month period ended at 30 September 2013

(Millions of Euros)	Unipol Assicurazioni Group	Premafin Group	PPA and alignment on accounting policies	Gruppo Premafin post PPA	Adjustments	Capital increase	Merger expenses	Convertible loan	Put Option of Unipol Banca	Non-controlling interests recalculations	Pro Forma Consolidated
	Note 1.	Note 2.	Note 3.		Note 4.	Note 5.	Note 6.	Note 7.	Note 8.	Note 9.	
Profit (loss) for the year before taxation	312,3	556,2	52,4	608,6	-	-	12,2	(1,6)	48,2	-	979,7
Change in non-monetary items	312,3	(1.180,2)	(52,4)	(1.232,7)	-	-	(12,2)	-	(48,2)	-	(980,7)
Change in non-life premium provisions	(195,2)	(354,9)	-	(354,9)	-	-	-	-	-	-	(550,1)
Change in claims provision and other Non-Life technical provisions	57,9	(492,4)	-	(492,4)	-	-	-	-	-	-	(434,5)
Change in mathematical provisions and other Life technical provisions	532,7	(221,2)	49,5	(171,7)	-	-	-	-	-	-	361,0
Change in deferred acquisition costs	1,7	(7,8)	-	(7,8)	-	-	-	-	-	-	(6,1)
Change in provisions	(1,1)	16,1	(18,4)	(2,3)	-	-	-	-	-	-	(3,3)
Non-monetary gains and losses on financial instruments, investment property and investments	56,4	(34,9)	(206,4)	(241,3)	-	-	-	-	(48,2)	-	(233,1)
Other changes	(140,1)	(85,3)	122,9	37,6	-	-	(12,2)	-	-	-	(114,7)
Change in receivables and payables generated by operating activities	262,9	439,5	-	439,5	-	-	-	-	-	-	702,5
Change in receivables and payables relating to direct insurance and reinsurance	336,7	278,9	-	278,9	-	-	-	-	-	-	615,6
Change in other receivables and payables	(73,7)	160,6	-	160,6	-	-	-	-	-	-	86,9
Paid taxes	(82,3)	(43,3)	-	(43,3)	-	-	-	-	-	-	(125,6)
Net cash flows generated by/used for monetary items from investing and financing activities	15,2	574,9	-	574,9	-	-	-	-	-	-	590,0
Liabilities from financial contracts issued by insurance companies	(10,1)	9,1	-	9,1	-	-	-	-	-	-	(1,0)
Payables to banks and interbank customers	-	18,3	-	18,3	-	-	-	-	-	-	18,3
Loans and receivables from banks and interbank customers	-	37,8	-	37,8	-	-	-	-	-	-	37,8
Other financial instruments at fair value through profit or loss	25,2	509,7	-	509,7	-	-	-	-	-	-	534,9
TOTAL NET CASH FLOW FROM OPERATING ACTIVITIES	820,4	347,0	-	347,0	-	-	-	(1,6)	-	-	1.165,8

(Millions of Euros)	Unipol Assicurazioni Group	Premafin Group	PPA and alignment on accounting policies	Gruppo Premafin post PPA	Cnacellati ons	Capital increase	Merger expenses	Convertible loan	Put Option Unipol Banca	Non-controlling interests recalculations	Pro Forma Consolidated
	Note 1.	Note 2.	Note 3.		Note 4.	Note 5.	Note 6.	Note 7.	Note 8.	Note 9.	
Net cash flow generated by/used for investment property	(28,8)	19,8	-	19,8	-	-	-	-	-	-	(9,0)
Net cash flow generated by/used for investments in subsidiaries, associates and joint ventures	-	0,6	-	0,6	-	-	-	-	-	-	0,6
Net cash flow generated by/used for loans and receivables	208,9	17,7	-	17,7	-	-	-	-	-	-	226,6
Net cash flow generated by/used for held-to-maturity investments	281,7	82,5	-	82,5	-	-	-	-	-	-	364,3
Net cash flow generated by/used for available-for-sale financial assets	(1.301,8)	(104,4)	-	(104,4)	-	-	-	-	-	-	(1.406,2)
Net cash flow generated by/used for property, plant and equipment and intangible assets	(15,8)	(18,6)	-	(18,6)	-	-	-	-	-	-	(34,4)
Other cash flow generated by/used for investing activities	-	-	-	-	-	-	-	-	-	-	-
TOTAL NET CASH FLOW GENERATED BY/USED FOR INVESTING ACTIVITIES	(855,8)	(2,3)	-	(2,3)	-	-	-	-	-	-	(858,1)
Net cash flow generated by/used for equity instruments attributable to the owners of the Parent	-	-	-	-	-	-	-	-	-	-	-
Net cash flow generated by/used for treasury shares	-	-	-	-	-	-	-	-	-	-	-
Dividends distributed attributable to the owners of the Parent	(150,0)	-	-	-	-	-	-	-	-	-	(150,0)
Net cash flow generated by/used for share capital and reserves attributable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Net cash flow generated by/used for subordinated liabilities and equity instruments	-	-	-	-	-	-	-	-	-	-	-
Net cash flow generated by/used for other financial liabilities	(38,0)	(61,9)	-	(61,9)	-	-	-	-	-	-	(99,8)
TOTAL NET CASH FLOW GENERATED BY/USED FOR FINANCING ACTIVITIES	(188,0)	(61,9)	-	(61,9)	-	-	-	-	-	-	(249,8)
Effect of exchange rate gains/losses on cash and cash equivalents	-	(0,5)	-	(0,5)	-	-	-	-	-	-	(0,5)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	576,3	569,8	-	569,8	-	600,0	-	-	-	-	1.746,1
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(223,3)	282,3	-	282,3	-	-	-	(1,6)	-	-	57,4
CASH AND CASH EQUIVALENTS AT YEAR-END	353,0	852,2	-	852,2	-	600,0	-	(1,6)	-	-	1.803,5
Pro forma adjustments that determine cash flows not reflected in the Pro Forma Balance Sheet	-	-	-	-	-	-	-	1,6	-	-	1,6
CASH AND CASH EQUIVALENTS AS RESULTING FROM THE BALANCE SHEET(*)	353,0	852,2	-	852,2	-	600,0	-	-	-	-	1.805,1

(*) Includes cash and cash equivalents of non-current assets held for sale and disposal groups (Euro 27.0 million)

5.2.5 Description of the pro forma adjustments to the consolidated historical figures at 30 September 2013

With reference to the Interim Pro Forma Consolidated Statements, the following should be noted:

- i) the first column, “Unipol Assicurazioni Group”, includes the interim condensed consolidated financial statements at 30 September 2013 of the Unipol Assicurazioni Group;
- ii) the second column, “Premafin Group”, includes the interim condensed consolidated financial statements at 30 September 2013 of the Premafin Group which, as a holding company, includes the figures related to Fondiaria-SAI and to Milano Assicurazioni;
- iii) the third column, “PPA and alignment on accounting standards”, illustrates the figures relating to the adjustments made to the interim condensed consolidated financial statements of the Premafin Group at 30 September 2013 to adjust the assets and liabilities of the Premafin Group to the values of the same recorded in the consolidated financial statements of the parent company UGF, in application of the accounting standard identified for the representation of the Merger and illustrated in Paragraph 5.2.3 above of the Updated Information Document. Therefore adjustments, as described in more detail in Note 3, were recorded arising from:
 - the PPA, i.e. the measurement of the initial carrying value of the assets and liabilities of the Premafin Group made by the Unipol Group in compliance with IFRS 3, based on the fair value at the acquisition date. The main effects of such measurement affected intangible assets, real property, financial assets (and consequently the effects of shadow accounting), financial liabilities and contingent liabilities;
 - the harmonization of accounting policies of the Premafin Group with those of the Unipol Group, mainly concerning the impairment of the financial instruments classified among the “Financial assets available for sale” (thresholds of significance and relevance applied to restated carrying values) and the depreciation of the real estate classified among the “Tangible assets” and among “Investments” (redefinition of cost items and relevant useful life);
- iv) the fourth column, “Premafin Group post PPA”, reports the sum of the second and third columns;
- v) the fifth column, “Cancellations”, reports adjustments to costs and revenues, and their respective receivables and payables, between the Premafin Group and the Unipol Assicurazioni Group;
- vi) the sixth column, “Capital Increase”, illustrates the accounting effects arising from the approved capital increase by Unipol Assicurazioni;
- vii) the seventh column, “Merger Expenses”, illustrates the ancillary costs of the Merger operation net of the fiscal effects and concerning the fees recognized to consultants who assisted the Merged Companies and the Acquiring Company in the implementation of the operation;
- viii) the eighth column, “Convertible Loan”, illustrates the estimated accounting effects arising from the issuance of the Convertible Loan;
- ix) the ninth column, “Put Option of Unipol Banca”, illustrates the accounting effects related to the put-call option on the investment in Unipol Banca, accorded in the context of the Exchange of Correspondence on the Essential Values of the Merger;
- x) the tenth column, “Non-controlling Interests recalculations”, illustrates the figures concerning the recalculation of the shareholders’ equity quotas belonging to minority interests following the Merger;
- xi) the eleventh column, “Pro Forma Consolidated”, illustrates the Pro Forma Consolidated Balance Sheet at 30 September 2013, the Pro Forma Consolidated Income Statement and the Pro Forma Cash Flow Statement for the nine-month period ended at 30 September 2013 arising from the sum of the previous columns.

It should be noted that all of the Pro Forma adjustments made with reference to the income statement and cash flow statement figures, with the exception of those relating to the merger expenses described in Note 6 hereunder, will have a permanent effect on the Company Resulting from the Merger.

Note 1. Unipol Assicurazioni Group

The column “Unipol Assicurazioni Group” includes balance sheet figures as at 30 September 2013 and the income statement and cash flow statement figures of the Unipol Assicurazioni Group for the nine-month period ended at 30 September 2013, submitted to a limited audit by PricewaterhouseCoopers.

Note 2. Premafin Group

The column “Premafin Group” includes balance sheet figures as at 30 September 2013 and the income statement and cash flow statement figures of the Premafin Group for the for the nine-month period ended at 30 September 2013, submitted to a limited audit by PricewaterhouseCoopers.

Note 3. PPA and Alignment on Accounting Standards

The column, “PPA and Alignment on Accounting Standards”, includes the effects arising from PPA on Premafin Group following acquisition of control by UGF on the date of acquisition.

The main effects of the records on the balance sheet are summarized as follows. It should be noted that these effects are influenced by the classification in accordance with IFRS 5 of the assets and liabilities related to the business unit being disposed of (with a net effect of Euro 16.8 million):

- elimination of goodwill regarding the Premafin Group (equal to Euro 1,057.3 million) as, following acquisition by UGF, the goodwill was recalculated by UGF on the basis of PPA;
- measurement of the fair value of other intangible assets linked to the Life and Non-life Sectors (“VIF” and “VOBA”) net of the intangible assets already included in the consolidated financial statements of the Premafin Group before the acquisition and net of amortization for the period (for a total of Euro 495.1 million);
- adjustment to the fair value on the date of acquisition of the tangible assets regarding real estate for instrumental use and investment property calculated on the basis of experts’ appraisals, and net of the effects of the movement which took place in the period (including depreciation) (for a total of Euro 670.3 million);
- adjustment to the fair value of the securities classified among investments held to maturity (equal to Euro 5.7 million);
- adjustment to the fair value and restatement of part of the financial assets (equal to Euro -790.4 million) from loans and receivables to financial assets available for sale (Euro 792.3 million) and financial assets at fair value through profit or loss (Euro 30.3 million). This restatement was made in order to align with the classification criteria used by the Unipol Group;
- adjustment of Euro 6.6 million to accumulated provisions to measure potential liabilities regarding events occurring prior to the date of acquisition;
- recalculation of the technical provisions to adjust the effects of the shadow accounting as a result of the different value assigned to financial assets (for an overall effect of Euro 1.6 million);
- adjustment to the fair value of subordinate financial loans (equal to Euro -17.8 million) included among the other financial liabilities and entered at the depreciated cost;
- recognition of the tax effects linked to the preceding adjustments.

The main effects of the accounts on the income statement are summarized as follows:

- the increase in gains and losses deriving from financial instruments at fair value through profit or loss is due to the harmonization of the valuation method and accounting representation of derivative instruments between the Unipol Group and the Premafin Group upon the PPA stage (mainly due to the measurement and recognition of put and call options separately by single option rather than by homogenous categories of hedged instruments) (Euro 14.2 million);

- the increase in interest income (equal to Euro 56.8 million) refers to the recalculation of the depreciated cost of the financial assets available for sale, loans and receivables and investments held to maturity on the basis of fair value calculated during the PPA stage;
- the net increase in realized gains (equal to Euro 66.0 million) refers to the recalculation of gains realized in the first nine months of 2013 on the basis of fair value of the investments held to maturity and of the financial assets available for sale (for a total of Euro 72.3 million) and investment property (equal to Euro -5.9 million) calculated during the PPA stage;
- the reduction in valuation gains (equal to Euro -1.7 million) refers to the recalculation of the result of the valuation at fair value of investment property to adjust the value of the first nine months of 2013 to the estimates made during PPA;
- the reduction in other revenues (equal to Euro -7.8 million) mainly refers to the elimination of extraordinary income on investments as they had been already included in the relevant fair value calculated during the PPA stage;
- the net increase in the item amounts paid and changes in technical provisions (equal to Euro 49.5 million) is due mainly to the shadow accounting adjustment related to the recalculation of the effects of the financial assets on the fair value;
- the increase in interest expense (equal to Euro -11.7 million) is due to the recalculation of the depreciated cost of the subordinate financial liabilities of Fondiaria-SAI and Milano Assicurazioni on the basis of the fair value determined during the PPA phase;
- the reduction in realized losses (Euro 21.2 million) is related to the restatement of the losses incurred during the period based on the fair value of financial assets available for sale and loans and receivables calculated during the PPA phase;
- the reduction in valuation losses (equal to Euro 61.8 million) refers to: (i) the cancellation of the real estate depreciations made in the period, since they were recognized during the PPA phase (equal to Euro 10.4 million), (ii) smaller depreciation of investment property due to the recalculation of the fair value during the PPA stage and to the alignment on accounting standards (for a total of Euro 17.9 million), (iii) the elimination of the value reductions of financial assets available for sale (i.e. Euro 33.5 million);
- the increase in other costs (equal to Euro -96.7 million) is mainly due to: (i) the increase in costs relating to the amortization of intangible assets, i.e. VIF and VOBA, measured during the PPA phase (equal to Euro -115.1 million), (ii) elimination of the allocations to reserves (i.e. Euro 18.4 million) already included in the PPA phase;
- recognition of the tax effects linked to the preceding adjustments.

With reference to the cash flow statement, the effects represented in the column in question reflect the changes made to the assets during the PPA phase and the resulting pro forma economic adjustments which result in a change in the allocation of financial flows, without affecting liquidity at year end.

Note 4. Cancellations

The column, “Cancellations”, includes adjustments designed to eliminate the reinsurance and coinsurance relations between the Premafin Group and Unipol Assicurazioni Group.

Note 5. Capital Increase

The column, “Capital Increase”, is the increase of Euro 600 million in capital of Unipol Assicurazioni by UGF to be carried out prior to the signing of the deed of Merger.

This Pro Forma adjustment only impacts the balance sheet.

The Pro Forma consolidated income statement presents enough investments and liquidity to generate net financial income. According to the prevailing procedures used to prepare Pro Forma figures, the simulation of the capital increase did not take into account the financial income that would have arisen if the resulting cash and cash equivalents of the aforementioned capital increase had been invested as of 1 January 2013.

The cash flow statement includes the effects of the capital increase as if the same transactions had been made at the beginning of the period. Therefore, cash and cash equivalents at the beginning of the year were adjusted, with a corresponding impact on the same item as at 30 September 2013.

Note 6. Merger Expenses

The expenses related to the Merger accrued to the Companies Participating in the Merger were estimated at a total of Euro 41.1 million (see Chapter 9 of the Updated Information Document), of which Euro 36.7 million had already been incurred at 30 September 2013 and were reflected in the assets of the Interim Pro Forma Consolidated Statements. The effects the income statement and on cash flows relating to the expenditure already incurred in the period ended at 30 September 2013 (amounting to Euro 12.2 million) are not significant in relation to the consolidated pre-tax profit of the Acquiring Company and of the Company Resulting from the Merger based on the Interim Pro Forma Consolidated Statements.

The share of costs yet to be incurred as at 30 September 2013, amounting to Euro 4.4 million, was represented as a liability in the pro forma balance sheet, recognizing the related deferred tax assets amounting to Euro 1.5 million, with an impact on the pro forma shareholders' equity amounting to Euro 10.9 million. The financial effects of the share of costs yet to be incurred, which are not significant in relation to both the consolidated result before taxes of the Acquiring Company and the consolidated result of the Company Resulting from the Merger based on the Interim Pro Forma Consolidated Statements, did not undergo special pro forma adjustments. Consistent with the foregoing, no pro forma adjustments were made on the cash flow statement figures for the share of costs yet to be incurred.

Note 7. Convertible Loan

It should be noted that the issue of the Convertible Loan, as well as the modification of the Amended Pre-Merger Financing Agreement, does not give rise to financial resources as it is a restructuring of financial debt of Premafin already in place in respect of the Financing Banks.

In view of the above, the effects of the pro forma entries relating to the issue of the Convertible Loan are summarized below:

- *Balance sheet*: restatement of financial liabilities to shareholders' equity (i.e. equity-related reserves) for a total amount of Euro 182.8 million, corresponding to the nominal loan value issued (equal to Euro 201.8 million) net of the financial liability component corresponding to the current value of expected cash flows for interest expense (equal to Euro 19.0 million). In order to calculate the cash flows, the loan interest rate was estimated at 5.0% and the discount rate was taken as 8.95%, corresponding to the average discount rate used by Fondiaria-SAI, in line with the rate used by UGF, for the impairment test on goodwill;
- *Income statement*: recognition of interest expense before tax equal to Euro 1.6 million (equal to Euro 1.2 million net of tax effect), calculated on the financial liability (at the rate of 8.95% calculated as indicated in the preceding point).
- *Cash flow statement*: recognition of cash flows related to interest expense amounting to Euro 1.6 million, as described above. The cash flows associated with the issue of the Convertible Loan to the extent subscribed by UGF will be fully allocated to partially repay the debt to the Financing Banks, with no impact on liquidity.

It should be noted that the pro forma adjustments do not consider the economic and financial effects of changes in the Amended Pre-Merger Financing Agreement, which would have led, on the one hand, to the elimination of interest expense relating to the portion of debt replaced by the Convertible Loan and, on the other, an increase in interest expense due on the residual financing in respect of the Financing Banks. The cumulative effect would result in a net reduction in interest expense and related cash outflows of an insignificant amount, both in relation to the consolidated pre-tax profit of the Acquiring Company and to that of the Company Resulting from the Merger on the basis of the Interim Pro Forma Consolidated Statements.

Note 8. Put Option of Unipol Banca

The column, "Put Option of Unipol Banca", shows the accounting effects regarding the agreement included in the Exchange of Correspondence on the Essential Values of the Merger, which provides for:

- 1) the commitment by UGF to grant Fondiaria-SAI a put option on the shareholding held by Unipol Assicurazioni in Unipol Banca, equal to 32.26% of the relevant share capital, to be exercised at a price equal to Euro 299.4 million (which corresponds to the carrying value of said shareholding in Unipol Assicurazioni at the time of signing the agreement) to mature on the fifth year following the effective date of the Merger;
- 2) the commitment by Fonsai to grant UGF a call option on same investment at the same price, with the possibility for UGF to exercise it throughout the period between the effective Merger date and the maturity date of the fifth year after such date.

It should be noted that, at the Date of the Updated Information Document, the remaining terms and conditions of the put and call options do not appear to have been fully defined and agreed upon between the parties. However, these terms and conditions are expected to comply with the good practices for similar operations.

This option mainly aims to neutralise the effect on the Acquiring Company of the gains and losses made by Unipol Banca in the period taken into account. Therefore, for the purpose of preparing the Interim Pro Forma Consolidated Statements:

- as regards the income statement, the loss entry from Unipol Banca (equal to Euro 48.2 million), recognized following the equity method to account for same investment, was eliminated in the condensed interim consolidated financial statements at 30 September 2013 of Unipol Assicurazioni;
- as regards the balance sheet, the shareholding was adjusted to the value for exercising the options, as agreed between the parties, equal to Euro 299.4 million.
- as regards the cash flow statement, the economic changes mentioned above were represented and, being non-cash in nature, they do not entail impacts on net cash flows from operating activities.

Note 9. Non-controlling interests recalculations

The column, “Non-controlling interests recalculations”, includes the recalculation of the shareholders’ equity attributable to minority interests following the Merger of Premafin and Milano Assicurazioni into Fondiaria-SAI. The merger of Unipol Assicurazioni into Fondiaria-SAI has no impact on minority interests. As a result of this adjustment, the shareholders’ equity attributable to minority interests of UnipolSai can be traced back to the equity stake of the subsidiaries that are not fully held and, in this case, mainly to:

- 50% of shareholders’ equity of the subsidiary Popolare Vita S.p.A.;
- 50% of shareholders’ equity of the subsidiary The Lawrence Life Assurance Co. Ltd;
- 50% of shareholders’ equity of the subsidiary BIM Vita S.p.A.;
- 49% of shareholders’ equity of the subsidiary Incontra Assicurazioni S.p.A.;
- 11% of shareholders’ equity of the subsidiary Scontofin S.p.A.;
- 5.31% of shareholders’ equity of the subsidiary SIAT – Società Italiana Assicurazioni e Riassicurazioni S.p.A.;
- 4.99% of the units of Tikal R.E. Fund.

5.2.6 Other Information

5.2.6.1 AGCM Order

On 19 June 2012, the AGCM approved the acquisition of control by UGF of the Premafin Group and, consequently, of the companies under its control, including Fondiaria-SAI and Milano Assicurazioni, provided that certain operations were performed, as described below. These operations were not considered for the purpose of preparing the Pro Forma Consolidated Statements for the reasons set out below.

Divestiture

The Unipol Group was required – aided by a leading independent international advisor approved by the AGCM – to dispose of the following assets: (i) all of the shares held by Milano Assicurazioni S.p.A. in Liguria Assicurazioni S.p.A. and Liguria Vita S.p.A. and (ii) one or more company branches consisting, inter alia, in the trademarks “Milano Assicurazioni” and “Sasa” and corporate assets of the same Milano Assicurazioni involving the production and distribution of insurance products through commercial divisions, so that as a result of such transfers the Unipol Group could transfer premiums as at 31 December 2012 amounting to Euro 1.7 billion to third parties, provided that, as a result of the divestiture its market share at national and provincial levels is less than 30% in each of the Non-Life and Life sectors based on IVASS data sources (or ensure the sale of the entire share acquired as a result of the acquisition of control of the Premafin Group, if the 30% share had already been held prior to the merger).

With effect from 30 June 2013, the assets and liabilities identified for the divestiture were, in accordance with IFRS 5, classified among the assets and liabilities held for sale, which will have to include the corresponding reduction in premiums while the economic effects of the same were not isolated.

At the Date of the Updated Information Document, it is not possible to estimate the actual timing for completion of the Divestiture or the total consideration which may be obtained against the said Divestiture.

Divestiture of Shares

The Company was required to reduce the shareholder relationship with Mediobanca - Banca di Credito Finanziario S.p.A. (“**Mediobanca**”) and Assicurazioni Generali S.p.A. through the disposal of the stakes held in the same.

With regard to the stake in Mediobanca, at 30 September 2013, the total investment held by the Premafin Group represented a participation of 3.8%, and the fair value of the same amounted to Euro 168.5 million. On 9 October 2013, through accelerated book building, the Premafin Group sold 23,114,386 Mediobanca ordinary shares, accounting for approximately 2.7% of the share capital, for a total consideration of Euro 135.2 million fully collected. The additional 9,905,500 Mediobanca shares held by Fondiaria-SAI, representing approximately 1.1% of the share capital, were subject to forward sale contracts entered into beforehand and were settled by the end of November 2013 for a total amount of approximately Euro 50.5 million.

It should be noted that the sale of the stake in Mediobanca described above was not included in the pro forma figures as it would have resulted in non-significant changes in relation to the total investments, total assets and consolidated results of operations of the Acquiring Company and of the Company Resulting from the Merger as shown in the Interim Pro Forma Consolidated Statements.

With reference to the investment held in Assicurazioni Generali S.p.A., the same was transferred in its entirety in financial year 2012, realizing a gain of Euro 11.0 million.

Reduction in subordinated financial loans

The Company was required to reduce subordinated financial loans to Mediobanca for a total amount of Euro 350 million, of which Euro 100 million as part of the aforementioned disposal of business units.

At the Date of the Updated Information Document, the terms and timing of the reduction in the value of subordinated financial loans to Mediobanca, as required by AGCM, cannot be predicted. However, the estimated effects should be solely due to a possible difference in the cost of debt, which is reasonably assumed not to be significant.

5.2.6.2 Pro Forma Indicators per Share

On the basis of the provisions of Art. 27 of the By-laws of the Company Resulting from the Merger attached to the Merger Plan (the “**By-laws**”):

“Any profits resulting from the financial statements approved by the Shareholders’ Meeting, after deduction of quotas allocated to ordinary reserves in the amounts laid down by law, shall be distributed according to the following order:

- *to Shares of Category A, a preferred dividend of up to Euro 6.5 per share;*
- *to Shares of Category B, a preferred dividend per share of up to 6.5% of the Nominal Value of the Shares of Category B;*
- *the residual amount to ordinary shares and Savings Shares so that the Shares of Category A can be entitled to a higher dividend, with respect to that of ordinary shares, equal to Euro 5.2 per share, and to Shares of Category B, an overall dividend higher than that of ordinary shares in an amount equal to 5.2% of the Nominal Value of the Shares of Category B; without prejudice to the right of the Shareholders’ Meeting to decide on the allocation, in whole or in part, to reserves or provisions or carry-forward or a partial extraordinary allocation to the company’s employees and to establish the extent, conditions and criteria for allocation or even for such other purposes as it deems consistent with the corporate interests.*

When in a given fiscal year, the Shares of category A have been awarded a dividend of less than Euro 6.5 per share and/or the Shares of Category B a dividend per share of less than 6.5% of the Nominal Value of the Shares of Category B, the difference shall added to the preferred dividend in two subsequent financial years”.

Moreover, Art. 6 of the By-laws of the Company Resulting from the Merger attached to the Merger Plan provides, among other things, that the Nominal Value of the Shares of Category B should be understood as: *“(…) the ratio from time to time of the total amount of capital contributions made over time when subscribing Shares of Category B and the total number of existing Shares of Category B”.*

At the Date of the Updated Information Document, the Nominal Value of Shares of Category B was Euro 0.565 and therefore 6.5% of the Nominal Value of Shares of Category B was equal to Euro 0.036 for each savings share of category B.

At the Date of the Updated Information Document, the savings shares of category “A” had accrued the right to the amount pursuant to Art. 6 of the By-laws in relation to the two financial years ended at 31 December 2011 and 2012, when the Acquiring Company reported no income. The savings shares of category “B”, issued during the year 2012 under the Fonsai Capital Increase with dividend rights, accrued the right to the above amount only in relation to the financial year ended at 31 December 2012.

It should be noted that the Nominal Value of the Shares of Category B will not change as a result of the issue of new savings shares of category “B” by the Acquiring Company for the purpose of the Merger (on the assumption that Milano Assicurazioni participates in the Merger itself) .

Without prejudice to the foregoing, the following tables show the main Pro Forma indicators per share of UnipolSai for the nine-month period ended at 30 September 2013 and the number of shares used in the calculation of the pro forma indicators per share. It should be noted that such pro forma indicators were calculated: (i) by considering the purchase in full of shares subject to withdrawal in the context of the Option Offer and Pre-emption Offer by shareholders other than UGF and its subsidiaries and (ii) by ignoring any potential impact in terms of the dilutive effects of the issuance of the Convertible Loan, taking into account that such impact cannot be estimated in quantitative terms for the time being.

	9/2013
Total number of Shares	2,576,520,677
Ordinary shares	2,198,050,686
Savings Shares of Cat. A	1,276,836
Savings Shares of Cat. B	377,193,155
Group net profit Euro millions	566.4

Group net profit per Share	Pro indicator share	Forma per	<i>of which accrued in previous financial years</i>
Ordinary shares	0.21		-
Savings Shares of Cat. A	19.50		13.00
Savings Shares of Cat. B	0.24		0.04
Total Group Shareholders' Equity Euro millions	5,166.7		
Total Group Shareholders' Equity per Share	Pro Forma indicator per share		
Ordinary shares	1.96		
Savings Shares of Cat. A	100.00		
Savings Shares of Cat. B	1.96		
Total Operating Cash Flow Euro millions	1,165.8		
Total Operating Cash Flow per share	Pro indicator share	Forma per	<i>of which accrued in previous financial years</i>
Ordinary shares	0.44		-
Savings Shares of Cat. A	19.50		13.00
Savings Shares of Cat. B	0.47		0.04

Number of share not including treasury shares

The number of shares not including treasury shares was determined considering the outstanding UnipolSai ordinary and savings shares following the Merger (equal to 2,629,376,743), minus the treasury shares held by the UnipolSai Group as at the Date of the Updated Information Document.

Group net profit per share

This indicator was calculated based on the Pro Forma consolidated profit of the UnipolSai Group attributable to owners of the parent company on the basis of the criteria set out in Art. 27 of the By-laws of the Company Resulting from the Merger and the assumptions summarized above.

Shareholders' equity per ordinary share

This indicator was calculated by attributing the shareholders' equity in accordance with the provisions of Art. 31 of the By-laws of the Company Resulting from the Merger.

Cash flow per share

This indicator was calculated on the basis of Operating Cash of the UnipolSai Group attributable to owners of the parent company on the basis of the criteria set out in Art. 27 of the By-laws of the Company Resulting from the Merger and the assumptions summarized above.

5.2.7 Report of the independent auditors

On 19 December 2013, the auditing firm PricewaterhouseCoopers issued its report on the limited audit of the Interim Pro Forma Consolidated Statements, as reproduced below.

6 Prospects of the Acquiring Company and the Group It Leads

6.1 General indications on the business performance of the Acquiring Company from the end of financial year 2012

6.1.1 *Information on the most significant trends recorded in the insurance industry and in other business sectors*

Performance of the insurance business

Some of the most significant aspects of the performance of the insurance portfolio and, more generally, the management of the insurance business of the Fonsai Group during the first nine months of 2013 include the following:

- the first nine months of 2013 witnessed a positive technical result in the Non-Life sector with a combined ratio on retained work squarely below 100. It now stands at 91.8% against 99.3% of the first nine months of 2012. As regards direct business, this indicator stands at 92.3% against 101.6% at September 2012. Against the drop in premiums recorded in particular in the Motor Vehicle sector, there was a positive trend in terms of reported claims and a corresponding reduction in the frequency thereof;
- a significant recovery in total premiums of the Life Classes (+10.8%), driven mainly by the bancassurance vehicle, Popolare Vita, and especially by its subsidiary, Lawrence Life. The stable performance of total premiums for companies operating via traditional channels confirmed a renewed confidence in the Fonsai Group, also accompanied by a significant reduction in the flow of redemptions;
- a positive trend in financial management which, notwithstanding the unstable context, enables the results of the first nine months of 2012 to be confirmed and exceeded;
- a limited impact of extraordinary entries. It should be remembered that the third quarter of 2012 was burdened with approximately Euro 86 million in impairment of receivables from the bankruptcy of Im.Co and Sinergia;;
- evidence of a significant tax burden for the period, which confirms the possibility of recovering the deferred tax assets (together with the entries of equity-related reserves), recorded in the financial statements for the previous accounting period;
- at 30 September 2013, the adjusted solvency ratio stood at 1.28 against 1.09 at 31 December 2012. The hedge ratio was calculated with reference to the required estimated margin for the period. If measured against the required margin at the end of the previous accounting period, it would amount to 1.25. These results are regardless of the effects arising from the application of IFRS 5 in relation to the insurance contract portfolio to be disposed of in accordance with the AGCM Order of 19 June 2012.

The **Non-Life sector** marked a pre-tax profit of Euro 449.9 million, a significant improvement compared to the same result achieved at 30 September 2012 (Euro 38 million). This was aided by the largely positive technical result of the sector (Euro 355.7 million) compared to a net technical result of Euro 34.6 million at 30 September 2012.

The Motor Vehicle sector income marked a significant decline, amounting to about 13%, due to many factors, including the difficult economic environment, the current portfolio selection process and the abolition of the system of tacit extension of contracts relating to the Motor Vehicle sector, which led to a more conservative approach in the management of the receipting process.

However, this was offset by a marked reduction in reported claims and frequency thereof as well as by a substantial holding of claims provisions as recorded at the end of the previous financial year, which then resulted in no significant negative impacts on the income statement.

The Non-Motor classes showed a more moderate decline (-4.4%), given that the portfolio restructuring had already commenced in the previous two financial years and that the decline was affected by a recession in the national economy that made it difficult for households and businesses to extend insurance coverage.

The sector's results were also influenced by Euro 32.3 million from impairment losses on AFS financial instruments (Euro 47.0 million at 30 September 2012): of which, Euro 10.4 million refer to the impairment of the shareholding in Alitalia - Compagnia Aerea Italiana S.p.A..

The **Life sector** recorded a pre-tax profit of Euro 182.2 million against Euro 74.5 million at 30 September 2012. Trends in production were largely positive (+10.8%), thanks to the contribution recorded in Class III (+31%), which amounted to more than Euro 1 billion, due to the contribution of the subsidiary Lawrence Life, whose income however was concentrated in the first half of the year. Premiums in Class I, characterized by higher profit margins projections present a contrast with the figures of the entire first half as they marked an increase of 1.4%, not significant, as it was within a still uncertain economic framework of reference. The slowdown in the trend of redemptions continued in the first nine months of 2013 compared to the figure recorded as at 30 September 2012. The result of the financial management improved compared to the first nine months of 2012, thanks in part to the impact of higher net realized gains recorded during the third quarter. Definitely more limited, the impact for the period of the impairment on AFS financial instruments amounted to Euro 15.5 million (Euro 28.1 million at 30 September 2012).

Operating expenses amounted to Euro 1,166.4 million (Euro 1,227.0 million at 30 September 2012), a decrease of about 5%, mainly due to the reduction in acquisition commissions as a result of the contraction in Non-Life premium income.

Trend for claims and technical indicators for Non-life Classes

The Motor Vehicle sector benefited from the actions undertaken to recover profitability and a more favorable market environment and it marked significantly improving technical indicators. In particular, the reported claims were down by 15.5%, the frequency thereof decreased and the technical balance was vastly positive, against a current favorable loss ratio and a trend in prior years' claims that did not result in significant adverse impacts on the income statement, confirming the adequacy of the reserves set aside in the 2012 financial statements.

Even the Land Vehicle sector showed a largely positive technical trend, albeit lower than the one reported in the corresponding period of the previous year. The overall trend of the other Non-Life sectors was also positive, with particularly good results in the Accident Classes. Losses in the general third party liability class continued, which nevertheless reported a significant improvement in the technical result compared to 30 September 2012, both due to the reduction in the loss ratio for the current year premiums and due to the performance of prior year claims, which did not engender significant economic impacts.

The main technical indicators for the Non-life sector for direct business at 30 September 2013 were as follows:

- Loss ratio (claims rate) of 66.4% (79.4% at 31 December 2012);
- Expense ratio of 23.9% (22.9% at 31 December 2012);
- OTI ratio (which includes the balance of the other technical items) of 2.0% (3.1% at 31 December 2012);
- Combined ratio of 92.3% (105.4% at 31 December 2012).

Performance of activities other than insurance

Real Estate Business

The Real Estate Business reported a pre-tax loss amounting to Euro 41.6 million (compared to a loss of Euro 35 million at 30 September 2012) adversely affected by the impairment of Euro 16.4 million (Euro 2.4 million at 30 September 2012) on investment property and depreciation of Euro 22.0 million (Euro 22.3 million at 30 September 2012). In particular, further reductions in the value of properties recognized in the period in review were mainly due to the real estate development of the Port of Loano (through its subsidiary Marina di Loano), for which the valuation method in use at year end was updated.

Given the continuing stagnation of the sector, there were no realized gains and management operations were directed not only to controlling costs, but also to the restructuring and streamlining of existing assets

characterized by specific initiatives, which did not meet the requirements of immediate realization, such as the Castello Area in Florence or the aforementioned Port of Loano.

Other diversified sectors

This sector includes the Fonsai Group Companies operating in the banking, hotel industries and diversified sectors with respect to the insurance or real estate sectors.

The pre-tax result was a loss of Euro 24.3 million (loss of Euro 32.6 million at 30 September 2012). The negative results were due to the continuing structural loss of Centro Oncologico Fiorentino and Atahotels, in addition to the loss of Sainernational S.A. in liquidation, as a result of the write-down of the RCS shares in the portfolio. It should be noted that the 2012 result did not include the negative impact of Atahotels because at that time it was classified as an asset held for sale and subsequently removed from that allocation due to the renewed interest of the Group in such business initiative.

6.1.2 Recent trends arising from the evolution of income and expenses in equity and financial management

The financial and asset management reported an overall net income of Euro 745 million at 30 September 2013 (Euro 1,051 million at 30 September 2012). At 30 September 2013, the investment volume reached Euro 30,026 million (Euro 33,859 million at 31 December 2012).

Net income from financial instruments at fair value through profit or loss included net income relating to Life assurance contracts where the investment risk borne by the policyholders was Euro 113 million (compared with Euro 448 million at 30 September 2012). The net income was offset by an equivalent entry, of opposite sign, in commitments towards policyholders.

The impairment losses (Euro 120.7 million) included Euro 48.0 million generated by the impairment on AFS financial instruments related to all business sectors (Euro 79.5 million at 30 September 2012). The remainder mainly relates, with regard to Euro 16.4 million, to write-downs of property and, with regard to Euro 51.4 million, to depreciation of real estate.

Total technical provisions, gross of reinsurance, amounted to Euro 8.86 billion (Euro 12,522 million at 31 December 2012): the change is attributable, with regard to Euro 2,781 million, to the reclassification among liabilities held for sale, in accordance with IFRS 5, of the technical provisions that are part of the company assets to be divested pursuant to the provisions referred to in the AGCM Order of 19 June 2012.

The ratio of operating expenses to premiums was 22.1% (21.2% at 30 September 2012).

6.1.3 Forecast for the trend of insurance activities and other activities

The performance of Non-Life business was characterized by a recessive frame of reference and by the increasing competitive dynamics, countered by the company's taking a series of initiatives aimed at the defense of the portfolio and the relaunch of development. A positive performance was still recorded in the Non-Life technical provisions, particularly in the MV classes.

The positive performance of Life business, a significant growth during the first nine months of 2013, reinforces expectations of a significant improvement in income related to the current year, even in light of the good performance achieved by the bancassurance channel.

As regards financial management, despite continuing uncertainties in the Italian political framework, the Italian government bonds, even in the most recent period, showed a certain ability to "ride out" the period, thus generating the positive income figures shown in the third quarter of 2013. The investment policies, in any case, remain guided by prudence and by the preservation of consistency between financial assets and liabilities.

6.2 General information on the business performance of the Unipol Assicurazioni Group as from the end of financial year 2012

6.2.1 *Information on the most significant trends in the performance of the insurance business and of the real estate business*

The most important aspects that characterized the performance of the insurance portfolio and, more generally, the management of the insurance business of the Unipol Assicurazioni group during the first nine months of 2013 include the following:

- the first nine months of 2013 showed a positive technical result of the Non-Life business, with a combined ratio for direct business of 93.1% against 97.1% in the first nine months of 2012;
- decrease in Non-life premium income (direct business) of 5.5% and an increase in Life income of 6.1%. Total premiums, including indirect business, reached Euro 4,097 million at 30 September 2013, of which Euro 4,003 million relating to direct business, with an increase of 0.4% compared to 30 September 2012.
- charges relating to claims (direct and indirect business), including changes in technical provisions, net of reinsurance, amounted to Euro 3,574.2 million, of which Euro 1,732.7 million in the Non-Life sector and Euro 1,841.5 million in the Life sector.
- the Non-Life sector recorded a pre-tax profit of Euro 263.3 million (Euro 242.2 million at 30 September 2012), which was affected by the pro-rata loss of Euro 29.9 million of Unipol Banca (pro-rata profit of the subsidiary amounting to Euro 1.3 million at 30 September 2012).

The Non-Life sector recorded direct business of Euro 2,422.7 million at 30 September 2013 (-5.5% compared to 30 September 2012). The third quarter of financial year 2013 confirmed the decline in premiums of the Land Vehicles sector, determined both by the reduction of the contracts in the portfolio and by the average premium as a result of rate changes introduced in late 2012 and during 2013. These actions resulted in the reduction of rate parameters for the determination of the premium, in order to give more competitiveness to the rate, both in relation to new acquisitions and renewals.

The raising of the Motor Vehicle third party liability discount applied to the first insurance premium in the case of installation of the detection system “Unibox” resulted in a significant increase in installations. Initiatives aimed at improving the conditions for renewal and informative communications to customers contributed to greater customer loyalty leading to a slowdown in the portfolio’s declining trend. The recent motor vehicle insurance offer with installment payment of the premium at no additional cost to the policyholder also contributed to this result. The decrease in premiums of Non-Motor Classes in particular concerned the “personal sector” while the “commercial sector” was substantially stable. In particular, with regard to the “personal sector”, the Accident classes in the third quarter showed premiums in line with the result of the previous financial year thanks to development actions and promotional initiatives that helped to contain, and compensated for, the downward trend in the customer portfolio. The health classes showed a reduction in premiums due to the continuation of the restructuring of portfolio with a negative trend that affected and will still affect both collective and individual contracts.

The sector of Life Classes showed a positive trend in income at 30 September 2013. In particular, the value of direct business amounted to Euro 1,580.7 million, an increase of 6.1% (Euro 1,490.1 million at 30 September 2012).

The Life sector recorded a pre-tax profit of Euro 46.5 million (Euro 53.8 million at 30 September 2012), which was affected by the pro-rata loss of Euro 18.3 million of Unipol Banca (pro-rata profit of the subsidiary amounting to Euro 0.8 million at 30 September 2012).

The sector of individual policies recorded an increase of 107.5% compared to 30 September 2012, mainly attributable to Class V relating to capitalization operations. With reference to Class V collective policies, there was a reduction of 41.3%. During 2013 the Company signed a major contract of approximately Euro 210 million.

Even Class I income showed an increase compared to the same period of 2012 (+46.7%), due both to the annual premium policies and to single premium policies, while the income of collective policies showed a decrease (-41, 3%) compared to 30 September 2012 (Euro 1,362.9 million compared to Euro 596.3 million at 30 September 2013). The negative change was mainly conditioned by the issue, in 2012, of three major contracts relating to Class VI amounting to approximately Euro 470 million.

In relation to the performance of the management of pension Funds at 30 September 2013, the following should be noted:

- 24 mandates for “occupational pension funds” were managed (25 mandates at 31 December 2012), of which 13 mandates for management “with a guarantee of principal and/or minimum guaranteed return”;
- with reference to the “open-ended funds”, at 30 September 2013, the assets of the funds “Unipol Previdenza “ and “ Unipol Insieme” reached a total amount of Euro 351.8 million;

The assets under management amounted to Euro 3,621.6 million, of which Euro 2,170.7 million with guarantee (Euro 3,495.1 million at 31 December 2012, of which Euro 2,098.7 million with guarantee).

Operating expenses amounted to Euro 741.7 million (Euro 706.0 million at 30 September 2012), an increase of about 5%. The increase in this item reflects the increase in acquisition costs primarily linked to the costs arising from the new supplementary contracts for agents, greater and recurring commission incentives, an increase in acquisition costs of indirect business, and accounting for the initial integration costs already set forth in the business plan.

Claims performance and technical indicators of Non-Life classes

In Non-Life classes, there continued to be a downward trend in the frequency of claims, not only against comparison with the same period of 2012 weighed down by charges resulting from the earthquake and significant weather events earlier during the year, but also due to a general improvement in claims resulting from actions started and underwriting policies undertaken since 2010.

With specific reference to the Motor Vehicle third party liability sector, there continued to be a reduction in the number of claims due to the decrease in the frequency thereof, also supported by actions on contracts with a negative performance and by the effectiveness of underwriting policies, aimed at a careful risk selection.

The main technical indicators for the Non-Life sector, direct business only, at 30 September 2013 were as follows:

- Loss ratio of 66.0% (70.8% at 31 December 2012);
- Expense ratio of 27.1% (24.7% at 31 December 2012);
- OTI Ratio (which includes the balance of the other technical items) of 0.3% (not significant at 31 December 2012);
- Combined Ratio of 93.1% (95.5% at 31 December 2012).

The **real estate business** showed a gain of Euro 2.5 million. Revenues amounted to Euro 17.7 million, while costs amounted to Euro 15.2 million.

6.2.2 Recent trends in the development of income and costs in financial and asset management

At 30 September 2013, the financial and asset management reported net income totaling Euro 497.3 million (Euro 596.9 million at 30 September 2012). Excluding income from financial assets and liabilities recognized at fair value, net income amounted to Euro 449.3 million (Euro 468 million at 30 September 2012). This includes impairment losses of Euro 82.6 million.

At 30 September 2013, the volume of investments and cash and cash equivalents amounted to Euro 21,611 million (of which Euro 2,882.7 million for financial assets recognized at fair value), with an increase of Euro

687.4 million compared to 31 December 2012 (+ 3.2%). Real estate investments at 30 September 2013 amounted to Euro 658.2 million, an increase of Euro 38.2 million compared to 31 December 2012.

Technical provisions set aside for the Non-Life and Life sectors at 30 September 2013 and financial liabilities reached a total of Euro 21,292 million (+1.4% compared to 31 December 2012). In the Life sector, the figure includes the Euro 12.3 million provision necessary to meet the commitments towards policyholders involved in default of the Lehman Brothers group.

The ratio of operating expenses to premiums was 18.4%. The expense ratio for Non-Life direct business was equal to 27.1% (25% at 30 September 2012). This increase is due to the decrease in premiums and a higher incidence of acquisition costs as already mentioned above.

6.2.3 *Forecasts on the performance of the insurance sector*

Regarding the performance of the insurance sector, the trend was confirmed as seen during the first nine months of the financial year, marked by a recessive context and by the strengthening of competitive forces. The trend of Non-Life business remains favorable both in the motor vehicle classes, where the existing reduction in claims consolidated, and in the non-motor sectors. The Life sector reported a noticeable stability in premiums, which is expected to be maintained.

6.3 Information on the reasonable estimate of results for the current year

It is believed that the positive operating results achieved in the first nine months of 2013 by the Acquiring Company and by the Unipol Assicurazioni Group could be reasonably confirmed in the remaining part of the current financial year, subject to the continuing macroeconomic, financial and market uncertainties.

6.4 Forecast Data

6.4.1 *Premise*

As illustrated above, on 20 December 2012 the Boards of Directors of Unipol Assicurazioni, Premafin, Milano Assicurazioni and Fondiaria-Sai approved the Merger Plan.

On the same date, the above mentioned Board of Directors approved the three-year 2013 – 2015 business plan of UnipolSai Group (the Joint Business Plan), containing the strategic guidelines and the economic, financial and equity objectives of the UnipolSai Group and the potential synergies expected from the business integration. Furthermore, on the same date, the Joint Business Plan was illustrated by UGF to the financial community, using the presentation document entitled “*Business integration project Unipol - Fonsai: Presentation of the Joint Plan to the financial community*”, made public on the website of UGF (www.unipol.it), Fondiaria-SAI (www.fondiaria-sai.it) and Milano Assicurazioni (www.milass.it). The Joint Business Plan contains, among other things, the forecasts of some of the specific indicators of the sectors in which the UnipolSai Group will operate, and the net result expected at the end of the reference time frame.

The Joint Business Plan was developed considering the expected structure of the UnipolSai Group on completion of the Merger and was drawn up by the Companies Participating in the Merger.

In particular, the Joint Business Plan contains a set of forecasts and estimates based on the implementation of future events and actions which will have to be undertaken by the Directors. Such forecasts and estimates include, amongst other things, projections subject to the risks and uncertainties which characterize the current macroeconomic scene, assumptions related with future events and actions of the Directors which will not necessarily take place, and events and actions which the Directors cannot or can only in part influence, as regards the trend of the balance sheet and income statement growth or other factors which influence the evolution (in overall, the “**Projections**”).

The main Projections presented in detail in this Chapter in Paragraph 6.4.5 and 6.4.6 are briefly summarized as follows: (i) execution of the Unipol Assicurazioni Capital Increase for a total of Euro 600 million; (ii) completion of the Merger of Premafin, Milano Assicurazioni and Unipol Assicurazioni into Fondiaria-SAI; (iii) exclusion of costs related to the possible exercise of the right to withdrawal by Premafin shareholders and

holders of savings shares in Milano Assicurazioni; (iv) implementation of the provisions laid down by AGCM which include (a) the divestiture of one or more insurance business units with premiums valued at approximately Euro 1.7 billion at 31 December 2012, (b) transfer of the shareholding held in Mediobanca – Banca di Credito Finanziario S.p.A. (c) reduction in the amounts borrowed from the latter for Euro 350 million; (v) realization of the expected synergies, (vi) in reference to the insurance sector, improvement of the Combined Ratio for the UnipolSai Group which is expected to be on a downward trend to 93.0% in 2015, and strengthening of prior year claims provisions for an amount of approximately Euro 140 million in the 2013-2015 period; (vii) in reference to the sector of Life classes, new premiums, expressed in terms of Annual Premium Equivalent (“APE”), equal approximately to Euro 743 million by 2015; (viii) in 2015, expected returns of the investment component of the insurance division equal approximately to 4.2%, including ordinary and extraordinary income deriving from the real estate portfolio; and (ix) in relation to exposures to IM.CO. S.p.A. and Sinergia Holding di Partecipazioni S.p.A., no possible effects resulting from the approval of the bankruptcy agreement were considered, with potentially positive impact compared to the value of the relevant receivables, net of provisions already reflected in the consolidated balance sheet at 30 September 2012, taken as a reference for the Joint Business Plan.

6.4.2 Guidelines of the Joint Business Plan

The Merger is an essential part not only of a wider integration project between the Unipol Group and the Premafin/Fonsai Group, but also of the strategic path pursued by the Unipol Group which envisages the development of insurance business in the Non-life sector. The project has a solid rational industrial basis, which can be summarized according to the following mainstays:

- the opportunity to increase the leadership of UnipolSai Group and Unipol Group on the market, exploiting its historical trademarks on the insurance market;
- the strengthening of the solidity of the balance sheet of Unipol Group;
- the restructuring of the insurance business of Fondiaria-SAI in the Non-life class;
- the use of the experience gained by Unipol Group in insurance turnaround operations and its proven ability of integration;
- the margins of operational and corporative simplification, which can be pursued by optimizing structures and processes (purchase centers, list of suppliers, single complementary agent contract), and the possible rationalization of current investment programs;
- complementary skills in the Health, Social Security and Direct channel sectors;
- the opportunity to strengthen the position of leadership in innovation of Unipol Group;

The Joint Business Plan, moreover, aims to carry out a major restructuring with the objective of further improving performance.

6.4.3 Macroeconomic, financial and regulatory scenario⁴

As regards the macroeconomic scenario, the main projections behind the preparation of the Joint Business Plan are summarized as follows:

- macroeconomic context, characterized by a continuing recession for 2013 (GDP equal to -0.8%) although improving compared to 2012, and gradual return of growth, although restricted, beginning in 2014 (GDP growth of 0.8% in 2014 and 0.7% in 2015);
- interventions by the European Central Bank (“ECB”) aiming to stabilize the financial markets by restricting interest rates;

⁴ Source: calculations by the Research Department of the Unipol Group on the basis of forecasts found in documents from leading research institutions.

- inflation, guided by the moderate increase in internal demand and in the cost of raw materials, with an estimated average annual growth of approximately 2% over the time frame of the Joint Business Plan;
- Non-life Class characterized by a moderate growth of premiums over the time frame of the Joint Business Plan (with an average compound annual growth rate, hereinafter “CAGR”, 2012-2015 equal to 0.9%) due to the following factors:
 - Motor Class: negative trend of new vehicle registrations and increased competition on price due to the market return to good levels of underwriting profit;
 - Non Motor Class: stagnation in demand both in the business segment and in the family sector;
- Life Class, characterized by a gradual recovery of the total premiums (CAGR 2012 – 2015 equal to 4.4%), mainly accentuated on the bancassurance channel compared to the traditional channel of agencies.

The lasting tensions and turbulence of the macroeconomic scenario and the trend of the financial markets in this period make economic progress uncertain and it could influence the aforementioned scenarios, which, on the contrary, suggest a gradual normalization of this context.

The benchmark regulatory framework (including but not limited to: the minimum requisites for the increase in company equity, the regulations for mandatory insurances, tax rules) is of particular importance bearing in mind the main sectors of activity in which the UnipolSai Group operates. Also taking into account existing uncertainties as to the final structure of the model of capital supervision “*Solvency II*”, the Joint Business Plan was drafted assuming no variation in the current regulatory context.

6.4.4 Accounting Criteria

The Joint Business Plan was prepared on the basis of the business plans of all the Companies Participating in the Merger, drawn up by the same, and approved by the respective Boards of Directors. Each business plan was prepared on the basis of the accounting criteria applied by each Company Participating in the Merger for the preparation of its own consolidated financial statement. These accounting criteria correspond to the IFRS and are substantially homogeneous to those used by Fondiaria-SAI to prepare its own consolidated financial statements at 31 December 2012 and its condensed interim consolidated financial statements at 30 September 2013, except for the items identified below.

The comparison between the accounting standards used by Fondiaria-SAI, Premafin and Milano Assicurazioni to draft the condensed interim consolidated financial statements at 30 September 2013 in compliance with the IAS/IFRS, as approved and adopted by the European Union, and those adopted by the Unipol Group in its consolidated financial statements at 31 December 2012 (and by the Unipol Assicurazioni Group) has evidenced some differences mainly concerning:

- real estate depreciation;
- impairment on equity securities reported as “Financial assets held for sale”.

As regards real estate depreciation, taking into account (i) the different nature and importance of the real estate equity held by Fondiaria-SAI, Premafin and Milano Assicurazioni compared to that held by the Unipol Assicurazioni Group, but also (ii) in any event, the restricted significance of the differences which have emerged, no amendments were made to the depreciation methods and criteria adopted by the Companies Participating in the Merger for the purpose of drafting the Joint Business Plan.

As regards the impairment of capital securities reported as “Financial assets held for sale”, the differences noted between the options adopted by Fondiaria-SAI, Premafin and Milano Assicurazioni and those adopted by Unipol Group Assicurazioni did not give rise to any significant effects which needed to be taken into consideration during the preparation of the Joint Business Plan.

Within the process of preparing the annual, consolidated, financial statements at 31 December 2012, the accounting standards of the Companies Participating in the Merger were standardized also according to the criteria used for impairment of the equity securities entered in the category “Financial assets available for sale”,

with recognition by Fondiaria-SAI, Premafin and Milano Assicurazioni of the criteria adopted by UGF in its own consolidated financial statement.

This adjustment, the effect of which on the Consolidated Financial Statements of Fondiaria-SAI, related to the financial year 2012 is reported in the section of the Explanatory Notes of the abovementioned financial statement, does not, however, significantly influence the forecasts of the income statement and balance sheets for the financial year 2015 given in this chapter.

Another accounting aspect of importance for the purpose of drafting the Joint Business Plan regards the accounting of the business combination arising from the acquisition of the control share in Premafin by UGF. No valuation was made at current values for the acquired assets, liabilities and potential liabilities taken on for this business combination, since at the time the Joint Business Plan was prepared, the necessary additional information required to proceed to make this valuation was unavailable. The differences between the acquisition price and the net book value of the net equity share of the incorporated companies were, therefore, provisionally entered as “Goodwill” under “Intangible Assets”. This layout complies with what is provided for in paragraph 45 of IFRS 3.

UGF, by underwriting the Premafin Capital Increase, has acquired *de facto* a controlling interest in Fondiaria-SAI. On the basis of the IAS/IFRS accounting standards applied by UGF to draw up its own consolidated balance sheet, the Merger appears as a business combination between entities under common control. As this is a business combination “Under common control”, the Merger is explicitly excluded from the area of application of IFRS 3 and currently is not regulated specifically by other international accounting standards or interpretations. As no specific principles can be found in IFRS to apply to the Merger, management will have to use its own judgment on the basis of IAS 8.10 to develop and apply an accounting treatment which will simultaneously provide both relevant and reliable information. When making its own judgment, company management will have to consider (i) the applicative measures and guidelines in the IFRS which regulate similar and correlated cases, and (ii) the definitions, criteria and concepts contained in the so-called systematic framework. The Unipol Group, keeping in account this preceding considerations, intends to identify an accounting treatment that will adequately represent the objectives of the business combination operation, objectives that can be summarized as follows:

- the Unipol Group, considered as a single economic entity, has changed due to the acquisition of the Premafin Group, which was concluded in July 2012;
- the subsequent reorganization planned by the Unipol Group has no other purpose than to rationalize its structure, replicating as far as possible, even within the group, the image given to the market.

The Unipol Group intends to confirm for accounting purposes, also regarding its subsidiaries sub-holding, a united, general management vision which is expressed also by the valuations, estimates, and choices of accounting policies adopted to draw up financial reports.

It should be noted that at the date of preparation of the Joint Business Plan in order to provisionally calculate the goodwill value, we considered net equity share of the incorporated companies at July 1, 2012. The accounting of the definitive value deriving from the process of PPA concluded in the context of the preparation of the abridge half-yearly consolidated financial statements of UGF at June 30, 2013 and differs from the provisional ones adopted to prepare the Joint Business Plan.

On the basis of some preliminary management analyses made, considering the information available at the Date of this Information Document, no significant differences are expected with regard to the figures forecast and the cash flows of UnipolSai presented in the Chapter 6.4.9 of the Updated Information Document, following the recognition by UGF of the definitive values deriving from the PPA process, which will be used in the preparation of the Consolidated financial statements of the Merger by UnipolSai, at the date the Merger becomes effective.

Finally, it should be noted that under the Joint Business Plan, for the purpose of the estimation of the adjusted solvency ratio under the current regulations (Solvency I), account was also taken, in relation to the valuation of “Financial assets held for sale”, of the benefit attributable to the IVASS Regulations currently in force (IVASS Regulation No. 43/2012). Moreover, the enforcement of this Regulation has no impact on the consolidated economic and financial projections contained in the Joint Business Plan, as it is only relevant for the purpose of estimating the solvency ratio.

6.4.5 Principal Projections

The Joint Business Plan is based on the following principal Projections:

Unipol Assicurazioni Capital Increase

The Project of Integration by Merger expects UGF to undersign and pay a capital increase for Unipol Assicurazioni for a total of Euro 600 million before the date of execution of the deed of Merger. Execution of the aforementioned capital increase for Unipol Assicurazioni, which served to strengthen the equity of UnipolSai in view of the development programs and with a view to firmly maintaining corresponding equity requisites provided for by the regulations in force, is, however, subordinated (i) to the assumption that the competent corporate bodies of each company taking part in the Merger will deliberate a definitive approval of the Merger, as provided for in the Merger Plan, and (ii) the lack of any objections by company creditors according to the time limits laid down by Art. 2503 of the Italian Civile Code, i.e. to overcome said objections according to the procedures described therein. In more detail, the aforementioned capital increase for Unipol Assicurazioni will be implemented once the aforementioned conditions precedent have taken place, and in any event, before the execution of the deed of Merger pursuant to Art. 2504 of the Italian Civil Code.

This capital increase was deliberated by the Extraordinary Shareholders' Meeting of Unipol Assicurazioni on 8 August 2013.

Also note that Unipol Assicurazioni distributed in 2013 ordinary dividends for Euro 150 million for the accounting period 2012 to UGF, as envisaged by the Joint Business Plan.

Completion of the Merger of Premafin, Milano Assicurazioni and Unipol Assicurazioni in Fondiaria-SAI

Completion of the Merger, approved by their respective Shareholders' Meeting of the Companies Participating in the Merger, namely at the Extraordinary Shareholders' Meetings of Fonsai, Unipol Assicurazioni and Premafin held on 25 October 2013, at the Extraordinary Shareholders' Meeting of Milano Assicurazioni held on 26 October 2013 and at the Special Meeting of Milano Assicurazioni held on 28 October 2013, is assumed to have taken place before the end of 2013, it being understood that it cannot be excluded that the Merger will be effective from 2014. Please note that the implementation of part of the synergies of profit and loss described below, as well as the completion of restructuring the financial debt of Premafin also through the emission of the Convertible Loan, depend on a positive result of the Merger.

Possibility for ordinary shareholders of Premafin and for savings shareholders of Milano Assicurazioni to exercise the right of withdrawal

With regard to the effects arising from the right of withdrawal legally exercised by certain shareholders of Premafin (see Chapter 2, Paragraph 2.1.2.7 of the Updated Information Document), the same were deemed insignificant in relation to the targets set by the Joint Business Plan.

AGCM Order

On 19 June 2012, AGCM (Italian Antitrust Authority) deliberated the authorization of the acquisition of control of Premafin Group by UGF and, as a result, of the companies it leads, Premafin, Fondiaria-SAI and Milano Assicurazioni, upon condition that certain conditions were complied with. Therefore, for the purpose of preparing the Joint Business Plan the following main assumptions were taken into account:

- the reduction of the market share at a national level and for each individual province of UnipolSai in each of the Non-Life and Life Class sectors, of less than or equal to 30% by divesting, in compliance to the AGCM Measures, one or more company lines, consisting among other things of trademarks, agency insurance contracts, infrastructures and resources to guarantee operations of the lines, and of the relevant premiums estimated, at 31 December 2012, for a total amount of approximately Euro 1.7 billion (mainly in the Non-life and Motor Classes) and the relevant equity components. The projection for the profitability of these lines was in line with the average profitability of the insurance sector of the Joint Business Plan. In particular, the financial years of the Plan following the year in which divestiture will take place, projected date 1 January 2014, do not include the financial and equity contribution of the corporate lines under divestiture as regards either technical profitability or the result of financial management. Furthermore, any profits or losses arising from the assignment derived from the projected divestiture were not taken into account;

- the reduction in the relationship with Mediobanca - Banca di Credito Finanziario S.p.A. and Assicurazioni Generali S.p.A. by means of the divestiture of participatory shares held in Mediobanca - Banca di Credito Finanziario S.p.A. and Assicurazioni Generali S.p.A. on the basis of recent market quotations. Please note that the shareholding held in Assicurazioni Generali S.p.A. was assigned during the accounting period 2012;
- the reduction during the time frame of the Joint Business Plan of the debt towards Mediobanca - Banca di Credito Finanziario S.p.A. for a total amount of Euro 350 million, of which Euro 100 million related to the aforementioned divestiture of company lines.

Note that after the Joint Business Plan was approved by the respective Boards of Directors of the Companies Participating in the Merger- on December 20, 2012- the Boards of Directors of Milano Assicurazioni and of the controlling company Fonsai, on May 08, 2013, have authorized the continuation of the assignment *iter* and defined in compliance with the AGCM Measures and on the basis of data at December 31, 2012, the scope of the divestiture, making this resolution conditional to authorization by the Board of Directors of UGF, which was given on May 9.

This scope is fundamentally in line with the assumptions contained in the Joint Business Plan and therefore had no significant impact on the provisional data presented in this Chapter.

On 9 October 2013, the Sellers (as defined in Chapter 1, Paragraph 1.1.7 of the Updated Information Document) concluded the sale of 23,114,386 ordinary Mediobanca shares, representing 2.68% of the share capital through a procedure of “accelerated book-building” directed exclusively to qualified investors in Italy, as defined in Art. 34-*ter*, paragraph 1, letter b, of the Issuers’ Regulation, and foreign institutional investors. The consideration for the sale of the Shares amounted to approximately Euro 135.2 million.

The Sale Transaction was part of the sale of the entire stake held by the Sellers in the share capital of Mediobanca, equal to a total of 33,019,886 shares (3.83% of share capital), in compliance with the measures laid out by the AGCM. The additional 9,905,500 Mediobanca shares held by Fonsai, representing 1.15% of the share capital, were not included in the Sale Transaction (as defined in Chapter 1, Paragraph 1.1.7 of the Updated Information Document) as the subject of forward sale contracts previously signed, which included “put” and “call” options with the same strike. The latter may be exercised at the dates set forth contractually between 16 October 2013 and 14 November 2013. The aforementioned agreements were all executed at their due date by physical delivery of the securities themselves resulting in the collection of approximately Euro 50.5 million.

The entire investment will therefore lead to a positive financial impact, net of relevant expenses, of approximately Euro 177.7 million and a positive economic impact of approximately Euro 44.6 million on the consolidated financial statements of the UnipolSai Group.

At the Date of the Updated Information Document, it is not possible to estimate the actual timing for completion of the Divestiture or the total consideration which may be made against the said Divestiture. Should the negotiations with the parties which have submitted expressions of interest continue, discussions with the same on the contractual documentation are expected to start. At present it is not possible to predict the deadline for completion of the negotiations referred to above.

Attaining Synergies

In the context of the Merger, as described in Paragraph 6.4.8. of this Chapter, it has been estimated a structural benefit due to synergies beginning in the financial year 2015, of approximately Euro 350 million per year before tax, which implementation will require integration costs to be sustained, estimated over the time frame of the Joint Business Plan at approximately Euro 302 million.

6.4.6 Projections not completely under the control of Directors

Non-Life Class

As regards the insurance sector of Non-life Class, the Directors have predicted an improvement in the Combined Ratio of UnipolSai Group within the time frame of the Joint Business Plan which envisages a declining trend, reaching 93.0% in 2015. This improvement will be supported not only by the lack of extraordinary effects linked to the revaluation of provisions regarding preceding financial years, which influenced the recent results of Premafin Group, but also by the activities to reduce loss development based on actions which are not completely under the control of the Directors.

In particular, the following principle assumptions have been made:

- a restricted reduction, net of the assignments requested by AGCM, in the premiums generated by the Motor Class by means of agencies, which is predicted once again to be the dominating channel in the financial year 2015;
- the gradual increase in the frequency data of accidents for Motor Vehicle Third Party Liability in the three years 2013-2015;
- the increase in the average cost of claims within the time frame of the Joint Business Plan, in line with the trend of inflationary increase in recent years, linked to the dynamics of a cost increase both for material damages and for injuries to persons;
- an evolution of the average premium in the Motor Class to guarantee an adequate technical balance in terms of profitability, consistent with the estimate of forecast frequency and average cost of claims as reported above;
- a trend of substantial stability in the average premiums of Elementary Class as a result of the reform of the Corporate portfolio, partially balanced by actions aiming to increase productivity of the network in the retail market.

Life Class

As regards Life Class, the Directors predicted that by 2015, the new premiums, expressed in terms of Annual Premium Equivalent (“APE”), will stand at Euro 743 million.

Achievement of this result also depends on expected events and assumptions which cannot be completely controlled by the Directors, such as:

- a modest growth in Class I (insurances on human life expectancy) and in Class V (operations of capitalization), encouraged by the search for greater protection, even though in a limited attractiveness context, for the guaranteed minimums in the light of the returns offered by state securities and bank deposits;
- a recovery of Class III (insurances of which the main performances are directly linked to the share value of OICR or internal funds i.e. to indices or to other reference values), in case of a stabilization of the financial markets;
- a growth in Class VI (pension funds), in case of an increase in the demand for complementary social security by private persons and companies following the pension reform.

Investment Management

The returns expected from the component related to investments in the insurance sector, which coincide with the last accounting period of the Joint Business Plan, as a result of market expectations and the asset allocation strategy of the Unipol Group, are approximately 4.2%, inclusive of ordinary and extraordinary profitability arising from the management of the real estate portfolio.

This assumption within the time frame of the Joint Business Plan presupposes an optimization of the overall risk of the investment portfolio by means of an investment strategy aiming to:

- reduce exposure to the real estate business;

- slightly reduce exposure of the share component, to be implemented by means of a selective approach;
- diversifying exposure per issuer to a greater extent, privileging Italian State securities and fixed-interest bonds.

The aforementioned expected returns are based on the following summarized assumptions:

- a short-term recovery in the reference interest rates, following a gradual, yet modest exit from the macroeconomic recession scenery;
- the progressive stabilization of the financial markets, as a result of which the value of the item included in the net equity “profits or losses on financial assets available for sale” is expected to be constant and equal to the value recorded at 30 September 2012;
- a progressive recovery of market trust in expectations of growth in the average term and a return to positive growth rates in the share markets, in line with the economic trend.

Lastly, it should be noted that the projections made to quantify the predicted figures of the insurance sector did not take into account any assignment of structured securities classified in the categories “Loans and receivables” and “Investments held to maturity” for which, as provided for by the accounting principle IAS 39, and for the purpose of preparing the consolidated financial statements they were valued at cost.

6.4.7 Projections based on actions under the control of Directors

Non-Life Class

As regards the insurance sector of the Non-life Class, the Directors projected an improvement, as mentioned previously, of the Combined Ratio of the UnipolSai Group in the time frame of the Joint Business Plan.

In this context, as regards traditional channels, the Directors made a projection to extend some successful operations implemented in the last two years by Unipol Group to UnipolSai Group. In particular:

- constant management of the technical trends of the agency network, gradually aligning the network pay systems of UnipolSai Group to those of Unipol Group;
- the optimization of the presence of the network throughout the country and the implementation of major investments in technology, training and services by the company for the agency network;
- the portfolio reform for segments of non-core activities and portfolios of non-profitable technical results;
- the audit of underwriting criteria, the monitoring of constant portfolio trends, the audit of discounts and agreements, consistent with underwriting systems, with a view to recovering profitability;
- the implementation of programs of commercial effectiveness aiming to increase production in the Elementary Class with special focus on retail clientele (definition of agency development plans);
- the implementation of interventions on trustee management, such as: (i) standardization of contracts of collaboration, (ii) optimization of the monitoring system of results and improvement in controls and verifications, (iii) streamlining of network management throughout the country and (iv) development of a system of incentives for experts and doctors; and
- the optimization of anti-fraud protection policies and exploitation of electronic data (acquired via the installation of the black box) to manage claims.

The objectives regarding the recovery of profitability and the effect of the reduction in Premiums following the commitments undertaken before AGCM could imply a reduction in the total Non-life Premiums to approximately Euro 8.9 billion for the financial year 2015.

In particular, the expected evolution in the collection of premiums takes into account the following projections:

- the divestiture of one or more company branches and the relevant Non-life Class Premiums;

- a thorough turn-around action of the Corporate portfolio;
- an increase in productivity as regards the Elementary Class focusing on retail clientele.

As regards the Motor Vehicle Third Party Liability Class, a growth is forecast in the value of the average premium below inflation value, consistent with expectations of frequency which projections give as having a moderate recovery in the time frame of the Joint Business Plan, and in the dynamics of increasing competition over price in the related market.

Lastly, as regards costs, the trend for the Expense ratio is predicted as being basically stable, with the objective of 23.9% in 2015 due to the combined effect of the following elements:

- an increase in the values of commissions recognized to the network of Unipol Assicurazioni agents against the full economic effects becoming apparent of the new agreement on commissions stipulated which envisages a higher correlation of the commissions component of the Motor Vehicle Third Liability Class to the variable of the economic result of Unipol Assicurazioni;
- a decrease in general costs also due to the synergies of cost, as described in the paragraph below (“Synergies and costs of integration”).

Life Class

As regards the Life Class, a moderate growth in the collection of premiums is forecast, with a projected increase in the agency channel slightly below market predictions and a recovery trend of the bancassurance channel with the objective of reaching a predicted Premium value for the financial year 2015 of Euro 6.7 billion within the time frame of the Joint Business Plan.

As regards Life Class in the agency channel, the Directors have envisaged taking the following actions:

- to gradually extend the criterion of offer segmentation according to the type of clientele to the networks of UnipolSai Group;
- to reinforce the commercial support network throughout the country by assigning coordinators and technical support persons for product sales (Life Tutor) to agents, as well as Agency Life Contact Persons within each individual point of sales;
- to revise incentive models applied;
- to prepare commercial processes to actively manage maturity dates;
- to extend technical and specialist skills regarding Pension Funds to the networks of UnipolSai Group; and finally,

With reference to current bancassurance agreements, a projection has been made, especially as regards Popolare Vita, for a plan to refocus the offer in agreement with the banking partner, Banca Popolare, which is divided into the following commercial strategy focused on products with low levels of financial risk, designed to meet the typical needs for investment protection and security for customers of the branch network of Banco Popolare:

- Class I: types of products linked to segregated funds, which can provide stable returns over time, in view of the peculiar market dynamics in a context of containment of financial guarantees offered;
- Class III: the offer is based primarily on unit-linked products sold by the Irish subsidiary Lawrence Life;
- Pension plans: Popolare Vita has provided an ad hoc project aimed at innovating the company’s business model, in this particular business, through the development of dedicated communication tools and the design of a new IPP (Individual Pension Plan).

Reinsurance

As regards the Non-life Class reinsurance policy, it was taken into account the trend aimed at limiting risks according to the size of individual portfolios and a cover policy to privilege non-proportional based assignments to protect individual risks or groups of risks arising from the same event for Fire, Injury, Theft, General Third Party Liability, Motor Vehicle Third Party Liability and Land Vehicles Classes, maintaining the

assignments on a proportional basis for the Credit and Technological risks Classes. In particular, the Joint Business Plan supposes a percentage of premiums assigned to reinsurance companies in line with the final balance figures of the financial year 2011; this policy basically remained unchanged in 2012 and in 2013 for the insurance companies participating in the merger.

With regard to the risks assumed in the Life classes, the UnipolSai Group companies were safeguarded by adopting proportional forms of automatic hedging.

As part of the annual renewal process of the treaties for the year 2014, currently in progress, the Non-Life and the Life sector reinsurance policies are being evaluated also in relation to the instructions of IVASS on forecast increased risk to be transferred outside of the Company Resulting from the Merger, which in any case would have no significant impact on the targets of the Joint Business Plan.

Real Estate Business

The Directors' objective within the time frame of the Joint Business Plan is to reduce the incidence of the overall net exposure in the real estate business (equal to the sum of the various components including depreciations, investments and assignments) by means of a decrease in the related portfolio. In particular, a projection was made for a divestiture plan, within the time frame of the Joint Business Plan, consistent with the objectives of preserving and valuing the entire real estate portfolio, assuming the capital gains arising from such disposals amounting to approximately Euro 130 million, gross of the related tax effect. In the end, it should be noted that with respect to assessments of real estate assets, write-downs of an insignificant amount were considered in the Joint Business Plan for the 2013 – 2015 period.

Real Estate Projects of the Fonsai Group

With reference to the state of development of major real estate projects in the Fonsai Group's portfolio, please note the following.

Porta Nuova Area

The investment activities continued through some Fonsai Group companies, in joint venture with U.S. group HINES for the real estate development project in the "Porta Nuova" area located in Milan, a project divided into three distinct independent sub-projects (Porta Nuova Garibaldi, Porta Nuova Varesine and Porta Nuova Isola), which are carried out through Funds managed by Hines (as defined in Chapter 1, Paragraph 1.2.1 of the Updated Information Document). The project will, with the redevelopment of over 290 thousand square meters of brown field sites, reconnect three neighborhoods that had been separated for more than thirty years to the urban fabric of Milan. In particular, 90% of the project Porta Nuova Garibaldi has been completed, while the completion of the works for the two projects Porta Nuova Varesine and Porta Nuova Isola is expected within early 2014 and commercialization finalized by 2015.

Because of the update received from Hines, the exit from the investment in Porta Nuova by the Fonsai Group is expected, to date, by the end of 2015.

The Fonsai Group has carried out an independent analysis on investment both in normal conditions and by applying a stress assumption that involves a decrease in sales revenue and an increase in residual costs of construction. The analysis, based on the documentation and information provided in the appraisals included in the financial statements of the Funds as at 31 December 2012 and 30 June 2013 and performed with the objective of verifying the possibility of recovering invested capital both under normal conditions and under stress conditions, did not, at the Date of the Updated Information Document and to the knowledge of the Fonsai Group, show any critical situations which may affect the return on investment as a whole.

Melchiorre Gioia Area

With regard to the area of Milan located in Via Melchiorre Gioia, corner of Via Don Sturzo, owned by the Fonsai Group, located inside the urban redevelopment area called "Porta Nuova", preliminary design activities are in progress for the construction a new multi-purpose building.

Castello Area

Finally, as regards the Castello Area, approximately 170 acres situated on the northern outskirts of Florence - the detailed plan of which included a residential housing and business development project, as well as a portion

of “public offices” that were supposed to house offices of public authorities - a variant of the detailed development plan is currently being studied in order to align the initial design to the current demand in the real estate market, as well as to take into account the implications of the introduction, in recent months, of the zoning regulations as a result of the adoption by the Tuscany Region of the Plan of Territorial management.

Divestiture provided in the Joint Business Plan

With regard to the disposal of real estate assets please be informed that, at the Date of the Updated Information Document, the sales transactions under finalized contractual agreements (final agreements, irrevocable proposals accepted or preliminary contracts) amounted to more than Euro 66 million (of which over Euro 36 million in respect of final agreements to be concluded by 2013); these activities are substantially in line with the provisions of the Joint Business Plan, despite the continuation of a difficult market environment.

Other diversified businesses: hotel industry, clinics and farming industry

As regards the other non-core businesses in which the UnipolSai Group will be operating, such as the hospitality sector, the sector of clinics and that of agricultural activities, the objectives of the Joint Business Plan envisage reaching a financial economic balance from a core point of view to be implemented by means of a decisive rationalization of costs. The forecast data do not envisage the recapitalization of the companies operating in such other business areas.

Put-call option on Unipol Banca S.p.A. (“Unipol Banca”)

In order to prepare the Joint Business Plan, it was considered the undertaking of UGF to grant Fonsai an option to sell (put option) the shareholding held by Unipol Assicurazioni in Unipol Banca of 32,26% of the relevant share capital, to be exercised with a price of Euro 299,4 million (corresponding to the charge value of said shareholding in Unipol Assicurazioni at the date of the Exchange of Correspondence concerning the Key Values of the Merger) at the maturity of the fifth year following the effective date of the Merger, and of Fonsai commitment to grant UGF a corresponding purchase option (call option) on the same shareholding, at the same price, but with the opportunity for UGF to use it throughout all the time frame between the effective date of the merger and the maturity of the fifth year following that date. In order to prepare the Joint Business Plan, the management projected that UGF would not use the call option in the time frame 2013-2015.

It should be noted that the remaining terms and conditions of the put and call options do not appear, at the Date of the Updated Information Document, to have been defined and agreed between the parties in their entirety. It is, however, expected that these terms and conditions will be in accordance with business practice for similar transactions. UGF and Fonsai will proceed with the formalization of the option contract relating to Unipol Banca in the context of the Merger, i.e. before the signing of the deed of Merger but with effect subject to the completion thereof.

Without prejudice to the above, it should be noted that, with reference to the banking sector of the UnipolSai Group, under the assumptions of the Joint Business Plan, the economic and financial values of banking activities relating to Unipol Banca were represented according to the “equity valuation method”. Therefore, the effects of the credit adjustments estimated for the period 2013 - 2015 were included in the change in the amount of shareholders’ equity of the UnipolSai Group.

With respect to any recapitalization policies of direct and indirect subsidiaries in the banking sector of the UnipolSai Group’s, the assumptions of the Joint Business Plan do not provide for actions to strengthen the equity of those companies.

6.4.8 Synergies and Integration Costs

The Merger, under the provisions laid down by AGCM, presents risks typical of integration operations between corporate groups and therefore the relevant difficulties (i) of coordination of management and staff, (ii) of the integration of computerized systems, and of existing structures and services with those of the newly incorporated companies, as well as (iii) the loss of clients and key staff by the Companies Participating in the Merger.

The synergies arising from the Merger report back to UnipolSai which will be able to benefit from sharing and consolidating those areas and processes which represent best practice for the new business.

The main areas of impact of the synergies can be divided up into: (the) “Operating Costs”, (ii) “Cost of Claims and Reinsurance” and (iii) “Earnings and Finance”.

For the purpose of preparing the Joint Business Plan, the economic impact of the synergies from integration on pre-tax profit has been estimated as being approximately Euro 350 million in 2015.

In particular, as regards the three areas of impact described above, the following benefits have been predicted:

- Operating Costs: the synergies are approximately Euro 180 million and attributable (i), for about half, to personnel cost savings, (ii) to the cost reduction of IT systems arising from the convergence of technological infrastructure and applications, (iii) to savings on overheads resulting from the centralization of the purchasing process and economies of scale, and (iv), finally, to the reduction in corporate costs;
- “Cost of Claims and Reinsurance”: the synergies amount to approximately Euro 100m in terms of managing claims and reinsurance;
- Earnings and finance synergies are estimated at approximately Euro 70 million and are based on the sharing of internal best practice, on the alignment of productivity and on the optimization of finance management.

Achievement of these synergies will depend on, among other things, the ability to integrate the various entities efficiently, to conserve the current agency network and client portfolio of the same and to increase productivity reducing costs at the same time.

The achievement of the synergies will entail integration costs for the three years 2013-2015, the overall impact of which, accumulated in the income statement during the time frame of the Joint Business Plan, is estimated at approximately Euro 302 million relating to (i) provisions for personnel costs against Redundancy Reserves for early retirement and voluntary redundancy incentives , (ii) costs for the migration of IT systems and the unification of the technological infrastructure, and (iii) other cost items related to unification of the working places, training and retraining of personnel, investments in the agency network. These costs are due mostly to the first financial year of the Joint Business Plan as a result of the need to implement more costly interventions capable of achieving the synergies in 2015, and due mainly to the cost component for provisions to the redundancy reserves for early retirement, the recognition of which on an accrual basis in the consolidated balance sheet in financial year 2013 is related to the formalization by year end of a trade union agreement now being finalized. At the time of issue of the Information Document there was no evidence of deviations from the assumptions of the Plan which may impact on the 2015 targets.

6.4.9 *Summary of Forecast Data*

The Joint Business Plan prepared on the basis of the Projections described above envisages a consolidated net profit for UnipolSai Group for the financial year 2015 equal to approximately Euro 814 million, on the basis of the following estimates:

Indicator <i>(amounts in millions of Euros)</i>	2015
Direct Business Premiums	15,558
Direct Business Premiums for Non-Life sector	8,873
Direct Business Premiums for Life sector	6,685
Combined Ratio (in percentage)	93.0%,
Loss Ratio (in percentage)	67.6%,

Expense Ratio (in percentage)	23.9%,
OTI Ratio (in percentage)	1.5%,
Non-Life sector gross profit	982
Life sector gross profit	262
Net Profit	814
Dividend pay-out ratio (in percentage)	80%

The Joint Business Plan also provides for the attainment by the UnipolSai Group in 2015 of an adjusted solvency ratio estimated at over 180%, in application of the relevant regulations (Solvency I) and considering the benefits attributable to IVASS Regulations currently in force (IVASS Regulation No. 43/2012), which, it should be recalled, have no impact on consolidated economic and financial projections, but are only relevant to the calculation of the prudential regulatory capital. This value, not considering the benefits attributable to the IVASS Regulation No. 43/2012, would be slightly under 180%. It should also be noted that the estimate of the adjusted solvency ratio in 2015 based on the Solvency II regulations still shows a value greater than 180%.

Subject to the above mentioned economic, financial and market uncertainties, based on information available at the Date of the Updated Information Document and on management performance relating to the first nine months of 2013, the consolidated net profit of the UnipolSai Group for financial year 2015, as set forth by the Joint Business Plan set out above, is reasonably achievable.

It is assumed that, given the time frame of the Joint Business Plan, at the Date of the Updated Information Document, the assessment of the degree of compliance with the Plan objectives – as defined with reference to the end of financial year 2015 - is limited to considering forecasts and estimates of the current year's results, considering whether these estimates could be reasonably considered consistent, in the meantime, with the assumptions forming the basis of the Plan objectives.

Accepting this approach and believing that the positive operating results achieved by the Unipol Assicurazioni Group and the Premafin Group in the first nine months of 2013, subject to the continuing macroeconomic, financial and market uncertainties, can reasonably be confirmed in the remaining part of the current financial year, it is estimated that, despite some deviations may be noted in the estimates of the identified company performance at the end of financial year 2013 - the first year of the Plan –, in the meantime, for the definition of the objectives at the end of the Plan, such objectives may however be considered as reasonably confirmed.

The abovementioned deviations primarily relate to:

- the detected downward trend in Non-Life premiums, as a result of a recessive market environment and of the increasing competitive dynamics in the MV Non-Life sector, which is believed to be substantially compensated, in terms of profitability, by a positive technical performance in terms of claims/premiums ratio, favored by the observed decrease in reported claims. In particular, in the period under review, compared to a contraction in premiums, for the above reasons more marked than the forecasts contained in the Joint Business Plan, there was a decrease in reported claims in excess of the forecasts of the same Plan, which - in the presence of a substantial holding in the average cost of claims settled - resulted in a positive deviation;
- the dynamics of Life income, which, in the data so far posted, are being altogether reported as higher than expected for the current year, both in the traditional agency networks and, to a greater extent, in the bancassurance channel;

- a return on financial assets essentially in line with the assumptions reflected in the Joint Business Plan.

No significant deviations, however, were reported in regard of the estimate of the expected synergies from the Transaction.

With reference to the timing for implementation of the Plan, it should be noted that in the current year the program of actions set forth during the period of the Plan itself have been implemented through:

- the preparation of detailed planning and its monitoring process;
- the start-up of implementation of the Plan actions as set forth for 2013;
- the definition of the governance and management structure for the process of business integration.

At the Date of the Updated Information Document, also taking note of the positive operating results achieved by the Unipol Assicurazioni Group and by the Premafin Group in the first nine months of 2013, there were no significant deviations from the plan as prepared that can affect the timing of implementation as provided for by the Joint Business Plan and the achievement of its objectives in a substantial and negative way.

6.4.10 *Changes in Forecast Data as compared with the Strategic Industrial Guidelines of June 2012*

The Strategic-Industrial Guidelines of June 2012, representing an updated version of the Guidelines on the Project of Integration by Merger of the Unipol Group with the Premafin/Fonsai Group of 24 February 2012, were drawn up by the UGF directors on the basis of the information available at that date and only a part of such Guidelines were agreed with the Premafin/Fonsai Group, since the inter-action between the two Groups was suspended in order to comply with Order no. 23503 of 26 April 2012 issued by the Antitrust Authority which, as readers will be aware, ordered that all exchange of information between the Groups should be suspended.

As a consequence of the above-mentioned circumstances, the UGF directors, in order to complete the Strategic-Industrial Guidelines of June 2012 and the related forecast data, analyzed and, where considered appropriate, revised the estimates contained in the Fonsai Group Business Plan approved in March 2012 on the basis of their own autonomous assessments. They also estimated (i) a number of income and cost synergies referable to the anticipated integration between the two groups. This also involved attempts at rendering a number of the underlying hypotheses more homogenous with each other, (ii) a preliminary estimate quantifying the effects of the transfers in compliance with the measures communicated by the Antitrust Authority and, finally, (iii) a quantification of the synergies and a number of costs deriving from the integration operation itself.

The Joint Business Plan, whose Forecast Data have been illustrated in the preceding paragraphs, was, in contrast, drawn up jointly by all the companies participating in the merger on the basis of the updating of the Strategic-Industrial Guidelines of June 2012.

Below is a summary of the principal developments of the data relative to UnipolSai contained in the provisional data presented in this Chapter, compared to the data of UnipolSai presented in the June 2012 Strategic-Industrial Guidelines:

- *Non-Life Premiums:* As compared with the Strategic Industrial Guidelines of June 2012, the Joint Business Plan supposed a lower increase in the collection of Non-Life class premiums on the basis of the new market estimates and from observation of trends over 2012 which, with reference to the Motor Class Insurance sector, revealed an increased price competition;
- *Life Premiums:* the development of trends in the life insurance collection data is slightly higher in the Joint Business Plan as compared with the June 2012 Strategic-Industrial Guidelines. This reflects the following conflicting phenomena:
 - Agency Channel: downwards Revision of growth estimates based on the worsening of market forecasts and trends over 2012;

- Banking channel: increase of the collection estimates as at 2015, following the approval of the new Business Plan of the subsidiary Popolare Vita S.p.A. which has revised production targets upwards for the bank branch office network;
- *Overhead Costs*: the estimate of overhead costs has remained essentially aligned to what was set out in the June 2012 Strategic Industrial Guidelines;
- *Gains on property disposals*: the estimate of the gains accumulated for the period 2013 - 2015 has been increased with respect to what was set out in the June 2012 Strategic Industrial Guidelines, from approximately Euro 110 million to approximately Euro 130 million;
- *Prior years' claims provisions*: the assumptions concerning estimates of strengthening the Non-Life prior years' provisions in the period 2012-2015 have been increased by approximately Euro 425 million (cumulative figure) with respect to what was set out in the June 2012 Strategic Industrial Guidelines, following the results of the annual inventory of 2012 claims provisions and taking also into account the statement in this regard by the insurance Supervisory Authority (i.e. notes of IVASS sent on 3 July 2012 to Unipol Assicurazioni, Fonsai and Milano Assicurazioni on the claims provisions for the year 2011). This change made it possible to bring the estimate of strengthening the prior years' provisions for the period 2012-2015 to Euro 468 million, as envisaged in the June 2012 Strategic Industrial Guidelines for a total of Euro 893 million, of which Euro 140 million related to the 2013-2015 Joint Business Plan and Euro 753 million to financial year 2012. Please note that the 2012 final accounting has, based on the final figures and following the application of actuarial models, highlighted strengthening of prior years' claims provisions amounting to Euro 961 million that may be related to the consolidation scope of the Company Resulting from the Merger;
- *Litigation*: with reference to assumptions relating to pending litigation, in the 2012 Strategic Industrial Guidelines and in the Joint Business Plan no provisions have been made other than those included in the relevant final balance sheets (respectively, the balance sheets as at 31 December 2011 and at 30 September 2012). With respect to disputes relating to the previous management of the Premafin/Fonsai Group, pending before the Judicial Authorities of Turin, it should be noted that the elements that may be found in the acts and measures relating to such proceedings do not, as matters stand, allow to make any dependable and reliable prediction on their outcome and, therefore, on their impact, including perspective impact, on the economic and/or financial position of the Company Resulting from the Merger;
- *Effects of the Antitrust Authority commitments*: The estimate of the impacts deriving from the assignments required to comply with the measures imposed by the Anti-Trust Authority have remained substantially the same;
- *Synergies and Integration Costs*: against a substantial alignment with the estimates of the systematic benefits deriving from the integration operation, the economic impact on the three-year-period 2013 - 2015 of the one-off integration costs to be incurred for the achievement of the expected synergies has been revised upwards.

On the basis of the developments described above, the consolidated net profit forecast for the 2015 accounting period equal to Euro 814 million in the Joint Business Plan is substantially in line with the figure contained in the June 2012 Strategic-Industrial Guidelines.

6.5 Independent Auditor's Report

On 19 December 2013, the Audit Firm Reconta Ernst & Young issued the report on its examination of the provisional figures of the UnipolSai Group as shown in the Updated Information Document, attached hereunder.

7 Disclosure on Transactions with Related Parties

Premise

The following paragraphs disclose information on transactions with related party performed by the Companies Participating in the Merger, for the nine-month period ended at 30 September 2013 and for financial years ended at 31 December 2012, 2011 and 2010.

Please note the control structure of the Companies Participating in the Merger, as illustrated in the Premise to Chapter 4, to which reference is made herein.

Given that the consolidated figures of Premafin include the consolidated figures of Fonsai and indirectly also the consolidated figures of Milano Assicurazioni, this Chapter contains the summary tables of the respective transactions with related parties and the detailed notes with reference to the Unipol Assicurazioni Group and Premafin Group, while, with reference to the Fonsai Group and the Milano Assicurazioni Group, it only contains the summary tables of the respective transactions with related parties. As a result of the control structure mentioned above, detailed information on the Fonsai Group and Milano Assicurazioni Group are contained in report on the Premafin Group.

Given that the Merger is a “transaction with related parties of greater importance”, on 27 December 2012, Fonsai Premafin, Milano Assicurazioni and UGF published their respective information documents on the Merger, supplemented by a note published on 10 January 2013 at the request of Consob pursuant to Art. 114, paragraph 4, of the TUF, prepared pursuant to and in accordance with the Regulations on transactions with related parties, to which reference is made herein.

7.1 Disclosure on transactions with related parties regarding the Unipol Assicurazioni Group

Such information was extracted from the following documents:

- Condensed interim consolidated financial statements of the Unipol Assicurazioni Group for the nine-month period ended at 30 September 2013. These condensed consolidated financial statements and the relevant audit report are attached to this Updated Information Document;
- Consolidated financial statements of the Unipol Assicurazioni Group for the years ended at 31 December 2012, 2011 and 2010. These consolidated financial statements and the relevant audit reports are attached to this Updated Information Document.

The following tables show the transactions with related parties (parent company, affiliated companies, associated companies, and other) for the nine-month period ended at 30 September 2013 and for the years 2012, 2011 and 2010, as required by IAS 24 and by the Consob Communication No. DEM/6064293/2006. The transactions with the subsidiaries have not been shown since intercompany transactions between companies consolidated with the full consolidation method were eliminated in the context of the ordinary consolidation process for the preparation of the consolidated financial statements.

The information relating to directors, statutory auditors, general managers and managers with strategic responsibilities (included in Other) does not include remuneration and compensation for the position and/or service provided, shown separately.

Disclosure on transactions with related parties - 30 September 2013								
<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other (3)	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	0,6	-	0,6	-	0,1
Investments held to maturity	-	-	-	-	-	-	-	-
Loans and receivables	-	268,6	45,0	-	-	313,5	1,3	38,2
Other financial assets available for sale	-	-	-	-	-	-	-	-
Sundry receivables	23,0	-	14,7	26,1	-	63,8	0,3	7,8
Other assets	-	-	7,5	-	-	7,5	-	-
Cash and cash equivalents	-	-	309,8	-	-	309,8	1,3	37,8
Total assets	23,0	268,6	376,9	26,7		695,2	2,9	84,7
Technical provisions	-	-	-	25,9	-	25,9	0,1	3,2
Other financial liabilities	-	-	11,4	-	-	11,4	-	1,4
Sundry payables	93,4	0,8	1,8	3,7	-	99,8	0,4	12,2
Other liabilities	-	-	-	1,2	-	1,2	-	0,1
Total liabilities	93,4	0,8	13,2	30,8		138,2	0,6	16,8
Net premiums	-	-	-	52,2	-	52,2	26,7	6,4
Commission income	-	-	3,5	-	-	3,5	1,8	0,4
Income for other fin. ass. and inv. prop.	-	7,1	8,2	3,7	-	19,0	9,7	2,3
Other revenues	-	2,8	2,0	10,5	-	15,3	7,8	1,9
Total revenues and income	-	9,8	13,8	66,4		90,0	46,0	11,0
Charges relating to claims	-	-	-	27,6	-	27,6	14,1	3,4
Commission expense	-	-	0,9	-	-	0,9	0,5	0,1
Operating expenses	-	5,6	82,5	8,7	-	96,8	49,5	11,8
Other costs	-	6,5	-	1,0	-	7,5	3,8	0,9
Total costs and charges	-	12,1	83,5	37,4		133,0	68,0	16,2

(1) Percentage based on total assets of the consolidated balance sheet for the balance sheet items and on the consolidated net profit for the period for income statement items.

(2) Percentage based on total net cash flows from operating activities in the cash flow statement.

(3) The column "Other" includes individuals identified as related parties (directors, statutory auditors, general managers, managers with strategic responsibilities and their family members).

Disclosure on transactions with related parties - Financial Year 2012

<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other (3)	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	0,7	-	0,7	-	0,2
Investments held to maturity	-	-	161,0	-	-	161,0	0,7	46,1
Loans and receivables	-	268,6	40,4	-	-	309,0	1,3	88,5
Sundry receivables	156,4	8,2	40,6	1,8	-	207,0	0,9	59,3
Other assets	-	-	8,5	-	-	8,5	-	2,4
Cash and cash equivalents	-	-	573,8	-	-	573,8	2,4	164,3
Total assets	156,4	276,7	824,4	2,5		1.260,1	5,3	360,8
Other financial liabilities	-	-	11,8	-	-	11,8	-	3,4
Sundry payables	99,7	6,9	2,2	6,3	-	115,0	0,5	32,9
Total liabilities	99,7	6,9	14,0	6,3		126,8	0,5	36,3
Net premiums	-	-	-	-4,8	-	-4,8	2,0	1,4
Commission income	-	-	6,7	-	-	6,7	2,7	1,9
Income for other fin. ass. and inv. prop.	0,2	5,9	25,2	1,2	-	32,5	13,3	9,3
Other revenues	0,1	3,6	3,1	6,7	-	13,5	5,5	3,9
Total revenues and income	0,3	9,5	35,0	3,1		47,9	23,5	16,5
Charges relating to claims	-	-	-	4,4	-	4,4	1,8	1,3
Commission expense	-	-	1,4	-	-	1,4	0,6	0,4
Charges for other fin. ass. and inv. prop.	0,1	-	0,2	-	-	0,3	0,1	0,1
Operating expenses	-	7,1	103,2	0,9	-	111,2	45,4	31,8
Other costs	-	6,8	-	0,3	-	7,1	2,9	2,0
Total costs and charges	0,1	13,9	104,8	5,5		124,3	50,8	35,6

Disclosure on transactions with related parties - Financial Year 2011

<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other (3)	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	1,3	-	1,3	-	0,3
Investments held to maturity	-	-	401,0	-	-	401,0	1,8	77,6
Loans and receivables	-	269,4	163,1	-	-	432,5	1,9	83,7
Other financial assets available for sale	-	-	5,5	-	-	5,5	-	1,1
Sundry receivables	287,2	-	15,4	1,8	-	304,3	1,4	58,9
Other assets	-	-	7,6	-	-	7,6	-	1,5
Cash and cash equivalents	-	-	247,0	-	-	247,0	1,1	47,8
Total assets	287,2	269,4	839,6	3,1		1.399,3	6,2	270,9
Technical provisions	-	-	-	0,3	-	0,3	-	0,1
Other financial liabilities	-	-	9,2	-	-	9,2	-	1,8
Sundry payables	-	6,3	1,4	4,3	-	12,0	0,1	2,3
Other liabilities	-	-	2,5	-	-	2,5	-	0,5
Total liabilities	-	6,3	13,1	4,6		24,0	0,1	4,6
Net premiums	-	-	-	-3,9	-	-3,9	8,9	0,8
Commission income	-	-	5,8	-	-	5,8	13,1	1,1
Income for other fin. ass. and inv. prop.	0,3	7,8	32,7	1,5	-	42,3	96,1	8,2
Other revenues	-	3,8	2,4	7,9	-	14,1	32,0	2,7
Total revenues and income	0,3	11,6	40,8	5,5		58,2	150,1	12,8
Charges relating to claims	-	-	0,1	-0,6	-	-0,5	1,2	0,1
Commission expense	-	-	1,6	-	-	1,6	3,6	0,3
Operating expenses	-	9,4	96,3	0,9	-	106,6	242,3	20,6
Other costs	-	8,2	-	0,1	-	8,3	18,8	1,6
Total costs and charges	-	17,6	98,0	0,3		115,9	265,9	22,6

Disclosure on transactions with related parties - Financial Year 2010

<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other (3)	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	0,5	-	0,5	-	0,1
Investments held to maturity	-	-	384,2	-	-	384,2	1,8	99,6
Loans and receivables	-	270,1	45,3	-	-	315,4	1,4	81,7
Other financial assets available for sale	-	-	5,3	-	-	5,3	-	1,4
Sundry receivables	243,6	2,6	29,8	3,4	-	279,4	1,3	72,4
Other assets	-	-	3,0	-	-	3,0	-	0,8
Cash and cash equivalents	-	1,5	370,3	-	-	371,7	1,7	96,3
Total assets	243,6	274,2	837,9	3,9		1.359,6	6,2	352,4
Technical provisions	-	-	-	0,4	-	0,4	-	0,1
Other financial liabilities	-	-	4,4	-	-	4,4	-	1,1
Sundry payables	1,0	5,6	-	3,2	-	9,8	-	2,5
Other liabilities	-	-	4,5	-	-	4,5	-	1,2
Total liabilities	1,0	5,6	8,9	3,6		19,1	0,1	4,9
Net premiums	-	-	-	-3,9	-	-3,9	7,0	1,0
Commission income	-	-	7,2	-	-	7,2	12,9	1,9
Income for other fin. ass. and inv. prop.	0,2	7,2	25,8	2,3	-	35,4	63,3	9,2
Other revenues	0,1	5,4	1,4	19,2	-	26,2	46,9	6,8
Total revenues and income	0,3	12,6	34,5	17,6		64,0	130,1	18,9
Charges relating to claims	-	-	0,1	2,1	-	2,2	3,9	0,6
Commission expense	-	-	1,8	-	-	1,8	3,3	0,5
Operating expenses	-	12,9	81,8	1,0	-	95,7	171,1	24,8
Other costs	-	6,5	0,3	0,4	-	7,1	12,8	1,8
Total costs and charges	-	19,4	84,0	3,4		106,9	191,1	27,7

Comments on the main items
Investments held to maturity

For the years ended at 31 December 2012, 2011 and 2010 Unipol Assicurazioni held bonds in its portfolio issued by the affiliated company Unipol Banca, respectively amounting to Euro 161 million, Euro 401 million and Euro 384.2 million. These bonds were fully repaid during 2013 when they fell due.

Financial assets available for sale

For the years ended at 31 December 2011 and 2010, Unipol Assicurazioni held bonds in portfolio issued by the affiliated company Unipol Banca respectively amounting to Euro 5.5 million and Euro 5.3 million.

Loans and receivables

Loans and receivables from the direct parent company consist of two financing agreements between Unipol Assicurazioni and UGF entered into during 2009 as a result of the takeover operations of Unipol Assicurazioni in the role of issuer of subordinated bonds “UGF 7%” and “UGF 5.66%” issued by UGF.

Loans and receivables from affiliated companies are made up of bonds issued by the affiliated company Unipol Banca that Unipol Assicurazioni held in its portfolio for an amount of Euro 45 million at 30 September 2013, Euro 40.4 million at 31 December 2012, Euro 36.6 million at 31 December 2011 and Euro 45.3 million at 31 December 2010.

The bonds referred to above have the following characteristics:

- Senior Unsecured Bond, Nominal value: Euro 40 million, Zero Coupon; issue date: 9 April 2010; redemption date 9 October 2015; yield: 3.83%;

- Senior Unsecured bond at a fixed rate of 4% per annum, Nominal: Euro 2 million; date of issue: 15 July 2002; redemption date: 15 July 2017.

At 31 December 2011, this item also included Euro 120 million of term deposits for a period exceeding 15 days, held by Unipol Assicurazioni at Unipol Banca.

The main transactions in bank accounts held by Unipol Assicurazioni with the affiliated company Unipol Banca are regulated under the following conditions:

- rate of return on payable deposits indexed on the average monthly rate of 1-month Euribor;
- on these accounts there is no agreement on an overdraft limit, thus the applicable borrowing rate would be the 7.5% rate applied on “extra credit”.

Sundry receivables and sundry payables

The indirect parent company Finsoe acts as the tax consolidating company for UGF, Unipol Assicurazioni, Linear, Linear Life, Midi, Smallpart and Unisalute, which, pursuant to Arts. 117 et seq. of Legislative Decree No. 917/86 and Ministerial Decree of 06/09/2004, opted for the group tax consolidation regime (for IRES purposes) as consolidated companies. At 30 September 2013, the receivables from the consolidating company amounted to Euro 23 million, while the payables to Euro 93.4 million. At 31 December 2012 receivables amounted to Euro 156.4 million and payables to Euro 99.7 million. At 31 December 2011, receivables amounted to Euro 287.2 million and at 31 December 2010, receivables amounted to Euro 243.6 million and payables to Euro 1 million.

Sundry receivables from affiliated companies consist mainly of receivables of Unipol Assicurazioni from affiliates which carry out insurance mediation activities, for premiums and other items, settled in the current account, to be paid back to Unipol Assicurazioni.

Other assets

The item is mainly made up of sums deposited with the affiliated company Unipol Banca and pledged as collateral for third-party claims.

Cash and cash equivalents

This item shows the current account transactions between Unipol Assicurazioni Group companies and the affiliated company Unipol Banca.

Technical provisions

This item represents the value of the technical provisions for reinsurance transactions with the associated companies of the Group. At 30 September 2013, the technical provisions with the Premafin group amounted to Euro 25 million. These were transactions as from 1 January 2013. At 31 December 2011 and 31 December 2010, amounts refer to reinsurance transactions with other Unipol group companies.

Other financial liabilities

This item includes the value of the transactions with the affiliated company Unipol Banca. At 30 September 2013, the balance was represented by mortgage loans of Euro 5 million and other loans of Euro 6.4 million. The item at 31 December 2012 amounted to Euro 11.8 million, while the balance at 31 December 2011 was Euro 9.2 million and at 31 December 2010 it was Euro 4.4 million. The mortgage loans were acquired during financial year 2012.

Net Premiums

These are premiums relating to reinsurance acceptances, due in prevalence to transactions in place as at 30 September 2013 with the Premafin Group with which reinsurance contracts were entered into with effect from

1 January 2013. As at 31 December 2012, 31 December 2011 and 31 December 2010, the balance relates to reinsurance transactions with other companies in the Unipol Group.

Income from other financial instruments and investment property

The value of transactions with affiliated companies amounted to Euro 8.2 million at 30 September 2013, Euro 25.2 million at 31 December 2012, Euro 32.7 million at 31 December 2011 and Euro 25.8 million at 31 December 2010 and mainly consists of interest income on Unipol Banca bonds subscribed by Unipol Assicurazioni. The other items primarily relate to lease agreements.

Income from transactions with the direct parent company amounting to Euro 7.1 million at 30 September 2013, Euro 5.9 million at 31 December 2012, Euro 7.8 million at 31 December 2011 and Euro 7.2 million at 31 December 2010 mainly consists of interest income on loans and receivables and other items primarily related to lease agreements.

Other revenues

Other revenues are primarily due to payments for services and secondment of staff from companies in the Unipol Group. The services provided by Unipol Assicurazioni mainly relate to the following areas: financial management, prevention and safety, claims settlement, legal affairs and privacy, IT services, technical training and organization, administration, real estate, purchasing and auxiliary services, commercial.

Net charges relating to claims

These are net charges relating to claims as a result of the reinsurance transactions already mentioned in the preceding items.

Operating Costs

This item concerning transactions with affiliated companies mainly constituted by the fees paid to insurance brokerage agencies amounting to Euro 65 million at 30 September 2013, Euro 81.6 million in 2012, Euro 73.8 million in 2011 and Euro 59.5 million in 2010.

Transactions with the direct parent company consist of charges for services received in the following areas: human resources and organization, governance, legal affairs, institutional relations and media relations.

Other costs

Transactions with the direct parent company consist of charges for secondment of staff to be charged.

The remuneration of the Directors, Statutory Auditors and Managers with strategic responsibilities for the performance of their duties at Unipol Assicurazioni and other companies included in the consolidation scope amounted to:

<i>(values in millions of Euros)</i>	2013	2012	2011	2010
- Directors	0.8	1.2	1.2	1.2
- Statutory Auditors	0.1	0.1	0.1	0.1
- Other managers with strategic responsibilities (*)	2.9	3.2	3.8	1.3

(*) This amount almost exclusively includes employment income paid directly or indirectly through UGF as home company.

7.2 Disclosure on transactions with related party of the Premafin Group

The board of directors of Premafin, at its meeting of 25 November 2010, with the unanimous vote of those present and the favorable opinion of all the independent directors attending the meeting, adopted the document entitled “Code of conduct for carrying out significant transactions and procedures for the execution of transactions with related parties”, prepared pursuant to Article 4 of the Regulations on transactions with related parties.

Such document lays down the provisions to which the boards of directors of the companies that make use of the market risk capital should follow in order to ensure transparency and substantial and procedural correctness of the transactions carried out with related parties directly by the company or through its subsidiaries. Such document is available on the Company’s website www.premafin.it the section “Corporate Governance” (the “**Code**”).

Due to the change in control that occurred in July 2012, and as a result of the change in the composition of the governing body in the second half of 2012, the list of related parties has been updated and extended to persons, individuals and legal entities, which can be traced back to the parent company UGF and to the new board of directors.

Consequently, there are no longer pre-existing ties with persons, individuals and legal entities, which may be traced back to the former Ligresti Group.

The following tables show the transactions with related parties (parent company, affiliated companies, associated companies, and other) for the nine-month period ended at 30 September 2013 and for the years ended at 31 December 2012, 2011 and 2010, as required by IAS 24 and by Consob Communication No. DEM/6064293/2006. The information relating to directors, statutory auditors, general managers and managers with strategic responsibilities (included in Other) does not include remuneration and compensation for the position and/or service provided, shown separately.

The transactions with the subsidiaries have not been shown as intercompany transactions between companies consolidated with the full consolidation method were eliminated in the context of the ordinary consolidation process for the preparation of the consolidated financial statements.

Disclosure on transactions with related parties - 30 September 2013

Values in millions of Euros	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	25,0	-	25,0	0,1	-
Investments held to maturity	-	-	-	-	-	-	-	-
Loans and receivables	-	-	13,9	4,6	0,9	19,4	-	-
Other financial assets available for sale	-	-	-	-	-	-	-	-
Sundry receivables	-	0,3	1,4	5,9	-	7,6	-	-
Other assets	-	-	1,9	0,3	-	2,2	-	-
Cash and cash equivalents	-	-	-	31,6	-	31,6	0,1	-
Total assets	-	0,3	17,1	67,3	1,0	85,7	0,2	0,1
Technical provisions	-	-	-	-	-	-	-	-
Other financial liabilities	-	5,0	1,3	0,8	1,2	8,3	-	-
Sundry payables	-	3,2	12,0	25,1	0,4	40,6	0,1	-
Other liabilities	-	1,1	-	0,5	1,0	2,5	-	-
Total liabilities	-	9,3	13,3	26,4	2,6	51,5	0,1	-
Net premiums	-	-	0,2	-55,8	23,0	-32,6	10,4	2,9
Commission income	-	-	-	-	-	-	-	-
Income for other fin. instr. and inv. prop.	-	0,4	0,1	0,1	-	0,5	0,2	-
Other revenues	-	0,1	0,3	3,4	0,1	3,8	1,2	0,3
Total revenues and income	-	0,5	0,6	-52,3	23,1	-28,2	11,8	3,3
Charges relating to claims	-	-	0,1	-29,6	0,5	-29,0	9,2	2,6
Commission expense	-	-	-	-	-	-	-	-
Charges for other fin. instr. and inv. prop.	-	-	0,1	-	-	0,1	-	-
Operating expenses	-	6,1	-	-6,8	7,9	7,1	2,3	0,6
Other costs	-	-	47,6	-	0,3	48,1	15,3	4,3
Total costs and charges	-	6,1	48,0	-36,4	8,7	26,4	26,8	7,5

(1) Percentage based on total assets of the consolidated balance sheet for the balance sheet items and on the consolidated net profit for the period for income statement items.

(2) Percentage based on total net cash flows from operating activities in the cash flow statement.

(3) The column "Other" includes individuals identified as related parties (directors, statutory auditors, general managers, managers with strategic responsibilities and their family members).

Disclosure on transactions with related parties - December 2012

<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	-	-	-	-	-
Investments held to maturity	-	-	-	-	-	-	-	-
Loans and receivables	-	-	12,8	4,6	-	17,5	-	4,1
Other financial assets available for sale	-	-	-	-	1,8	1,8	-	4,0
Sundry receivables	-	0,2	0,6	5,0	-	5,8	-	13,3
Other assets	-	-	0,3	-	-	0,3	-	0,7
Cash and cash equivalents	-	-	-	3,7	-	3,7	-	8,6
Total assets	-	0,2	13,7	13,3	1,8	29,0	0,1	66,7
Technical provisions	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	0,7	-	4,2	4,8	-	11,1
Sundry payables	-	-	-	2,0	0,4	2,4	-	5,5
Other liabilities	-	-	-	-	0,6	0,6	-	1,3
Total liabilities	-	-	0,7	2,0	5,1	7,8	-	17,9
Net premiums	-	-	-	-	32,1	32,1	43,4	73,8
Commission income	-	-	-	-	-	-	-	-
Income for other fin. instr. and inv. prop.	-	0,1	0,8	-	1,2	2,1	2,8	4,8
Other revenues	-	0,1	0,3	-	2,7	3,2	4,3	7,3
Total revenues and income	-	0,3	1,1	-	36,0	37,4	50,6	85,9
Charges relating to claims	-	-	-	-	12,9	12,9	17,4	29,6
Commission expense	-	-	-	-	-	-	-	-
Charges for other fin. instr. and inv. prop.	-	-	1,9	-	0,4	2,3	3,1	5,2
Operating expenses	-	0,1	-	-	24,7	24,9	33,6	57,2
Other costs	-	0,1	-	-	99,3	99,4	134,5	228,4
Total costs and charges	-	0,2	1,9	-	137,3	139,4	188,6	320,4

Disclosure on transactions with related parties - December 2011

<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	-	-	-	-	-
Investment property	-	-	-	-	268,1	268,1	0,6	39,3
Investments held to maturity	-	-	-	-	-	-	-	-
Loans and receivables	-	-	24,1	-	24,6	48,7	0,1	7,1
Other financial assets available for sale	-	-	-	-	-	-	-	-
Sundry receivables	-	-	3,5	-	2,7	6,3	-	0,9
Other assets	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	-	0,4	0,4	-	0,1
Total assets	-	-	27,6	-	295,9	323,5	0,8	47,4
Technical provisions	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	0,7	-	8,3	9,0	-	1,3
Sundry payables	-	-	0,2	-	9,6	9,8	-	1,4
Other liabilities	-	-	-	-	1,4	1,4	-	0,2
Total liabilities	-	-	0,8	-	19,3	20,1	-	3,0
Net premiums	-	-	0,2	-	33,8	34,0	3,3	5,0
Commission income	-	-	-	-	-	-	-	-
Income for other fin. instr. and inv. prop.	-	-	30,8	-	3,0	33,8	3,3	5,0
Other revenues	-	-	0,2	-	1,4	1,6	0,2	0,2
Total revenues and income	-	-	31,2	-	38,1	69,3	6,7	10,2
Charges relating to claims	-	-	-	-	6,2	6,2	0,6	0,9
Commission expense	-	-	-	-	-	-	-	-
Charges for other fin. instr. and inv. prop.	-	-	30,8	-	49,3	80,1	7,7	11,7
Operating expenses	-	-	-	-	12,2	12,2	1,2	1,8
Other costs	-	-	-	-	5,4	5,4	0,5	0,8
Total costs and charges	-	-	30,8	-	73,0	103,8	10,0	15,2

Disclosure on transactions with related parties - December 2010

Values in millions of Euros	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	-	-	-	-	-
Investment property	-	-	-	-	300,0	300,0	0,7	12,9
Investments held to maturity	-	-	-	-	-	-	-	-
Loans and receivables	-	-	27,0	-	23,0	49,9	0,1	2,1
Other financial assets available for sale	-	-	-	-	-	-	-	-
Sundry receivables	-	-	13,1	-	1,2	14,3	-	0,6
Other assets	-	-	-	-	0,5	0,5	-	-
Cash and cash equivalents	-	-	-	-	-	-	-	-
Total assets	-	-	40,1	-	324,6	364,7	0,8	15,6
Technical provisions	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	0,7	-	2,5	3,2	-	0,1
Sundry payables	-	-	12,0	-	31,5	43,4	0,1	1,9
Other liabilities	-	-	-	-	3,2	3,2	-	0,1
Total liabilities	-	-	12,6	-	37,2	49,8	0,1	2,1
Net premiums	-	-	-	-	29,2	29,2	3,1	1,3
Commission income	-	-	-	-	-	-	-	-
Income for other fin. instr. and inv. prop.	-	-	30,4	-	54,9	85,2	9,0	3,7
Other revenues	-	-	0,7	-	1,2	1,9	0,2	0,1
Total revenues and income	-	-	31,1	-	85,3	116,3	12,3	5,0
Charges relating to claims	-	-	-	-	11,1	11,1	1,2	0,5
Commission expense	-	-	-	-	-	-	-	-
Charges for other fin. instr. and inv. prop.	-	-	31,1	-	60,0	91,1	9,6	3,9
Operating expenses	-	-	-	-	10,7	10,7	1,1	0,5
Other costs	-	-	-	-	15,8	15,8	1,7	0,7
Total costs and charges	-	-	31,1	-	97,5	128,7	13,6	5,5

Comment on the main items

Investment Property

The main transactions that gave rise to real estate activities with Other Related Parties were:

- Euro 102.5 million of total advance payments paid to the company Avvenimenti e Sviluppo Alberghiero S.r.l. by Milano Assicurazioni, in relation to the execution of real estate contracts regarding the building area in Rome, Via Fiorentini. Recall that such transaction, put in place in 2003, provided for the sale to the company Avvenimenti e Sviluppo Alberghiero s.r.l. of the building area and the purchase from the same purchaser of the property complex that is being built on the land in question at a price of Euro 110 million, taking into account the addendum to the contract signed in 2009. At 31 December 2011, this item went to Euro 72.6 million, as a result of value adjustment of Euro 29.9 million made on the basis of an updated appraisal of the property during construction;
- Euro 88.7 million consist of the inventory valuation of the real estate development project regarding the Marina of Loano. The amount capitalized by Immobiliare Fondiaria-SAI S.r.l., through its subsidiary Marina di Loano S.p.A., is Euro 88.7 million and includes both the amount received in financial year 2010, and the amount paid in prior years, to the company Marcora Costruzioni S.p.A.. It should also be noted that the inventory valuation includes Euro 9.6 million of expenses incurred with the company Sepi 97 S.r.l. for design work, as well as Euro 2.6 million with I.C.E.I.N. S.p.A. and Euro 1 million with Im.Co. S.p.A. for construction work; at 31 December 2011 there was an increase of Euro 3.7 million;
- Euro 52 million in regard of Im.Co. S.p.A. by Milano Assicurazioni, as advances of Euro 11 million paid in 2010, and of Euro 41 million in previous years, in connection with the real estate development project concerning the land located in Milan, Via Confalonieri - Via de Castillia (Lunetta

dell'Isola). The project involved the sale, in 2005, to the company Im.Co. of the said land and provided for the purchase from the same Im.Co. at a price of Euro 93.7 million, of an office building used for tertiary purposes being constructed on the land sold; at 31 December 2011, this item amounted to a total of Euro 57 million net of a value adjustment of Euro 12.6 million; the increase compared to the previous year is due to advances paid during 2011;

- Euro 23 million due at 31 December 2010 to Immobiliare Fondiaria-SAI S.r.l. from Im.Co., relating to advance payments for the purchase of a future construction of the hotel complex, with adjoining spa, which is under construction in the City of San Pancrazio Parmense (Parma); at 31 December 2011, the asset was written down by a total of approximately Euro 11.7 million;
- Euro 0.9 million with respect to Im.Co. by Milano Assicurazioni, for work performed in 2010 on the property in Via Lancetti in Milan;
- Euro 0.4 million with respect to Im.Co. S.p.A., Fondiaria-SAI, against incurrence of additional expenses on own properties;
- Euro 8 million in advance payments in 2010 and in previous years, from the subsidiary Nuove Iniziative Toscane S.r.l. to the company Europrogetti S.r.l., for design work in the Castello area (Florence); as at 31 December 2011, this item amounted to a total of Euro 10.5 million;
- Euro 5.8 million are made up by the inventory valuation of the dismantling and reconstruction works of the area owned by the subsidiary of Meridiano Secondo S.r.l., both in 2010, and in previous years in respect of the related party I.C.E.I.N. S.p.A., together with Euro 2.2 million for design activities performed by MI.PR.AV. S.r.l.; as at 31 December 2011, this item was unchanged;
- Euro 1 million relates to transactions carried out by Fondiaria-SAI with the company I.C.E.I.N. S.p.A., for renovations of the building located in Milan, Viale Monza at 31 December 2010;
- Euro 0.7 million due to the Tikal R.E. Fund at 31 December 2010 and Euro 1.5 million at 31 December 2011 due to I.C.E.I.N. S.p.A. refer to operations on technological systems of the property located in Milan, via Tucidide, to comply with regulatory changes.

Technical provisions – reinsurers' portion

At 30 September 2013, the Premafin Group reported Euro 25 million against Unipol Assicurazioni for claims provisions attributable to reinsurers. This item was not present in previous financial years since it regards transactions that have originated as of 1 January 2013.

Loans and receivables

Loans and receivables with affiliated companies are made up of:

- loans due to Immobiliare Milano from the affiliated companies Borsetto S.r.l. (Euro 8.1 million at 30 September 2013, unchanged at 31 December 2012, Euro 7.8 million at 31 December 2011, Euro 8.1 million at 31 December 2010), Penta Domus S.r.l. (Euro 1.8 million at 30 September 2013, unchanged at 31 December 2012, Euro 1.2 million at 31 December 2011 and Euro 1.1 million at 31 December 2010), Sviluppo Centro Est S.r.l. (Euro 7.5 million at 31 December 2010, Euro 8 million at 31 December 2011, subsequently fully written-down) and Metropolis S.p.A. (Euro 4 million at 31 December 2010 and 2011, subsequently written-down);
- loans due to Immobiliare Fondiaria-SAI S.r.l. from the affiliated companies Progetto Alfiere S.p.A. (Euro 2.6 million at 30 September 2013, unchanged at 31 December 2012, Euro 2.5 million at 31 December 2011 and Euro 6.3 million at 31 December 2010).

Please note that at 31 December 2011 Euro 20.4 million (Euro 19.5 million at 31 December 2010) were repaid against disbursement of loans granted by the subsidiary BancaSai mainly to Sinergia and Im.Co..

Sundry receivables

At 30 September 2013, receivables from associated companies amounted to Euro 5.9 million and related to reinsurance and coinsurance against Unipol Assicurazioni by the Premafin Group's insurance companies.

With reference to transactions that gave rise to real estate activities in regard of affiliated companies, please note that at 31 December 2010, receivables of the subsidiary Immobiliare Lombarda S.p.A. from CityLife S.r.l. amounted to Euro 12.2 million in respect of works and services provided in relation to project in the former Milan Trade Fair area. At 31 December 2011 this receivable amounted to Euro 2.8 million. The company CityLife S.r.l. was sold in August 2011, thus only transactions in place up to the date of deconsolidation are shown herein.

Other assets

At 30 September 2013, this item included Euro 2 million in respect of the Fondiaria-SAI affiliated companies Servizi Tecnologici S.p.A. and Scai S.p.A. for the capitalization of services received from the same.

Cash and cash equivalents

This item shows the current account transactions between Premafin Group companies and its associated company Unipol Banca.

Other financial liabilities

At 30 September 2013, the liabilities to the parent company UGF, of Euro 5.0 million, regarded the first tranche, delivered in June 2013, of the interest-bearing shareholder loan granted by the parent company UGF for a total of up to Euro 13.5 million, usable on one or more occasions during the financial year, to meet any ordinary financial requirements related to the operating expenses of Premafin and commitments with the banking system.

Sundry payables

At 30 September 2013, the amounts due to associated companies included Euro 23 million for co-insurance and reinsurance between Unipol Assicurazioni and the Premafin Group's insurance companies, while in regard of the affiliated companies, the item sundry payables included Euro 12 million for services received.

At 31 December 2010, please note the transactions between the subsidiary Immobiliare Lombarda S.p.A. and its affiliated company Tre Torri Contractor S.c.a.r.l. amounting to Euro 12 million, against works and services received in relation to the former Milan Trade Fair development project, while real estate liabilities with other related parties concern trade payables of the subsidiary Marina di Loano S.r.l., to Marcora Costruzioni S.p.A., amounting to Euro 20.8 million at 31 December 2010 and Euro 1.2 million at 31 December 2011 in relation to the construction works of the marina of Loano; these are added to the payables of Milano Assicurazioni S.p.A. to Im.Co. S.p.A., amounting to Euro 6 million at 31 December 2010 and Euro 2.2 million at 31 December 2011, against invoices to be received in relation to the aforementioned real estate project on land located in Milan, Via Confalonieri - Via de Castillia (Lunetta dell'Isola) and for work performed on the property in Via Lancetti again in Milan.

Other Liabilities

At 31 December 2010, payables are shown relating to the establishment of remuneration of approximately Euro 3 million for directors and statutory auditors with deferred payment in 2011.

Net premiums

Net premiums from associated companies at 30 September 2013 represent premiums ceded to Unipol Assicurazioni for reinsurance.

The premiums referred to other related parties include premiums paid by the Pension Funds of employees and executives of the Group for an amount of Euro 22.6 million at 30 September 2013, Euro 26.8 million at 31 December 2012, Euro 26.3 million at 31 December 2011 and Euro 25.7 million at 31 December 2010.

They also include premiums for individual policies for directors, statutory auditors, managers with strategic responsibilities and persons linked to the former Ligresti Group.

Charges relating to claims

This item includes the settlement value of claims from other related parties, against claims settled for the redemption or maturity of Life insurance policies of approximately Euro 10 million at 31 December 2012, Euro 6 million at 31 December 2011 and Euro 11 million at 31 December 2010.

In transactions with associated companies at 30 September 2013, this item benefits from reinsurance transactions with the associated company Unipol Assicurazioni that determine a partial cost recovery for claims paid.

Charges from financial instruments and investment property

Charges relating to property due to affiliated companies at 31 December 2010 and 31 December 2011 relate to costs incurred by Immobiliare Lombarda with Tre Torri Contractor S.c.r.l. against the real estate development project in the former Trade Fair area in Milan ("CityLife Project").

Charges relating to property with other related parties mainly refer to:

- expenses incurred by Marina di Loano S.r.l. against work in progress for the development project that is part of the Port of Loano, with respect to Marcora Costruzioni S.p.A., amounting to Euro 36.8 million at 31 December 2010 and Euro 3.8 million at 31 December 2011;
- expenses incurred by Crivelli S.r.l. with Marcora Costruzioni with respect to the property located in Milan, Via Cambi, amounting to Euro 14.8 million at 31 December 2010, together with Euro 0.5 million for design activities incurred with ML.PR.AV. S.r.l.. Please recall that the company Crivelli was sold in late 2010 and therefore the company's charges are shown until the date of deconsolidation;
- expenses incurred by Atahotels S.p.A. with I.C.E.I.N. S.p.A., amounting Euro 2.5 million at 31 December 2010 for the purchase of furniture for the residential building The One, located in San Donato (Milan) sold to Atahotels S.p.A.;
- expenses incurred by the Group Fondiaria-SAI Servizi S.c.r.l. with Im.Co. S.p.A. amounting to Euro 2.2 million at 31 December 2010 for the supply of furniture;
- expenses incurred by Immobiliare Lombarda S.p.A. with SO.GE.PI. S.r.l. for technical management and leasing assignments of real estate assets managed by Immobiliare Lombarda S.p.A., amounting to Euro 1.3 million at 31 December 2010 and Euro 1 million at 31 December 2011;
- expenses incurred by Meridiano Secondo S.r.l. with I.C.E.I.N. S.p.A. as a result of construction works carried out in its own property, located in Milan, Via Gioia, amounting to Euro 1 million at 31 December 2010;
- value adjustment amounting to Euro 29.9 million made by Milano Assicurazioni S.p.A. on 31 December 2011, in relation to the real estate development project being carried out by Avvenimenti e Sviluppo Alberghiero S.r.l. in the building area located in Rome, Via Fiorentini; the adjustment was made based on an updated appraisal of the property under construction by independent experts appointed for such purpose, taking into account the deterioration of the economic outlook of the real estate industry.

- value adjustment made at 31 December 2011 by Milano Assicurazioni S.p.A. amounting to Euro 12.6 million in relation to the real estate development project being carried out by Im.Co. S.p.A. on land located in Milan, Via Confalonieri - Via de Castillia (Lunetta dell'Isola); also in this case the adjustment was made based on an updated appraisal of the property under construction by independent experts appointed for such purpose, taking into account the deterioration of the economic outlook of the real estate industry.

Operating Costs

At 30 September 2013, the item for transactions with the parent company UGF amounting to Euro 6 million was made up of the cost of personnel on secondment to Premafin Group companies; while in regard of the associated companies, a negative balance is shown as this account includes the recovery of reinsurance commissions of Euro 7 million in respect of Unipol Assicurazioni.

In relation to other related parties, please note the following main transactions:

- contributions payable by the Premafin Group companies to the Pension Funds of Employees and Executives of the same Premafin Group amounting to Euro 8 million at 30 September 2013, Euro 9 million at 31 December 2012, Euro 8 million at 31 December 2011 and 2010.
- commissions paid to insurance brokers in 2012 amounting to Euro 15 million.

Other expenses

Other expenses in regard of affiliated companies, amounting to Euro 47.8 million at 30 September 2013, consist of charges for services received by Fondiaria-Sai Servizi Tecnologici.

The other costs recognized in financial year 2012 in relation to other related parties were mainly due to:

- write-downs of Euro 61.6 million reported by Milano Assicurazioni of receivables from Im.Co. S.p.A. e Avvenimenti e Sviluppo Alberghiero S.r.l. arising from real estate transactions for the purchase of a future potential asset stipulated in previous financial years;
- write-downs of Euro 3.8 million relating to receivables of Immobiliare Fondiaria-Sai from Im.Co. for the real estate development project, which was also classified as a purchase of a future potential asset, in the municipality of San Pancrazio Parmense;
- expenses of Euro 7.2 million reported by the subsidiary Nit S.r.l. for design work by Europrogetti S.r.l. for the real estate development project in the Castello area in Florence.
- write-downs of Euro 17 million reported by BancaSai on receivables for credit facilities granted to Im.Co and Sinergia.

It should be noted in this regard that as a result of the bankruptcies of Im.Co., Sinergia and Europrogetti that occurred in 2012, the advances paid on the abovementioned real estate development projects were restated from Investment Property to Sundry receivables; the remaining amount of such receivables at 31 December 2012 is not shown under related party transactions at such date due to the absence of a relationship in 2012.

The remuneration payable to Directors, Statutory Auditors and Managers with strategic responsibilities of the Parent Company for the conduct of their duties at Premafin and other companies included in the consolidation scope amounted to:

<i>(Amounts in millions of Euros)</i>	2013	2012	2011	2010
- Directors, General Manager and Statutory Auditors	2.4	9.8	13.7	19.6

- Other Managers with strategic responsibilities (*)	0.7	15.5	21.4	5.9
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(*) the amount almost exclusively includes employment income

7.3 Disclosure on transactions with related parties of the Fonsai Group

As indicated in the premise, the following tables summarize transactions with related parties of the Fonsai Group referring to the nine-month period ended at 30 September 2013 and for the financial years ended at 31 December 2012, 2011 and 2010.

Disclosure on transactions with related parties - 30 September 2013

<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	25,0	-	25,0	0,1	0,0
Investments held to maturity	-	-	-	-	-	-	-	-
Loans and receivables	-	-	13,9	4,6	0,9	19,4	0,0	0,0
Other financial assets available for sale	-	-	-	-	-	-	-	-
Sundry receivables	0,3	0,4	1,4	5,9	-	8,1	0,0	0,0
Other assets	-	-	1,9	0,3	-	2,2	0,0	0,0
Cash and cash equivalents	-	-	-	31,6	-	31,6	0,1	0,0
Total assets	0,3	0,4	17,1	67,3	1,0	86,2	0,2	0,1
Technical provisions	-	-	-	-	-	-	-	-
Other financial liabilities	-	0,2	1,3	0,8	1,2	3,5	0,0	0,0
Sundry payables	3,2	-	12,0	25,1	0,4	40,6	0,1	0,0
Other liabilities	1,1	-	-	0,5	0,7	2,3	0,0	0,0
Total liabilities	4,3	0,2	13,3	26,4	2,3	46,4	0,1	0,0
Net premiums	-	0,1	0,2	-55,8	23,0	-32,5	10,0	2,8
Commission income	-	-	-	-	-	-	-	-
Income for other fin. instr. and inv. prop.	0,4	0,1	0,1	0,1	-	0,7	0,2	0,1
Other revenues	0,1	0,2	0,3	3,4	0,1	4,1	1,3	0,4
Total revenues and income	0,5	0,4	0,6	-52,3	23,1	-27,8	11,5	3,2
Charges relating to claims	-	-	0,1	-29,6	0,5	-29,0	8,9	2,5
Commission expense	-	-	-	-	-	-	-	-
Charges for other fin. instr. and inv. prop.	-	-	0,1	-	-	0,1	0,0	0,0
Operating expenses	6,1	-	-	-6,8	7,9	7,1	2,2	0,6
Other costs	-	-	47,8	-	0,3	48,1	14,9	4,1
Total costs and charges	6,1	-	48,0	-36,4	8,7	26,3	26,0	7,3

(1) Percentage based on total assets of the consolidated balance sheet for the balance sheet items and on the consolidated net profit for the period for income statement items.

(2) Percentage based on total net cash flows from operating activities in the cash flow statement.

(3) The column "Other" includes individuals identified as related parties (directors, statutory auditors, general managers, managers with strategic responsibilities and their family members).

The presence should also be noted of receivables from affiliated companies of a nominal amount of Euro 9.3 million fully written down and therefore not shown in the table.

Disclosure on transactions with related parties - December 2012

<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	0,0	-	0,0	0,0	0,0
Investments held to maturity	-	-	-	-	-	-	-	-
Loans and receivables	-	-	12,8	4,6	0,0	17,5	0,0	40,1
Other financial assets available for sale	-	-	-	-	1,8	1,8	0,0	4,0
Sundry receivables	0,2	0,1	0,6	5,0	0,0	5,9	0,0	13,6
Other assets	-	-	0,3	-	-	0,3	0,0	0,7
Cash and cash equivalents	-	-	-	3,7	-	3,7	0,0	8,6
Total assets	0,2	0,1	13,7	13,3	1,8	29,2	0,1	67,0
Technical provisions	-	-	-	-	-	-	-	-
Other financial liabilities	-	0,3	0,7	-	4,2	5,2	0,0	11,9
Sundry payables	-	-	0,0	2,0	0,4	2,4	0,0	5,5
Other liabilities	-	-	-	-	0,6	0,6	0,0	1,3
Total liabilities	-	0,3	0,7	2,0	5,1	8,1	0,0	18,6
Net premiums	-	0,1	-	-	32,1	32,2	4,0	74,0
Commission income	-	-	-	-	-	-	-	-
Income for other fin. instr. and inv. prop.	0,1	-	0,8	-	1,2	2,1	0,3	4,8
Other revenues	0,1	0,2	0,3	0,0	2,6	3,3	0,4	7,6
Total revenues and income	0,3	0,3	1,1	0,0	35,9	37,6	4,7	86,4
Charges relating to claims	-	-	-	-	12,9	12,9	1,6	29,6
Commission expense	-	-	-	-	0,0	0,0	0,0	0,0
Charges for other fin. instr. and inv. prop.	-	-	1,9	-	0,4	2,3	0,3	5,2
Operating expenses	0,1	-	-	-	24,7	24,9	3,1	57,1
Other costs	0,1	0,0	0,0	0,0	99,3	99,5	12,4	228,5
Total costs and charges	0,2	0,0	1,9	0,0	137,3	139,5	17,4	320,5

Disclosure on transactions with related parties - December 2011

<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	-	-	-	-	-
Investment property	-	-	-	-	268,1	268,1	0,6	39,3
Investments held to maturity	-	-	-	-	0,0	0,0	0,0	0,0
Loans and receivables	-	-	24,1	-	61,7	85,8	0,2	12,6
Other financial assets available for sale	-	-	-	-	94,4	94,4	0,2	13,9
Sundry receivables	-	0,2	0,5	0,0	11,9	12,6	0,0	1,9
Other assets	-	-	3,0	-	9,0	11,9	0,0	1,8
Cash and cash equivalents	-	-	-	-	15,0	15,0	0,0	2,2
Total assets	-	0,2	27,6	0,0	460,2	487,9	1,2	71,6
Technical provisions	-	-	-	-	-	-	-	-
Other financial liabilities	-	0,3	0,7	0,0	8,3	9,3	0,0	1,4
Sundry payables	-	1,4	0,2	-	6,2	7,8	0,0	1,1
Other liabilities	-	-	-	-	4,1	4,1	0,0	0,6
Total liabilities	-	1,8	0,8	0,0	18,6	21,2	0,1	3,1
Net premiums	-	-	0,2	-	33,8	34,0	4,9	5,0
Commission income	-	-	-	-	-	-	-	-
Income for other fin. instr. and inv. prop.	-	0,2	30,8	-	4,8	35,7	5,1	5,2
Other revenues	-	0,0	0,2	-	1,4	1,7	0,2	0,2
Total revenues and income	-	0,2	31,2	-	39,9	71,4	10,3	10,5
Charges relating to claims	-	-	-	-	6,2	6,2	0,9	0,9
Commission expense	-	-	-	-	-	-	-	-
Charges for other fin. instr. and inv. prop.	-	0,1	30,8	-	49,3	80,2	11,5	11,8
Operating expenses	-	-	-	-	12,2	12,2	1,7	1,8
Other costs	-	2,0	-	-	6,0	8,0	1,2	1,2
Total costs and charges	-	2,1	30,8	-	73,6	106,5	15,3	15,6

Disclosure on transactions with related parties - December 2010

Values in millions of Euros	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	-	-	-	-	-	-	-
Investment property	-	-	-	-	300,0	300,0	0,7	12,9
Investments held to maturity	-	-	-	-	-	-	-	-
Loans and receivables	-	-	27,0	-	23,0	49,9	0,1	2,1
Other financial assets available for sale	-	-	-	-	-	-	-	-
Sundry receivables	-	0,2	13,1	-	1,2	14,5	0,0	0,6
Other assets	-	-	-	-	0,5	0,5	0,0	0,0
Cash and cash equivalents	-	-	-	-	-	-	-	-
Total assets	-	0,2	40,1	-	324,6	364,9	0,8	15,6
Technical provisions	-	-	-	-	-	-	-	-
Other financial liabilities	-	18,5	0,7	-	2,5	21,7	0,1	0,9
Sundry payables	-	0,7	12,0	-	31,5	44,2	0,1	1,9
Other liabilities	-	-	-	-	2,9	2,9	0,0	0,1
Total liabilities	-	19,3	12,6	-	36,9	68,8	0,2	2,9
Net premiums	-	-	-	-	29,2	29,2	3,1	1,3
Commission income	-	-	-	-	-	-	-	-
Income for other fin. instr. and inv. prop.	-	0,2	30,4	-	54,9	85,4	9,2	3,7
Other revenues	-	0,1	0,7	-	1,1	1,9	0,2	0,1
Total revenues and income	-	0,2	31,1	-	85,2	116,5	12,5	5,0
Charges relating to claims	-	-	-	-	11,1	11,1	1,2	0,5
Commission expense	-	-	-	-	-	-	-	-
Charges for other fin. instr. and inv. prop.	-	0,0	31,1	-	60,0	91,2	9,8	3,9
Operating expenses	-	-	-	-	10,7	10,7	1,2	0,5
Other costs	-	2,3	-	-	15,0	17,3	1,9	0,7
Total costs and charges	-	2,4	31,1	-	96,7	130,2	14,0	5,6

7.4 Disclosure on transactions with related parties of the Milano Assicurazioni Group

As indicated in the premise, the following tables summarize transactions with related parties of the Milano Assicurazioni Group referring to the nine-month period ended at 30 September 2013 and for the financial years ended at 31 December 2012, 2011 and 2010.

Disclosure on transactions with related parties - 30 September 2013

Values in millions of Euros	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	41,6	-	149,5	-	191,0	1,8	2.223,6
Investments held to maturity	-	-	-	1,5	-	1,5	0,0	17,5
Loans and receivables	-	-	10,2	4,6	-	14,8	0,1	172,4
Other financial assets available for sale	-	-	-	-	-	-	-	-
Financial assets at fair value through p. or l.	-	-	-	6,3	-	6,3	0,1	73,3
Sundry receivables	-	98,3	-	89,1	-	187,4	1,8	2.181,9
Other assets	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	188,8	-	188,8	1,8	2.198,0
Total assets	-	139,9	10,2	439,8	-	589,8	5,7	6.866,7
Technical provisions	-	2,1	-	-	-	2,1	0,0	24,9
Other financial liabilities	-	27,8	-	32,4	-	60,2	0,6	700,6
Sundry payables	0,8	19,5	0,7	118,4	0,3	139,7	1,3	1.625,7
Other liabilities	-	-	-	-	-	-	-	-
Total liabilities	0,8	49,4	0,7	150,8	0,3	202,0	1,9	2.351,2
Net premiums	-	-2,9	-	-92,6	8,1	-87,4	51,5	1.017,6
Commission income	-	-	-	-	-	-	-	-
Income for other fin. instr. and inv. prop.	0,2	-	-	4,8	-	5,0	2,9	57,8
Other revenues	-	11,6	-	0,8	-	12,4	7,3	144,1
Total revenues and income	0,2	8,7	-	-87,1	8,1	-70,1	61,7	1.219,5
Charges relating to claims	-	-4,3	-	-55,3	2,8	-56,8	33,5	661,8
Commission expense	-	-	-	-	-	-	-	-
Charges for other fin. instr. and inv. prop.	-	0,4	-	1,8	-	2,2	1,3	25,6
Operating expenses	1,1	7,9	-	46,2	0,5	55,8	32,9	649,7
Other costs	-	1,5	-	2,7	-	4,3	2,5	49,7
Total costs and charges	1,1	5,6	-	-4,6	3,4	5,4	70,2	1.386,9

(1) Percentage based on total assets of the consolidated balance sheet for the balance sheet items and on the consolidated net profit for the period for income statement items.

(2) Percentage based on total net cash flows from operating activities in the cash flow statement.

(3) The column "Other" includes individuals identified as related parties (directors, statutory auditors, general managers, executives with strategic responsibilities and their family members).

Disclosure on transactions with related parties - December 2012

<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	45,4	-	129,9	-	175,3	1,6	73,0
Investments held to maturity	-	-	-	1,5	-	1,5	0,0	0,6
Loans and receivables	-	-	10,3	4,6	-	14,9	0,1	6,2
Other financial assets available for sale	-	-	-	19,9	-	19,9	0,2	8,3
Financial assets at fair value through p. or l.	-	-	-	6,3	-	6,3	0,1	2,6
Sundry receivables	0,1	125,3	-	105,7	0,3	231,3	2,1	96,3
Other assets	-	-	-	-	-	-	-	-
Cash and cash equivalents	-	-	-	237,2	-	237,2	2,2	98,8
Total assets	0,1	170,7	10,3	505,2	0,3	686,5	6,4	285,9
Technical provisions	-	1,4	-	-	-	1,4	0,0	0,6
Other financial liabilities	-	27,5	-	20,1	-	47,6	0,4	19,8
Sundry payables	-	34,8	-	115,6	0,5	150,9	1,4	62,8
Other liabilities	-	-	-	-	-	-	-	-
Total liabilities	-	63,6	-	135,8	0,5	199,9	1,8	83,2
Net premiums	-	-3,6	-	-118,3	10,3	-111,6	51,7	46,5
Commission income	-	-	-	-	-	-	-	-
Income for other fin. instr. and inv. prop.	0,1	0,0	1,9	7,1	0,1	9,2	4,3	3,8
Other revenues	-	13,0	0,0	2,6	1,9	17,5	8,1	7,3
Total revenues and income	0,1	9,5	1,9	-108,6	12,2	-84,9	64,0	57,6
Charges relating to claims	-	-8,4	-	-88,4	0,2	-96,6	44,7	40,2
Commission expense	-	-	-	-	-	-	-	-
Charges for other fin. instr. and inv. prop.	-	1,1	1,3	4,8	0,0	7,3	3,4	3,0
Operating expenses	-	7,1	-	45,7	8,3	61,1	28,3	25,4
Other costs	-	0,4	0,9	6,5	64,2	72,0	33,3	30,0
Total costs and charges	-	0,3	2,2	-31,3	72,7	43,8	109,7	98,7

Disclosure on transactions with related parties - December 2011

<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	52,5	-	152,8	-	205,3	1,9	335,4
Investment property	-	-	-	-	130,4	130,4	1,2	213,0
Investments held to maturity	-	-	-	1,3	-	1,3	0,0	2,1
Loans and receivables	-	-	21,6	-	11,9	33,4	0,3	54,6
Other financial assets available for sale	-	-	-	23,1	67,3	90,4	0,8	147,7
Financial assets at fair value through p. or l.	-	-	-	5,7	-	5,7	0,1	9,3
Sundry receivables	-	113,1	-	104,9	0,0	218,0	2,0	356,2
Other assets	-	-	-	5,2	9,2	14,4	0,1	23,5
Cash and cash equivalents	-	-	-	131,1	1,5	132,7	1,2	216,7
Total assets	-	165,6	21,6	424,2	220,3	831,6	7,6	1.358,6
Technical provisions	-	0,9	-	1,4	-	2,3	0,0	3,7
Other financial liabilities	-	30,5	0,7	29,9	-	61,0	0,6	99,7
Sundry payables	-	16,7	-	93,1	3,1	112,9	1,0	184,4
Other liabilities	-	-	-	14,9	-	14,9	0,1	24,4
Total liabilities	-	48,1	0,7	139,2	3,1	191,1	1,7	312,2
Net premiums	-	-5,1	0,2	-111,1	10,6	-105,4	29,7	172,2
Commission income	-	-	-	0,1	-	0,1	0,0	0,1
Income for other fin. instr. and inv. prop.	-	0,1	0,3	7,6	-	8,0	2,2	13,0
Other revenues	-	12,2	-	3,3	-	15,5	4,4	25,3
Total revenues and income	-	7,1	0,5	-100,1	10,6	-81,9	36,4	210,5
Charges relating to claims	-	-4,8	-	-38,9	-	-43,7	12,3	71,4
Commission expense	-	-	-	0,1	-	0,1	0,0	0,1
Charges for other fin. instr. and inv. prop.	-	1,4	-	5,0	43,3	49,7	14,0	81,1
Operating expenses	-	5,7	-	59,8	7,9	73,4	20,7	119,9
Other costs	-	0,3	-	5,9	1,6	7,8	2,2	12,7
Total costs and charges	-	2,6	-	31,8	52,8	87,2	49,3	285,3

Disclosure on transactions with related parties - December 2010

<i>Values in millions of Euros</i>	indirect parent companies	direct parent company	affiliated companies	associated companies	other	Total	inc % (1)	inc % (2)
Technical provisions - reinsurers' portion	-	57,8	-	207,1	-	264,9	2,3	286,5
Investment property	-	-	-	-	156,3	156,3	1,4	169,1
Investments held to maturity	-	-	-	1,3	-	1,3	0,0	1,4
Loans and receivables	-	0,1	31,1	-	-	31,3	0,3	33,8
Other financial assets available for sale	-	-	-	19,7	-	19,7	0,2	21,3
Financial assets at fair value through p. or l.	-	-	-	5,8	-	5,8	0,1	6,2
Sundry receivables	-	115,3	-	105,7	0,1	221,0	1,9	239,1
Other assets	-	-	-	3,3	0,2	3,5	0,0	3,7
Cash and cash equivalents	-	-	-	120,3	-	120,3	1,0	130,1
Total assets	-	173,1	31,1	463,1	156,6	824,0	7,2	891,3
Technical provisions	-	1,1	-	1,6	-	2,6	0,0	2,8
Other financial liabilities	-	33,5	0,7	22,4	-	56,6	0,5	61,2
Sundry payables	-	14,3	-	109,3	6,9	130,6	1,1	141,2
Other liabilities	-	-	-	12,9	-	12,9	0,1	13,9
Total liabilities	-	48,9	0,7	146,2	6,9	202,7	1,8	219,2
Net premiums	-	-7,2	-	-113,6	11,0	-109,7	16,4	118,7
Commission income	-	-	-	-	-	-	-	-
Income for other fin. instr. and inv. prop.	-	4,0	-	2,0	0,0	6,1	0,9	6,6
Other revenues	-	0,1	-	0,9	0,0	1,0	0,1	1,0
Total revenues and income	-	-3,1	-	-110,7	11,1	-102,7	17,5	126,3
Charges relating to claims	-	-7,0	-	-56,6	0,1	-63,5	9,5	68,6
Commission expense	-	-	-	-	-	-	-	-
Charges for other fin. instr. and inv. prop.	-	1,5	-	4,3	0,4	6,2	0,9	6,7
Operating expenses	-	4,6	-	63,0	10,6	78,2	11,7	84,6
Other costs	-	0,1	-	0,8	0,2	1,0	0,2	1,1
Total costs and charges	-	-0,8	-	11,5	11,3	21,9	22,3	161,0

7.5 Transactions with related parties subsequent to 30 September 2013

It should be noted that after 30 September 2013 the Companies Participating in the Merger have not concluded any transactions with related party, with the exclusion of transactions made at arm's length during the normal and ordinary course of business.

8 Relevant Contracts

This Chapter contains a summary of relevant contracts, other than contracts entered into during the ordinary course of business, which the Companies Participating in the Merger are parties to, signed in the period following the closing date of the first half of 2013.

Summary of the commitments made by the Group Fondiaria-SAI Servizi S.c.r.l. and Fondiaria-SAI S.p.A. with the HP Group relating to the termination of contracts for data network and IT infrastructure management and the consequent dissolution of the joint venture Fondiaria SAI Servizi Tecnologici S.p.A.

Given that:

- on 1 December 2006, Fonsai, together with other companies controlled by it, and HP Enterprise Services Italia S.r.l., formerly EDS Italia S.p.A. (“HP”), signed a framework agreement concerning the creation of a joint venture for information technology services in order to implement a project - by outsourcing resources - for the transformation of the main industrial application systems and adaptation of the IT infrastructure of Fonsai;
- in performance of the foregoing, on 5 December 2006 Fonsai and HP - even through the contribution of certain business units owned by the companies of the former Fondiaria-SAI Group that had entered into the framework agreement referred to above - formed the company Fondiaria SAI Servizi Tecnologici S.p.A. (“**FSST**”), respectively, 51% and 49% of which owned by the above companies, but controlled by HP under the covenants contained in the Shareholders’ Agreement signed by the parties to regulate FSST’s governance, mode of distribution of profits, and assumptions and methods of dissolution of the said Joint Venture, as amended and supplemented (the “**Shareholders’ Agreement**”);
- Subsequently, on 1 February 2007, FSST and Fondiaria-SAI Servizi S.c.r.l., formerly Uniservizi S.c.r.l. (“**GFSS**”) entered into, among others, (i) a contract for the provision of certain IT services for 10 years, subsequently amended and supplemented (the “**Full ITO Agreement**”) and (ii) an agreement for the purchase and/or rental of computer hardware and software functional to the delivery of the services pursuant to which the contract under (i) above, having the same duration as the latter, subsequently amended and supplemented (the “**HW and SW Agreement**”) and, together with the Full ITO Agreement and other agreements between the parties, the “**Agreements**”).

That said, in the context of the reorganization of the entire ownership of the former Fonsai Group following acquisition of its control by UGF with effect from 19 July 2012, as a total organizational overhaul and integration had become necessary, also with reference to provision of IT and data network services, the interested parties jointly determined that the Agreements signed by GFSS and FSST were not suitable to the changing needs of the insurance group Unipol, in its new structure, and concurred to terminate such Agreements by mutual consent, in advance and notwithstanding the terms and conditions thereof, thus dissolving the joint venture with the purchase by Fonsai of the stake held by HP in FSST, partially derogating from the provisions of the Shareholders’ Agreement.

For the purposes of the foregoing, during the year 2013, three different agreements were signed, among others, (collectively, the “**Exit Agreements**”) aimed at governing, among other things, (A) the early termination of the Full ITO Agreement, as well as of the relevant HW and SW Agreement, (B) the migration of services provided by FSST to GFSS with a view to re-internalization of the same within the new insurance group Unipol, ensuring continuity of the information system, as well as (C) the dissolution of the joint venture and the subsequent acquisition by Fonsai, subject to authorization by IVASS, of the stake owned by HP in the share capital of FSST (the “**HP Stake**”) - and, therefore, of control of FSST - against a sum that will be determined, according to common criteria agreed between the parties, by independent experts appointed by common agreement between the same parties. In particular, it is expected that, with the help of the experts, this sum will be provisionally determined on the basis of a balance sheet of FSST as at 31 July 2013 which takes into account certain estimates expressly agreed by the Parties (the “**Provisional Consideration**”) and subsequently adjusted for the purposes of determining the “**Final Consideration**”, based on a balance sheet and income statement of FSST as at the effective date of the transfer, agreed to be 31 March 2014, which also takes into account the

residual value of tangible and intangible fixed assets of FSST. In the current state of affairs, the Provisional Consideration is in the process of being defined.

Finally, it should be noted that the above authorization of IVASS will be submitted to the Supervisory Authority after the definition of the agreement between the parties for the purchase of the HP Stake.

Partial sale to P&V Assurance S.c.r.l. of the stake held by Unipol Assicurazioni in Vivium S.A.

On 20 December 2013, subject to approval by the Belgian Supervisory Authority, Unipol Assicurazioni sold 392,240 shares held in Vivium S.A. (“**Vivium**”) – a Belgian insurance company operating in both the Non-Life business and in the Life business, a subsidiary of P&V - to P&V Assurance S.c.r.l. (“**P&V**”), representing a share of 10.35% of the share capital thereof, for a total consideration of Euro 179.7 million, with the simultaneous (i) settlement of the put option on the entire investment that Unipol Assicurazioni held in Vivium equal to 13.88% and (ii) cancellation of the collateral pledge on government securities created by P&V for approximately Euro 150 million, as a guarantee of the granted option.

The sale, which allowed Unipol Assicurazioni to monetize a significant portion of its investment – has no material impact on the Unipol Assicurazioni Group’s shareholders’ equity, as its participatory asset is recognized in the consolidated figures among securities classified as available for sale (AFS), resulting in a fair value measurement and recognition of a positive AFS valuation reserve of the same amount.

After performing this operation, Unipol Assicurazioni holds a residual stake representing 3.53% of the share capital of Vivium.

9 Expenses Regarding the Merger

The costs and expenses related to the Transaction, accrued to the Companies Participating in the Merger, valued at a total of Euro 41.1 million, were incurred almost entirely at the Date of the Updated Information Document (Euro 36.7 million incurred at 30 September 2013).

10 Attachments

- Illustrative report pursuant to Art. 2501-*quinquies* of the Italian Civil Code drafted by the members of the governing bodies of the Companies Participating in the Merger.
- Merger Plan pursuant to Art. 2501-*ter* of the Italian Civil Code.
- Statements of Financial position pursuant to Art. 2501-*quater* of the Italian Civil Code at 30 September 2012.
- Valuation reports, drafted by independent experts, used by members of the governing bodies in order to define the Exchange Ratios.
- Valuation report, drafted by Citigroup Global Markets Limited, used by the committee of independent directors of Fonsai for the purpose of issuing the opinion on the definition of the Exchange Ratios.
- Report of the expert Reconta Ernst & Young S.p.A., pursuant to Art. 2501-*sexies* of the Italian Civil Code.
- Fairness opinion on the criteria for determining the issue price of the shares to be issued for the Convertible Loan, drafted by the expert Reconta Ernst & Young S.p.A., pursuant to and in accordance with Art. 158 of the TUF.
- Opinion issued by Gualtieri & Associati Advisory Firm on 17 September 2013.
- Consolidated financial statements Unipol Assicurazioni S.p.A. for the years ended at 31 December 2012, 2011 and 2010, accompanied by the reports of the independent auditors PricewaterhouseCoopers S.p.A. and KPMG S.p.A., respectively relating to the 2012 financial statements and the 2011 and 2010 financial statements.
- Condensed Interim consolidated financial statements of Unipol Assicurazioni S.p.A. as at 30 September 2013 accompanied by the report of the independent auditors PricewaterhouseCoopers S.p.A.
- Reports of the independent auditors on the consolidated financial statements of FONDIARIA-SAI S.p.A., Premafin Finanziaria – S.p.A. – Holding di Partecipazioni and Milano Assicurazioni S.p.A. at 31 December 2010, 2011 and 2012 and the condensed interim consolidated financial statements of the same companies as at 30 September 2013.