

Unipol Gruppo Finanziario S.p.A.

Registered and Head Offices at Via Stalingrado 45, Bologna – Share capital €2,391,426,100.00 fully paid-up – Tax Code and Bologna Companies' Register 00284160371 - R.E.A. 160304.

Consolidated Quarterly Report as at 30 September 2007

(in accordance with Article 82 of CONSOB Ruling 11971/1999 as amended by Ruling 14990 of 14/4/2005)

Bologna, 8 November 2007



Translation from the original Italian text.

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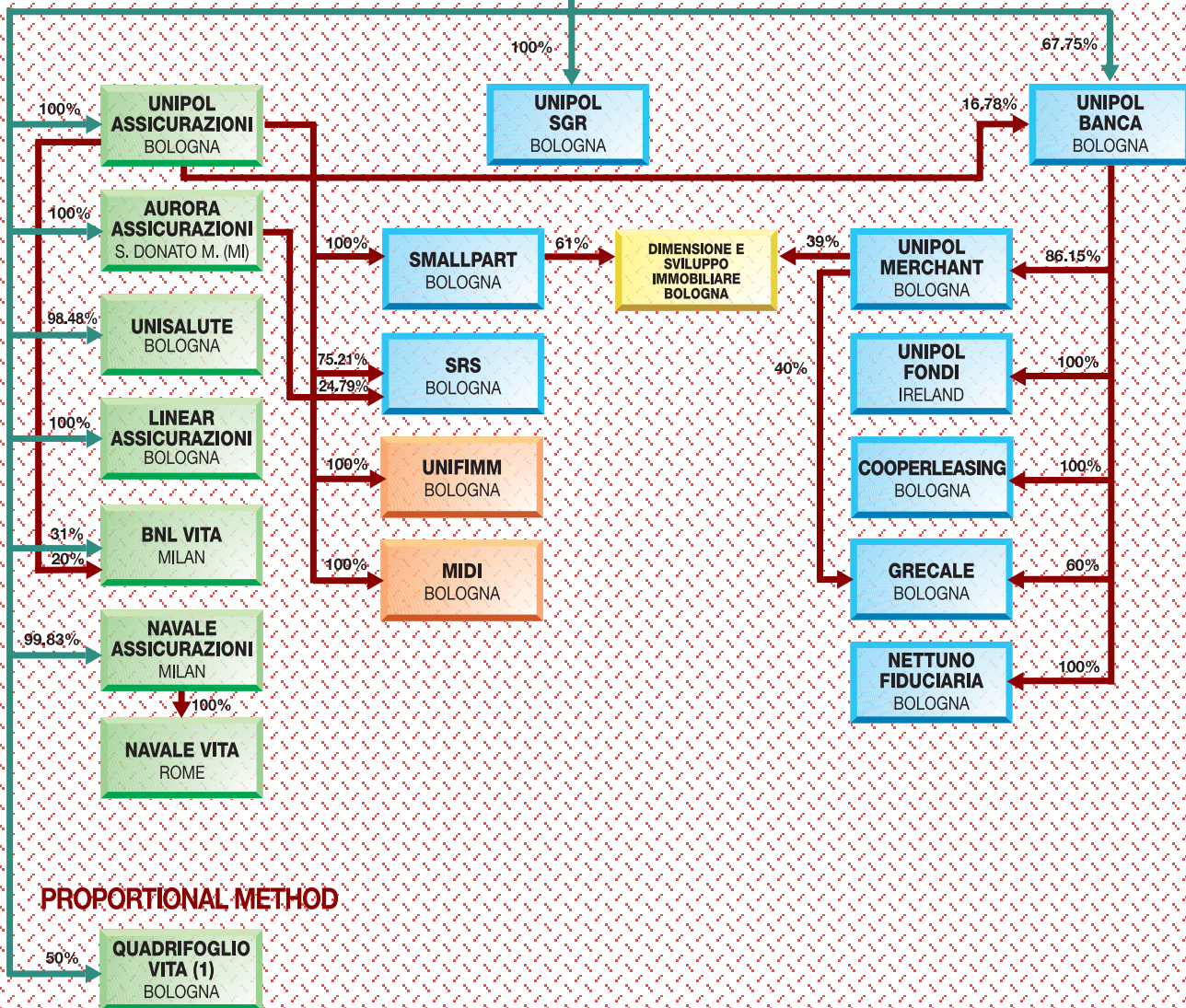
COMPANY'S BOARDS AND OFFICIALS

	Honorary Chairman	Enea Mazzoli
Board of Directors	Chairman	Pierluigi Stefanini
	Vice Chairman	Vanes Galanti
	Chief Executive Officer	Carlo Salvatori
	Board Members	Ivan Malavasi Massimo Masotti Enrico Migliavacca Pier Luigi Morara Sergio Nasi Marco Pedroni Giuseppe Politi Francesco Vella Marco Giuseppe Venturi Luca Zaccherini Mario Zucchelli
	Jean Dominique Antoni Sergio Betti Fabio Borghi Rocco Carannante Gilberto Coffari Piero Collina Bruno Cordazzo Sergio Costalli Jacques Forest Fabrizio Gillone Claudio Levorato	
	Secretary of the Board of Directors	Roberto Giay
General Manager		Carlo Cimbri
Board of Statutory Auditors	Chairman	Roberto Chiusoli
	Members	Domenico Livio Trombone Giorgio Picone
	Alternates	Cristiano Cerchiai Giovanni Battista Graziosi
External Auditors		K.P.M.G. spa

BASIS OF CONSOLIDATION AS FROM 30 SEPTEMBER 2007



LINE-BY-LINE



INSURANCE COMPANIES

PROPERTY

FINANCIAL SERVICES BANKS

OTHERS

(1) Company held for disposal and consolidated in accordance with IFRS 5.

GROUP HIGHLIGHTS

(amounts in €m)

	As at 30/09/2007	As at 31/12/2006	As at 30/09/2006
Insurance business - Direct income	6,445	8,784	6,305
<i>% variation</i>	<i>2.2 (1)</i>	<i>-0.8</i>	<i>3.5</i>
- Non-Life insurance premiums	2,960	4,061	2,809
<i>% variation</i>	<i>5.4 (1)</i>	<i>2.9</i>	<i>2.1</i>
- Life assurance premiums	3,475	4,695	3,479
<i>% variation</i>	<i>-0.1 (1)</i>	<i>10.8</i>	<i>18.5</i>
- investment products	10	28	16
<i>% variation</i>	<i>-38.9 (1)</i>	<i>-95.9</i>	<i>-95.9</i>
Banking business - Direct customer deposits	8,077	7,917	9,092
<i>% variation</i>	<i>2.0 (2)</i>	<i>13.9</i>	<i>30.8</i>
Loss ratio % - Non-Life business (net of reinsurance)	73.5%	73.1%	74.4%
Expense ratio % - Net operating expenses/Non-Life net premiums	22.1%	22.3%	21.7%
Total net operating expenses	916	1,156	827
<i>% variation</i>	<i>10.8 (1)</i>	<i>3.3</i>	<i>1.9</i>
Net income from financial assets and liabilities	1,015	1,163	930
<i>% variation</i>	<i>9.2 (1)</i>	<i>21.5</i>	<i>11.2</i>
Profit before taxation	568	591	524
<i>% variation</i>	<i>8.4 (1)</i>	<i>22.7</i>	<i>6.0</i>
Consolidated profit	372	362	347
<i>% variation</i>	<i>7.0 (1)</i>	<i>28.0</i>	<i>11.2</i>
Net profit - Group	332	281	284
<i>% variation</i>	<i>16.9 (1)</i>	<i>10.5</i>	<i>0.6</i>
Investments and liquid assets	39,042	37,350	37,895
<i>% variation</i>	<i>4.5 (2)</i>	<i>4.0</i>	<i>5.5</i>
Technical provisions	25,868	24,042	24,173
<i>% variation</i>	<i>7.6 (2)</i>	<i>8.1</i>	<i>8.6</i>
Financial liabilities	11,119	10,379	10,518
<i>% variation</i>	<i>7.1 (2)</i>	<i>-0.5</i>	<i>0.8</i>
Shareholders' equity pertaining to the Group	4,964	5,358	5,456
<i>% variation</i>	<i>-7.4 (2)</i>	<i>-3.5</i>	<i>-1.7</i>
Number of staff	6,667	6,595	6,569

(1) Variation compared with the third quarter of the previous financial year (%)

(2) Variation compared with 31/12 of the previous financial year (%)

(*) Figures as at 30 September 2007 relating to investments and liquid assets, technical provisions and financial liabilities, do not include the figures of Quadrifoglio Vita, a company held for disposal. In accordance with IFRS 5, their assets and liabilities have been reclassified under the items 'Non-current assets or assets of a disposal group held for sale' and 'Liabilities of a disposal group held for sale'.

INTRODUCTION

The macroeconomic background

In the Summer the international macroeconomic background was strongly influenced by the crisis affecting the subprime loans sector in the United States and by the consequent fears of a slowdown in the principal economies (in particular that of the US).

The gradual increase in the price of oil (which on 31 October reached an unprecedented high of 94.74 dollars per barrel) focused attention even more on the trend in energy costs.

In the second quarter of 2007 Italian GDP grew by +0.1% compared with the previous quarter and by +1.8% year on year, whereas it continued to grow at a faster rate in the Eurozone as a whole: +0.3% over the quarter and +2.5% year on year.

Prices in Italy continued to rise more slowly than in the Eurozone as a whole. In September Italian inflation over the previous 12 months was +1.7%, the same as in the previous month. At the same time the rate of growth in the Eurozone as a whole rose to +2.1% from +1.7% in August. Estimates based on the provisional figures for October put the Italian consumer prices index at +2.1% (Eurozone +2.6%).

In the second quarter of 2007 the unemployment rate gradually fell to 5.7% from 6.8% at the end of 2006.

Financial markets

The subprime loans crisis in the United States and in the UK affected the decisions made by the Central Banks in the last two months of the quarter: in fact by August they had no choice but to intervene several times in the markets with injections of cash.

The US discount rate, which had stood at 5.75% since 29 June 2006, was reduced by half a point to 5.25% on 17 August. The Federal Reserve subsequently reduced the base rate for FED Funds, which had been unchanged since June 2003, raising it first to 4.75% and later to 4.50%.

After the previous rate increases the other principal central banks preferred to adopt a wait-and-see approach: from June 2007 the ECB base rate was stable at 4% and the Japanese at 0.50% whilst after the reduction of a quarter of a point on 5 July the Bank of England rate was stable at 5.75% (the highest it had been since April 2001).

During the quarter the rate curve in the Eurozone as a whole was characterised by a substantial rise in short-term rates and by a drop in long-term rates: between 30 June and 28 September the 6-month Euribor rose from 4.32% to 4.75% whilst the 10-year Euro swap rate fell from 4.79% to 4.67%. By the end of October the 6-month Euribor rate was down to 4.61% whilst the 10-year rate remained almost unchanged.

The Italian government 10-year rate showed similar fluctuations, falling from 4.74% at the end of June to 4.58% at the end of September and 4.52% at the end of October.

At the end of September the stock exchange indices were also particularly volatile: the Milan Stock Exchange recorded returns since the beginning of the year of -2.73% whilst those in the Eurozone as a whole were +6.35%. Performances in New York (S&P index +7.65%) and in London (+3.95%) were positive whilst the Tokyo Stock Exchange recorded a fall of 2.56%. At the end of October performances on the stock markets in Milan and Tokyo were still negative at -1.13% and -2.83% respectively whilst those in the Eurozone as a whole and in the UK were positive despite the continuation of particularly volatile trends.

The Euro gradually strengthened against the Dollar, reaching a series of record highs: on 28 September it closed at 1.427 compared with 1.32 at the beginning of the year and on 31 October reached 1.4504.

Insurance business

During 2007 the insurance market in Italy has appeared to perform much the same as last year. Following on from the fall of approximately 3% in 2006 premium income has continued to turn in a negative performance.

On the basis of ANIA's figures (pending the publication of ISVAP's figures after the first quarter of 2007) Life income in the first half of 2007 should be down by more than 4%, in particular in the traditional classes (I and V). Growth in Non-Life business (+1.6% in the first quarter) has not been enough to offset the drop in Life business, since the phenomena that were a feature of the previous periods are still present, in particular the strong competitive pressure in MV business.

The figures for August for new individual Life policies recorded a drop of 8.3% compared with the same period last year. Performance in the various classes reflected the considerable drop in traditional business (particularly evident in the case of capital redemption owing to the reappearance of the corporate phenomenon), with business in Class I and Class V down by 27.3% and 59.1% respectively since the beginning of the year, whilst growth continued in Class III, where new business was up by 21%. All channels showed a drop in income, in particular the direct channel (which was more affected by the fall in corporate business).

One feature of the current financial year is the substantial growth in cross-border Life business, i.e. premiums written in Italy by branches, registered abroad, of several large Italian banking groups. If this business had been taken into account the performance of the banking channel would have been positive.

According to the end-of-year estimates drawn up by ANIA and Prometeia income levels will be substantially the same as in 2006, with premium income of some €107bn and an incidence on GDP of approximately 7%.

According to these forecasts the Life market will continue to fall and Non-Life business will rise slightly compared with the first few months of the year, especially in some non-MV classes. In MV business tariffs will continue to be kept down whilst on the broader front the effects of the direct compensation scheme are not expected to be felt in the current year.

Banking and asset management

The demand for corporate financing in Italy continued to be high. In the case of non-financial undertakings the business cycle was important since it encouraged applications for bank loans for the purpose of making investments and increasing working capital. On the other hand the gradual increase in the money rates, in combination with the recent slump in the property market, led to a reduction in the rate of growth in lending to individuals.

Bad and doubtful loans performed significantly better than loans as a whole, showing that the quality of credit granted by the Italian banks, which was already high, continued to improve.

As regards all sources of finance granted by banks, it should be noted that the changes in rates increased the cost/opportunity of holding cash. It is therefore reasonable to expect a fall in the rate of growth of the short-term elements of lenders' income. The postponement until 2008 of the implementation of the ruling on harmonising the taxation of savings, which by virtue of the seven-point reduction in the rate applied to deposits would sustain demand, will not be felt during 2007.

The growth in fundraising appears to have been driven by two elements: issues of bonds and foreign business. In fact, increasingly often credit bodies, especially the major ones, turn to the large institutional investor market for their fundraising requirements.

Another significant source of finance for the banks, securitisation operations, came to a halt as a result of the subprime loans crisis. In this regard it should be noted that the interbank

market had low levels of cash, making it increasingly difficult for lenders to obtain short-term finance.

The asset management market was obviously affected by the subprime loans crisis. However, even before the summer storms the net income of investment funds had been negative. At the end of the third quarter total investment funds recorded a net outflow of more than €32.5bn. The process of restructuring the mix, which involved transferring funds from shares and bonds to flexible funds, continued.

THE GROUP

Unipol Gruppo Finanziario S.p.A. (UGF), a holding and service company listed on the stock exchange, began to operate on 1 September 2007.

Unipol Gruppo Finanziario S.p.A. is the result of the carefully structured process of gradually separating the centralised and coordination functions carried out by the former Parent Company Unipol Assicurazioni from the operations carried out by each company. Claims-handling, finance, administration, human resources and IT are some of the departments that have been centralised, thus eliminating duplication and clarifying objectives and responsibilities.

The project was concluded on 29 August when the transfer and merger became effective, as a result of which:

1. The 'old' Unipol Assicurazioni changed its name to Unipol Gruppo Finanziario S.p.A and hived down its insurance business to Nuova Unipol Assicurazioni, which took the name of Unipol Assicurazioni. Unipol Gruppo Finanziario therefore adopted the new corporate purpose of a holding and service company;
2. The 'old' Aurora Assicurazioni hived down its insurance business to Nuova Aurora Assicurazioni, which took on the name of Aurora Assicurazioni;
3. The 'old' Aurora Assicurazioni (minus its insurance business) was merged by incorporation into Unipol Gruppo Finanziario (UGF).

Unipol Gruppo Finanziario S.p.A. (UGF) kept its status as a company listed on the Mercato Telematico Azionario (automated stock exchange).

The shareholders of Aurora Assicurazioni were allocated Unipol Gruppo Finanziario shares at a ratio of 0.510 UGF ordinary shares and 0.314 UGF preference shares for each Aurora Assicurazioni ordinary share. This ratio was fixed by the Boards of Directors of the two companies, with the help of Mediobanca in the case of Unipol Gruppo Finanziario and of Crédit Suisse in the case of Aurora Assicurazioni, and was based on jointly agreed valuation methods checked by Deloitte & Touche, the company of auditors designated by the Court in Bologna.

Since completion of the company reorganisation (1/9/2007) Unipol Gruppo Finanziario S.p.A. has controlled five insurance companies: Unipol Assicurazioni (100%), Aurora Assicurazioni (100%), Linear (100%), Navale Assicurazioni (99.83%) and Unisalute (98.48%).

In the bancassurance sector it controls BNL Vita with 51% whilst 50% of Quadrifoglio Vita, which it currently owns, is being sold to the MPS Group.

In banking business it controls Unipol Banca (84.53%), which in turn controls Unipol Merchant (86.15%), Unipol Fondi (100%) and Cooperleasing (100%). UGF also owns 100% of Unipol SGR.

In view of the importance of the internal reorganisation it is worth mentioning the work being done on claims handling, which is creating a single department for the whole Group where even complex claims and claims in specific classes that until now have not been dealt with by the Group Claims Handling Department will be handled centrally. The new set-up will have a single department dealing with three separate areas of claims handling: General Claims Handling/Call Centre, Local Claims Handling (for claims of average complexity) and Complex Claims Handling. Work has also begun on improving the performance of the telephone service and on streamlining dealings with approved professionals and vehicle-repairers, and the possibility of agencies accepting claims directly by means of a web-based software package has been introduced.

Now the process of reorganisation has been completed the Group's structure is such as to enable it to consolidate its position on the insurance and financial market in Italy, in line with the objectives of the Business Plan for 2006-2009.

Amongst the other events that were a feature of the quarter mention must be made of the following:

- On 31 July 2007 Unipol Gruppo Finanziario finalised the purchase from Banca Nazionale del Lavoro of 1% of BNL Vita's share capital, bringing its total holding in this company to 51%. The cost of the transaction was €5.9m and was fixed by Fox-Pitt, Kelton Ltd, the company appointed by the two contracting parties to value the company. The purchase was carried out in accordance with the memorandum of understanding concluded in February 2006 between the Unipol Group and the BNP Paribas Group when the BNL shares held by the Unipol Group at the time were sold. The operation was also based on the agreements subsequently signed by BNL and Unipol Gruppo Finanziario, which led to a new exclusive distribution agreement for BNL Vita products until 31 December 2011 and a new type of governance for the bancassurance company, with the objective of further accelerating its sales growth for the benefit of shareholders, UGF and BNL.
- In August, having obtained authorisation from the Banca d'Italia and within the broader context of reorganising the Group's business, Unipol Banca sold its entire holding in the subsidiary Unipol SGR to the Parent Company UGF. The companies in the Group granted Unipol SGR mandates to manage their financial investments.
- On 30 August 2007, in view of the completion of the project to reorganise the companies in the Group and of the birth of UGF, Moody's Investor Services allocated the rating 'A2' with outlook positive for the financial soundness of the insurance business of the new companies Unipol Assicurazioni S.p.A. and Aurora Assicurazioni S.p.A. and confirmed the rating 'Baa1' for the subordinated bonded loans known as 'Unipol 7% fixed/floater rate callable maturity 2021' and 'Unipol 5.66% fixed/floater rate callable maturity 2023', which were issued in 2001 and 2003 respectively. UGF S.p.A.'s obligation to redeem the above loans was guaranteed by these insurance companies with effect from 1 September.
On 31 August Standard & Poor's allocated the rating 'A-' with outlook stable for the financial soundness of the insurance business and the counterparty risk of the new companies and confirmed the rating 'BBB' for subordinated bonded loans. Standard & Poor's also reduced from 'A-' to 'BBB' with outlook stable the rating of UGF's counterparty risk in view of its transformation into a holding company.
- On 13 September 2007, following authorisation by Banca d'Italia, the acquisition by Unipol Banca of the entire capital of Cooperleasing SpA, a small leasing company registered in Bologna, for a total of €15m was finalised.
- On 28 September 13.88% of the Belgian company Vivium S.A., an insurance company operating in Life and Non-Life business and the third largest insurance company in Belgium, was purchased for a total of €148m. Vivium S.A. is the new name adopted by ING Insurance Belgium after incorporation of the Belgian insurance companies Vivium and Vivium Life.

GENERAL DRAFTING CRITERIA AND BASIS OF CONSOLIDATION

Consolidation criteria

Unipol Group's consolidated quarterly report as at 30 September 2007 was drawn up in accordance with CONSOB Regulation 11971/1999, as amended by ruling 14990 of 14 April 2005 (Article 82 and Appendix 3D).

The valuation criteria adopted for recording the figures for the period in question were the same as those used for drawing up the consolidated accounts for the year ended 31 December 2006. Particular mention should be made of the fact that the consolidated quarterly report as at 30 September 2007 was drawn up by applying the international accounting standards (IAS/IFRS) issued by the IASB and endorsed by the European Union in force at the end of the period.

It should also be pointed out that, being interim reports drawn up more rapidly than the annual accounts, quarterly reports are more likely to contain items that have been estimated (based on the available management figures and company statistics).

This consolidated quarterly report was drawn up in Euro. Amounts are in €m.

It should be mentioned that as a result of the intended sale by UGF of 50% of Quadrifoglio Vita to the MPS Group the consolidated figures in this document are set out in accordance with the provisions of IFRS 5, and no changes have been made to the consolidated shareholders' equity nor to the consolidated profit. In particular, on the consolidated balance sheet the assets of the company to be sold are reclassified in a single item known as 'Non-current assets or assets of a disposal group held for sale' (item 6.1 of the Assets) whilst the corresponding liabilities are similarly reclassified in a single item known as 'Liabilities of a disposal group held for sale' (item 6.1 of the Liabilities). Both items are net of operations within the group.

However, the profit and loss items are set out in accordance with the normal rules of consolidation on a line-by-line basis.

Details of the assets and liabilities thus reclassified are set out in an appendix to this report.

Basis of consolidation

The Group's consolidated quarterly report as at 30 September 2007 was drawn up by combining the figures of the Parent Company UGF with those for the subsidiaries, both direct and indirect (IAS 27): in addition to the holding company, seven insurance companies, a banking group made up of six companies (plus three single-purpose companies), two property companies, two financial holding companies, an investment management company and a service company. Subsidiaries deemed to be too small to be of relevance are excluded. A jointly controlled bancassurance company was consolidated using the proportional method (IAS 31) whilst the associates, in which holdings varied between 20% and 50%, and subsidiaries considered not to be of significance, were valued using the equity method (IAS 28).

The shareholdings consolidated on a line-by-line basis and proportionally and the holdings valued using the equity method are listed in the tables showing the Basis of Consolidation and Details of Unconsolidated Shareholdings respectively.

Changes in the basis of consolidation compared with 31 December 2006

Operations carried out and other variations that took place in the third quarter of 2007 are as follows:

- On 16 March 2007, following the conclusion of the period for accepting the voluntary bid for all the shares in Aurora Assicurazioni owned by third parties, 29.16% of Aurora Assicurazioni's share capital passed to UGF. Thus the shareholding rose from 66.66% to 95.82%.
- On 1 September 2007 Aurora Assicurazioni was incorporated into UGF. Aurora Assicurazioni shareholders who had not accepted the bid were allocated ordinary and preference shares in UGF. The capital increase for the purpose of the merger was €31,281,690 and the price above par was €51,395,571. UGF's share capital as at 30 September 2007 amounted to €2,391,426,100.
- as a result holdings in the following subsidiary companies also changed:
 - Unisalute from 96.47% to 98.48%
 - Linear from 93.33% to 100%
 - Unipol Banca Group from 79.53% to 84.53%
 - S.R.S. from 91.74% to 100%
 - Dimensione e Sviluppo Immobiliare from 87.72% to 89.40%;
- On 1 September 2007 the share capital of both Nuova Unipol Assicurazioni (now Unipol Assicurazioni) and Nuova Aurora Assicurazioni (now Aurora Assicurazioni) was increased by €145,000,000 by hiving down various classes of business. As at 30 September 2007 both companies were wholly owned by UGF.
- On 31 July 2007 UGF acquired a further 1% in BNL Vita, increasing its holding from 50% to 51%. Therefore the figures shown on BNL Vita's balance sheet and in its profit and loss account as at 30 September 2007 were consolidated using the line-by-line method (100%) whilst previously they had been consolidated using the proportional method (50%).
- On 29 August 2007 the subsidiary Unipol Banca sold 100% of the share capital of Unipol Sgr to UGF, therefore its holding rose from 79.53% to 100%.
- On 13 September 2007 the subsidiary Unipol Banca acquired 100% of the share capital of Cooperleasing spa, a leasing company registered in Bologna.

Additional notes on acquisitions made during the period

Information on acquisitions that took place during the period in question is given below, specifically the repercussions on the consolidated figures of the acquisition of further shares in Aurora Assicurazioni by means of a public offer and of its merger by incorporation after the hive-down of the insurance business.

Public offer for 33.34% of Aurora Assicurazioni shares

On 16 March 2007, following the voluntary bid for all of Aurora Assicurazioni's shares, the acceptance period for which began on 29 January 2007 and ended on 9 March 2007, Unipol Assicurazioni acquired 29.16% of Aurora Assicurazioni's share capital, increasing its holding from 66.66% to 95.82% and also increasing its holding in the companies consolidated on a line-by-line basis in which Aurora Assicurazioni had a direct holding. The amount paid for the bid was €657m, to which were added additional costs of €4m, bringing the total cost to €661m.

At the consolidation stage the difference between the total amount paid for the bid, as the higher book value of the participating interest in Aurora Assicurazioni, and the corresponding fraction of the Company's capital and reserves gave rise to an increase in

goodwill of €334m in the absence of other asset items to which this difference could be allocated. Similarly, in the case of Unisalute, Linear and Unipol Banca, elimination of the book value of the additional participating interest and of the corresponding fraction of the companies' shareholders' equity gave rise to an overall increase in goodwill of €16m in the absence of other asset items to which this difference could be allocated.

This accounting method complies with the criterion adopted by the Group when carrying out similar operations in the past.

It should also be noted that, in view of the date on which these additional participating interests were acquired, the corresponding proportion of the profit for the period 1 January – 31 March 2007, amounting to €18m, achieved by the companies involved in the consolidation was allocated to third parties.

Hive-down of insurance business and merger by incorporation into UGF of Aurora Assicurazioni

On 29 August the insurance business was hived-down at book values to Nuova Unipol Assicurazioni and Nuova Aurora Assicurazioni by the former Unipol Assicurazioni and the former Aurora Assicurazioni respectively.

Subsequently, but on the same date, Aurora Assicurazioni was incorporated into the former Unipol Assicurazioni, which took the name of UGF. The legal effect was from 1 September 2007 and the fiscal and accounting effects from 1 January 2007.

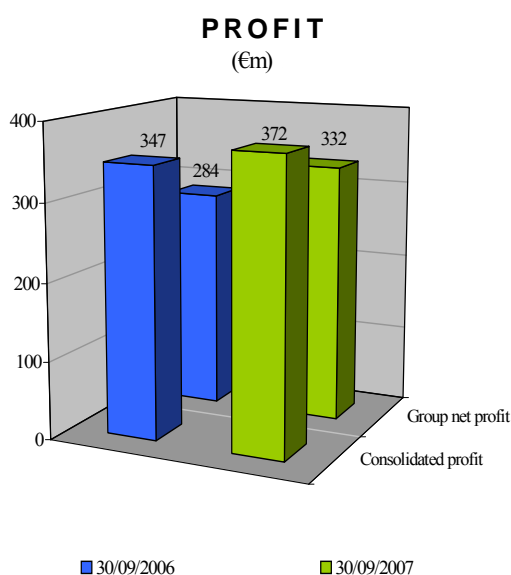
The Aurora Assicurazioni shareholders who had not accepted the bid (4.18%) were allocated UGF shares at a ratio of 0.510 ordinary shares and 0.314 preference shares for each Aurora Assicurazioni ordinary share. 19,361,240 UGF ordinary shares and 11,920,450 UGF preference shares were issued and allocated. At market values pertaining on 31 August 2007 the total capital increase was €76m, €45m of which was the provision for share premium, and there was a further €7m in additional charges.

The capital increase for the purpose of the merger therefore gave rise to an increase in goodwill (deficit arising out of the merger) of €31m.

GROUP BUSINESS PERFORMANCE AS AT 30 SEPTEMBER 2007

The consolidated quarterly report as at 30 September 2007 ended with a **consolidated profit of €372m** (€347m as at 30/9/2006, +7%), €40m of which pertained to minority interests (€64m as at 30/9/2006). Group net profit was **€332m** (€284m as at 30/9/2006, +16.9%).

The variation in the proportion of profits pertaining to minority interests takes account both of the increase in the proportion pertaining to the former Aurora Assicurazioni – as at 30 September 2006 33.34% had pertained to minority interests – and of the consolidation on a line-by-line basis of BNL Vita following the acquisition of the additional 1% which brought the amount held by UGF from 50% to 51%. Previously BNL Vita had been consolidated using the proportional method (50%) and therefore the amounts pertaining to minority interests had not been recorded.



Business highlights as at 30 September 2007 were as follows:

- **direct premium income from insurance business**, gross of reinsurance cessions, reached **€6,445m** (+2.2% compared with the situation as at 30/9/2006), €10m of which related to Life investment products (€16m as at 30/9/2006);
- **earned premiums**, net of reinsurance cessions, amounted to €6,354m, €2,891m of which was from Non-Life business (€2,748m as at 30/9/2006) and €3,463m from Life business (€3,467m as at 30/9/2006);
- **customer deposits from banking business** amounted to **€8,077m** (+2% compared with 31/12/2006);
- **net charges relating to claims**, net of reinsurance cessions, amounted to €5,951m, €2,125m of which was from Non-Life business (€2,044m as at 30/9/2006) and €3,827m from Life business (€3,759m as at 30/9/2006);
- the **net loss ratio** in Non-Life business was 73.5% (74.4% as at 30/9/2006);

- **operating expenses**, net of commissions received from reinsurers, amounted to €916m (€827m as at 30/9/2006); the incidence of operating expenses on net earned premiums in Non-Life business was 22.1% (21.7% as at 30/9/2006); whilst in Life business it was 3.9% (3% as at 30/9/2006);
- the level of **investments and liquid assets** amounted to €39,042m, an increase of €1,692m compared with 31 December 2006;
- **technical provisions** and **financial liabilities** amounted to €36,987m, the value as at 31 December 2006 having been €34,422m;
- **net capital gains and investment income** from financial assets and liabilities for the period amounted to €1,015m (€930m as at 30/9/2006);
- the total **gross profit** amounted to €568m. Net of tax for the period of €197m and of the net profit pertaining to minority interests of €40m the **net profit for the Group** as at 30 September 2007 was €332m (€284m as at 30/9/2006);
- **profits pertaining to third parties** included €18m relating to the profits made by the former Aurora Assicurazioni in the first quarter of the year, since in view of the date this holding was acquired as a result of the bid (which closed on 16/3/2007) the corresponding proportion of the consolidated profits was paid to minority interests;
- the **incidence of taxation** on the gross profit for the period was 34.6% compared with 33.7% as at 30 September 2006;
- The net profit for the Group for the third quarter of 2007 alone amounted to €72m (€86m in the third quarter of 2006).

Below is a summary of the consolidated income statement for the third quarter of 2007 broken down by business sector: Non-Life, Life and banking, compared with the figures as at 30 September 2006.

SUMMARY OF CONSOLIDATED INCOME STATEMENT BROKEN DOWN BY BUSINESS SECTOR

	NON-LIFE BUSINESS		<i>var.</i>	LIFE BUSINESS		<i>var.</i>	INSURANCE TOTAL		<i>var.</i>
			<i>%</i>			<i>%</i>			<i>%</i>
	30/9/07	30/9/06		30/9/07	30/9/06		30/9/07	30/9/06	
Net earned premiums	2,891	2,748	5.2	3,463	3,467	-0.1	6,354	6,214	2.2
Net income from commissions and fees	0	0		14	3		14	3	
Financial income/charges	299	343	-12.8	610	494	23.5	909	837	8.6
Net charges relating to claims	(2,125)	(2,044)	4.0	(3,827)	(3,759)	1.8	(5,951)	(5,803)	2.6
Operating expenses	(638)	(597)	6.8	(134)	(104)	28.5	(771)	(701)	10.0
Other income/charges	(17)	(48)	-64.5	10	(2)	-614.3	(7)	(50)	-86.1
Pre-tax profit (loss)	411	402	2.2	137	98	39.2	548	500	9.5

	BANKING BUSINESS		<i>var.</i>	Intersector eliminations		CONSOLIDATED TOTAL		<i>var.</i>
			<i>%</i>					<i>%</i>
	30/9/07	30/9/06		30/9/07	30/9/06	30/9/07	30/9/06	
Net earned premiums						6,354	6,214	2.2
Net income from commissions and fees	57	56	1.7	(2)	(4)	69	55	25.4
Financial income/charges	141	112	26.4	(35)	(19)	1,015	930	9.2
Net charges relating to claims					1	(5,951)	(5,802)	2.6
Operating expenses	(151)	(129)	16.6	6	4	(916)	(827)	10.8
Other income/charges	5	4	22.2	(1)	(1)	(3)	(46)	-93.7
Pre-tax profit (loss)	53	43		(33)	(19)	568	524	8.4
Taxation						(197)	(177)	11.2
Consolidated profit (loss)						372	347	7.0
Profit (loss) - minority interests						40	64	-37.2
Profit (loss) - Group						332	284	16.9

INSURANCE BUSINESS

Premium income and investment products

Total income (premiums and investment products) as at 30 September 2007 amounted to €6,465m, an increase of 2.1% compared with the situation as at 30 September 2006.

On the same basis of consolidation, taking into account the whole of BNL Vita's income as at 30 September 2006, the variation was -11.1%.

Non-Life business recorded an increase of 5.2% during the period, whilst Life premium income was in line with that recorded as at 30 September 2006.

On the same basis of consolidation the variation in Life premium income was -21.5%.

CONSOLIDATED INCOME							
<i>(amounts in €m)</i>							
	30/9/2007	<i>comp.</i>	30/9/2006	<i>comp.</i>	<i>var.</i>	31/12/2006	<i>comp.</i>
		<i>%</i>		<i>%</i>	<i>%</i>		<i>%</i>
Non-Life direct premium income	2,960		2,809		5.4	4,061	
Non-Life inward reinsurance	16		20		-21.1	25	
Total Non-Life premium income	2,976	46.0	2,829	44.7	5.2	4,086	46.4
Life direct premium income	3,475		3,479		-0.1	4,695	
Life inward reinsurance	4		3		2.1	4	
Total Life premium income	3,479	53.8	3,483	55.0	-0.1	4,699	53.3
Total Life investment products	10	0.2	16	0.3	-38.9	28	0.3
Total income from Life business	3,489	54.0	3,499	55.3	-0.3	4,727	53.6
OVERALL CONSOLIDATED INCOME	6,465	100.0	6,329	100.0	2.1	8,813	100.0

Policy income as at 30 September 2007 was made up as follows:

- Non-Life premium income 46% (44.7% as at 30/9/2007)
- Life premium income 53.8% (55% as at 30/9/2007)
- Life investment products 0.2% (0.3% as at 30/9/2007).

Direct income amounted to €6,445m (+2.2% compared with 30/9/2006), €6,435m of which was premium income and €10m investment products.

In compliance with the requirements of IFRS 4 (presence of a significant insurance risk) all the Non-Life income of the companies in the Group was classified as insurance premiums.

Investment products as at 30 September 2007 related only to Class III (Unit- and Index-linked policies).

Almost all the policies issued were subscribed in Italy.

Premium income for the third quarter of 2007 alone amounted to €2,470m (€1,659m in the third quarter of 2006, which included 50% of BNL Vita's premium income), €847m of which was from Non-Life business (+5.1%) and €1,617m from Life business (+89.4%).

The income breakdown according to class (Non-Life premium income, Life premium income and investment products) and the breakdown indices are set out in the following table:

BREAKDOWN OF CONSOLIDATED INCOME PER CLASS OF BUSINESS

(amounts in €m)

	30/9/2007	<i>comp.</i> %	30/9/2006	<i>comp.</i> %	<i>var.</i> %	31/12/2006	<i>comp.</i> %
DIRECT ITALIAN BUSINESS							
Non-Life premium income							
Accident and Health (classes 1 and 2)	426	6.6	383	6.1	11.1	593	6.7
Land vehicles - TPL (class 10)	1,603	24.9	1,545	24.5	3.7	2,170	24.7
Land vehicles - Own damage or loss (class 3)	250	3.9	234	3.7	6.5	341	3.9
Marine, Aviation and Goods in transit (classes 4, 5, 6, 7, 11 and 12)	25	0.4	24	0.4	7.2	31	0.4
Fire and Other damage to property (classes 8 and 9)	286	4.4	274	4.3	4.7	402	4.6
General TPL (class 13)	249	3.9	239	3.8	4.2	366	4.2
Credit and Bond (classes 14 and 15)	31	0.5	28	0.5	7.9	40	0.5
Miscellaneous pecuniary losses (class 16)	36	0.6	33	0.5	11.5	48	0.5
Legal protection (class 17)	19	0.3	17	0.3	12.0	26	0.3
Assistance (class 18)	35	0.5	31	0.5	10.7	44	0.5
Total Non-Life business	2,960	45.9	2,809	44.6	5.4	4,061	46.2
Life premium income							
I - Life assurance, annuities	833	12.9	1,227	19.5	-32.1	1,622	18.5
III - Unit-linked / Index-linked products	2,218	34.4	598	9.5	271.2	1,242	14.1
V - Capitalisation operations	322	5.0	1,601	25.4	-79.9	1,755	20.0
VI - Pension funds	102	1.6	55	0.9	86.5	76	0.9
Total Life business	3,475	53.9	3,479	55.2	-0.1	4,695	53.5
Total Life and Non-Life direct premium income	6,435	99.8	6,288	99.7	2.3	8,756	99.7
Total Life investment products	10	0.2	16	0.3	-38.9	28	0.3
Total direct income	6,445	100.0	6,305	100.0	2.2	8,784	100.0
INWARD REINSURANCE							
Non-Life premium income	16	82.0	20	85.5	-21.1	25	86.8
Life premium income	4	18.0	3	14.5	2.1	4	13.2
Total inward reinsurance	20	100.0	24	100.0	-17.7	29	100.0
OVERALL CONSOLIDATED INCOME	6,465		6,329		2.1	8,813	

The table below shows direct income as at 30 September 2007, broken down according to sector and separated into Non-Life premium income, Life premium income and investment products (in €m):

Direct income by sector	Premiums		Total	<i>comp.</i> %	Investment products	Total income	<i>comp.</i> %
	Non-Life	Life					
Traditional companies	2,613	1,106	3,719	57.8	8	3,727	57.8
Non-Life specialist companies	347	0	347	5.4	0	347	5.4
Bancassurance companies	0	2,369	2,369	36.8	2	2,371	36.8
TOTAL DIRECT INCOME	2,960	3,475	6,435	100.0	10	6,445	100.0

Life business

Life income totalled €3,489m as at 30 September 2007, down by 0.3% compared with 30 September 2006.

On the same basis of consolidation, taking into account the whole of BNL Vita's premium income as at 30 September 2006, the variation was -21.5%, even though as a result of the cancellation of the bancassurance agreement Quadrifoglio Vita had no new premium income during the quarter.

Direct income amounted to €3,485m (-0.3% compared with 30/9/2006). There was a huge increase in Class III – Index- and Unit-linked policies (262.8%), whilst Class I – Traditional policies (-32.1%) and Class V – Capitalisation policies (-79.9%) were down. Class VI – Pension funds – recorded an increase of 86.5%. Premium income from inward reinsurance amounted to €4m (+21.1% compared with 30/9/2006).

Direct Life premium income amounted to €3,475m as at 30 September 2007 whilst investment products amounted to €10m. As at 30 September 2006 Life premium income had been €3,479m and investment products €16m (on the same basis of consolidation this was €4,440m and €18m respectively).

Pension funds

During the third quarter of 2007 work in pension funds was devoted to activating the new asset management mandates for occupational pension funds acquired during the first half of the year and the individual and group membership of open-end pension funds acquired as a result of the transfer of staff-leaving indemnity.

With the coming into effect as from 1 January 2007 of the new regulations relating to supplementary pension schemes under Legislative Decree 252/05, it is expected that there will be a substantial increase in flows to the supplementary types of pension as a result of the transfer to pension funds of the amounts of staff-leaving indemnity accrued.

The increase in the number of members and in the flows to open-end pension funds was already evident during the third quarter and will be up to full strength by the end of the year. The number of members of open-end pension funds obtained through new company agreements is particularly significant.

As for 'occupational pension funds', several of the new 'guaranteed' asset management mandates were activated during the quarter (Arco – timber, Alifond – foodstuffs, Byblos – paper and printing, Priamo – public transport, Telemaco – telecommunications and Fondo Poste – postal workers). The other mandates acquired during the year will be activated during the final quarter.

At the end of September there was a total of 23 mandates in operation and funds managed amounted to €755m.

In open-end pension funds business the assets of the Unipol Futuro, Unipol Previdenza, Unipol Insieme and Aurora Previdenza funds had reached totals of €128m in assets under management and 17,339 members by the end of the quarter.

The number of members of the new open-end pension fund 'BNL Vita Pensione Sicura', which was launched at the end of the first half of 2007, was still not particularly significant.

* * *

The **traditional composite companies** (Unipol Assicurazioni and Aurora Assicurazioni, including the income made between 1/1 and 31/8/2007 pertaining to UGF after the insurance business was hived down) achieved Life direct income of €1,115m, a drop of 49.2% compared with 30 September 2006.

Life premium income amounted to €1,107m (€2,183m as at 30/9/2006) whilst investment products amounted to €8m (€10m as at 30/9/2006).

In particular income was mostly concentrated in Class III – Unit- and Index-linked policies (+52.5%) whilst Class I – Traditional policies showed a decrease (-29.8%). Income remained low in Class V where corporate policies that had been a feature of this class last year were not renewed. Class VI – Pension funds performed very well (+86.3%) thanks to

the initial flows to occupational pension schemes under the new legislation.

As at 30 September 2007 income from Life policies obtained through banking outlets (Unipol Banca and Banco Popolare) amounted to €223m (+26.1% compared with the third quarter of 2006).

* * *

The **bancassurance** companies (BNL Vita and Quadrifoglio Vita) achieved total income of €2,540m, down 2.5% compared with 30 September 2006. The proportion pertaining to the Group, taking into account the proportional consolidation (50%) of Quadrifoglio Vita, amounted to €2,370m.

BNL Vita achieved direct income of €2,201m (+16.5% compared with 30/9/2006). There was a huge increase in Class III - Unit- and Index-Linked policies (+153.2%), whilst Class I – Traditional policies and Class V – Capitalisation policies were down by 63.9% and 88.9% respectively. There were hardly any investment products in the third quarter of 2007 as a result of the presence of a greater insurance risk in the new products sold (€3m as at 30/9/2006).

As at 30 September 2007 **Quadrifoglio Vita**, which during the quarter had no new premium income, had direct income of €339m, a drop of 52.7% compared with 30 September 2006, of which 50% (€170m) pertained to the Group. A decrease was recorded in Class I – Traditional policies (-47%) and Class V - Capitalisation policies (-85.5%), while Class III – Unit- and Index-Linked policies recorded an increase of 12.1%. Investment products, all in Class III, amounted to €3m (€9m as at 30/9/2006).

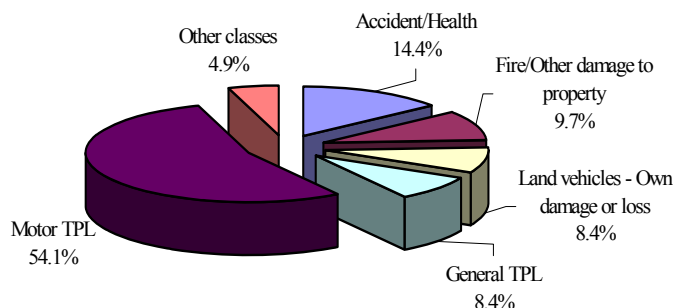
Non-Life business

Total premium income in the Non-Life portfolio amounted to €2,976m as at 30 September 2007 (+5.2% compared with 30/9/2006).

Direct premium income alone amounted to €2,960m (+5.4%). Premium income from inward reinsurance amounted to €16m (-21.1%).

All classes were up: in particular MV TPL rose by 3.7%, Accident and Health by 10.9%, General TPL by 4.6%, Fire by 4.5% and classes linked to other MV cover by 6.1%.

Breakdown of Non-Life direct premium income



The traditional sector of the **composite companies** (Unipol Assicurazioni and Aurora Assicurazioni, including the income made between 1/1 and 31/8/2007 pertaining to UGF after the insurance business was hived down) achieved direct premium income of €2,613m (+5.1%).

Particular mention should be made of the increases in Accident and Health (+7.5%), Fire and Other Damage to Property (4.6%) and MV TPL (3.7%).

* * *

The **specialist companies** (Linear, Unisalute and Navale Assicurazioni) wrote direct premiums of €347m (+7.2%).

Linear achieved direct premium income of €124m, an increase of 1.1%.

Unisalute achieved direct premium income of €73m, 34.8% higher than as at 30 September 2006, a much better performance than the market average, mainly owing to the issue of contracts with several funds covering specific categories of worker.

The Non-Life company **Navale Assicurazioni** had achieved direct premium income of €150m as at 30 September 2007, an increase of 2.1% compared with 30 September 2006.

Reinsurance

Inward reinsurance

Total Non-Life and Life inward reinsurance premium income amounted to €20m as at 30 September 2007 compared with €24m as at 30 September 2006 and was made up of €16m of premium income from Non-Life business and €4m from Life business.

Outward reinsurance

Types of reinsurance providing cover for the risks underwritten by Group undertakings have also continued this year. In the case of almost all the classes subject to reinsurance the principal types of cession in Non-Life business are based on proportional schemes.

In order to carry out and supplement reinsurance strategy, non-proportional agreements have also been set up to cover exposures arising out of portfolios and retentions in Motor and General Third-Party Liability, Land vehicles – Own damage or loss, Fire, Accidents, Goods in Transit and Other damage to property relating to Hail.

As regards the risks underwritten in Life business these are covered by adopting surplus types of reinsurance where sums assured exceed the retention levels of the individual companies in the Group.

In order to reduce the counterpart risk to a minimum reinsurance for Group undertakings was placed with leading professional reinsurers reckoned by the top rating agencies to have a sound financial and capital basis.

Direct Group business premiums ceded totalled €235m as at 30 September 2007 compared with €242m in same period last year.

The result for the reinsurers was also positive as a result of the excellent technical performance of the deals entered into by the Group.

The Group's overall retention ratio (Non-Life and Life) was 96.4% as at 30 September 2007 compared with 96.2% as at 30 September 2006.

The Non-Life retention ratio was 92.6% as at 30 September 2007 compared with 92% as at 30 September 2006 whilst the Life retention ratio amounted to 99.6% compared with 99.5% in the same period of the previous year.

Financial performance in insurance business

The Group's insurance business contributed a total of €548m to pre-tax profits, €137m of which pertained to Life business (€98m as at 30/9/2006) and €411m to Non-Life business (€402m as at 30/9/2006).

Total operating expenses incurred as at 30 September 2007 (acquisition and renewal commissions and other acquisition, asset management and administrative expenses), net of commissions received from reinsurers, totalled €771m (€701m as at 30/9/2006, +10%).

The relative incidence on net written premiums for the period was 12.1%, an increase compared with 30 September 2006 (11.3%), mainly owing to Life business, which rose from an incidence of 3% as at 30 September 2006 to 3.9% as at 30 September 2007 because of the fall in premium income. The incidence of net operating expenses on net written premiums in Non-Life business was 22.1% as at 30 September 2007 (21.7% as at 30/9/2006).

The loss ratio in Non-Life business, including claims-handling expenses and net of reinsurance items, was 73.5% (74.4% as at 30/9/2006).

The **combined ratio**, based on direct business and inward reinsurance and net of outward reinsurance, was 96.3% as at 30 September 2007 (96.9% as at 30/9/2006).

If no account is taken of the additional payments into the provisions made by Navale Assicurazioni for claims incurred by 2005 arising from the portfolios of the companies acquired from the Mutuelles du Mans Group, which were guaranteed by the vendor, the combined ratio falls to 95.5%.

This indicator is derived from the sum of two ratios, the first being the loss ratio net of outward reinsurance derived from the incidence of the net charges for the period relating to claims on net premiums (73.5%, or 72.7% if the amounts recovered on Navale Assicurazioni's guaranteed claims are taken into account), the second (22.8%) being derived from the ratio of total operating expenses net of investment management expenses to net written premiums.

The total number of direct claims, excluding MV TPL, was 861,291, an increase of 11% compared with 30 September 2006, mainly owing to Health (+15%) and Assistance (+42%).

As regards MV TPL claims reported, it will be recalled that on 1 February 2007 the 'direct indemnity' scheme came into effect. This introduced major amendments to the regulation governing the procedures for claiming redress in the case of some types of insurance claim. In particular, policyholders who are involved in accidents that cause damage to property or personal injury leading to permanent disability not exceeding nine points no longer apply for compensation to the other party's company but to their own company, which must pay the compensation and obtain a refund from the debtor company, this being a flat rate determined by law and based on the region.

The new legislation profoundly altered not only the operating procedures for handling MV TPL claims but also those for recording and reporting statistical and financial information.

Under the regulations contained in the Insurers' Direct Compensation Agreement (CARD Agreement) and the provisions issued by ISVAP (Ruling 2495 of 21/12/2006), MV TPL claims may be classified under three different headings:

- non-CARD claims: claims handled in the normal way that do not come under the CARD Agreement;
- debtor CARD claims: claims handled under the CARD Agreement where our policyholder is wholly or partly responsible, which are paid by the counterpart companies to which our company must repay a lump sum (*'forfait debitrice'* – debtor lump sum);
- handler CARD claims: claims handled under the CARD Agreement where our policyholder is not wholly or partly responsible, which are paid by our company to which the counterpart companies must repay a lump sum (*'forfait gestionario'* – handler lump sum).

Nevertheless it must be pointed out that the classification shown above represents a simplified scheme since in reality an individual claim may include damage or injury that comes under each of these three headings. For internal statistical purposes the following classification has been adopted in the case of claims that come under more than one heading:

- claims that include handler CARD and non-CARD items are classified as 'handler CARD claims';
- claims that include debtor CARD and non-CARD items are classified as 'debtor CARD claims';
- joint-responsibility claims that include handler CARD and debtor CARD items and that in some cases may also include non-CARD items are deemed to be both handler CARD and debtor CARD claims, the cost being apportioned according to the degree of responsibility.

The newness and the complexity of the situation make any comparison with last year's figures very difficult.

There were approximately 334,000 'passive' claims (total non-CARD and debtor CARD claims) recorded as at 30 September 2007 for the companies in the Group, an increase of 5.5% compared with the 'passive' claims reported during the same period last year. The rate of increase was in line with trends in the increase in the number of policyholders and was accentuated by claims being dealt with more quickly as a result of the new procedures adopted following the introduction of the direct compensation scheme.

Approximately 194,000 of these claims come under the Direct Compensation Agreement (debtor CARD claims). If only claims incurred after the CARD Agreement came into effect

are taken into account, approximately 75% of total claims (debtor CARD + non-CARD claims) were debtor CARD claims.

Approximately 198,000 handler CARD claims were reported between 1 February and 30 September. The fact that more handler CARD claims than debtor CARD claims were reported was in line with the lower frequency of accidents in which Unipol Group policyholders were at fault compared with the market average.

There continued to be a substantial incidence of claims reported on a claims form signed by both drivers ('two signatures'). In the case of handler CARD claims approximately 67% of claims for material damage and 44% of claims for injuries had two signatures.

Nevertheless there was still a significant level of legal action relating to direct compensation claims, starting at the reporting stage.

Approximately 122,000 handler CARD claims had been settled as at 30 September 2007.

It should also be noted that the implementation of the new legislation, which introduced a substantial change in claims-handling procedures, led the Group Claims-Handling Department to look for a further improvement in standards of service, focused on specific areas such as:

- a central standardised system of receiving claims by telephone through Sertel;
- the possibility of agencies opening claims directly using a web-based software package;
- complex claims to be handled by specialists in order to improve service and speed up settlement;
- fostering closer relationships with approved professionals and vehicle repairers.

BANKING BUSINESS

The banking sector was made up of the Unipol Banca Group and Unipol Sgr, where the funds managed by Unipol Banca continued to predominate.

Direct customer deposits reached €8,077m as at 30 September 2007, an increase of 2% compared with 31 December 2006.

Lending to customers was up and amounted to €7,449m as at 30 September 2007 (+11.9%).

The period closed with a **net pre-tax profit of €53m** (€43m as at 30/9/2006, +22.7%).

The following table shows the principal items in the income statement for banking business, set out in accordance with the layout specified for banks.

BANKING BUSINESS <i>(amounts in €m)</i>	30/09/2007	30/09/2006	var. %
Net interest income	152	125	22.3
Net income from fees and commissions	57	56	1.7
Other net financial income	8	7	
Gross operating income	218	188	16.0
Value adjustments/readjustments due to impairment of financial assets	(19)	(20)	
Financial management - net profit	198	168	18.1
Operating expenses	(146)	(125)	16.4
	<i>Cost/income</i>	<i>66.9%</i>	<i>66.7%</i>
Pre-tax profit (loss)	53	43	22.7

The income statement shows that net interest income, which amounted to €152m, was up 22.3% as a result of both the large increase in funds invested and the widening of the spread between rates received and rates paid.

Gross operating income which reached €218m, saw an increase of 16%.

Operating costs rose by 16.4% to reach €146m. This increase reflects the growth that the Banking Group is pursuing, inter alia by investing in human and financial resources, in order to provide proper support for the resultant increase in activity. The cost/income ratio rose from 66.7% to 66.9% in line with the budget. (It had been 69% as at 31/12/2006).

The increase in receivables also led to major value adjustments, which amounted to approximately €19m.

This enabled a net pre-tax profit of €53m to be made, an increase of 22.7% compared with 30 September 2006.

STAFFING

As at 30 September 2007 the insurance companies in the Group had 4,765 employees, 74 of whom were on fixed-term contracts. This was eight more than on 31 December 2006.

The number of full-time equivalent (FTE) employees was 4,497.

The variations that took place during the period reflect internal mobility as a result of Group reorganisation.

As at the same date the Unipol Banca Group had 1,902 employees (+64 since 31/12/2006), 37 of whom were on fixed-term contracts.

There were 1,858 full-time equivalent employees.

The Group had a total of 6,667 employees as at 30 September 2007 (+72 since 31/12/2006).

	30/09/2007	31/12/2006	var.
Unipol Gruppo Finanziario - UGF	2,645	3,839	-1,194
Unipol Assicurazioni	394		394
Aurora Assicurazioni	757		757
Other companies	969	918	51
Total insurance sector	4,765	4,757	8
Unipol Banca	1,853	1,785	68
Unipol Merchant	46	50	-4
Other finance companies	3	3	0
Total banking sector	1,902	1,838	64

GROUP SALES NETWORK

The Group offered a full range of insurance, banking and managed savings products through a composite sales network covering the whole of Italy.

In particular the **composite companies** in the Group had the benefit of a network of agencies which as at 30 September 2007 consisted of 1,699 agencies (17 fewer than as at 31/12/2006), 585 of which belonged to Unipol Assicurazioni (581 as at 31/12/2006) and 1,114 to Aurora Assicurazioni (1,135 as at 31/12/2006). In addition both Unipol Assicurazioni and Aurora Assicurazioni placed Life products directly through networks of banking outlets (Unipol Banca and Banco Popolare respectively).

As regards the Non-Life **specialist companies**, Unisalute operated in Health and Assistance by selling managed care group policies directly to businesses, associations and various other bodies. The Company sold its individual policies via the internet, by telephone and through its network of agencies (92 agencies, 90 of which were Unipol Assicurazioni agencies with a Unisalute mandate, compared with 84, 82 of which belonged to Unipol Assicurazioni, as at 31/12/2006). In addition Unisalute products were sold through the sales outlets of Unipol Banca and of five other credit bodies.

In Motor business Linear operated via the call centre and the Internet.

Navale operated through 277 multi-firm agencies (207 as at 31/12/2006) and 286 brokers (262 as at 31/12/2006).

Turning to the **bancassurance** companies, Quadrifoglio Vita used the network made up of 295 outlets of the Banca Agricola Mantovana (MPS Group) whilst BNL Vita sold its products through approximately 700 outlets belonging to the BNL Group.

As regards **banking business**, as at 30 September 2007 Unipol Banca had 274 points of sale (265 as at 31/12/2006), 159 of which were combined with insurance agencies, 38 finance shops and 408 financial advisers. The company also made use of direct sales channels (telephone and internet banking) and the principal Unipol Assicurazioni agencies (which were gradually being joined by the Aurora Assicurazioni agencies) for the sale of standard banking products.

Unipol Merchant – Banca per le Imprese, a subsidiary of Unipol Banca, is the bank in the Unipol Banca banking group that specialises in medium-term corporate business and also operates in merchant banking and investment banking. The principal sales channel for Unipol Merchant's products and services was represented by Unipol Banca's network of branches.

GROUP PROPERTY AND FINANCIAL MANAGEMENT

Investments and liquid assets

The level of the Group's investments and liquid assets reached a total of €39,042m as at 30 September 2007, an increase of €1,692m compared with the position as at 31 December 2006 (+4.5%). On the same basis of consolidation, i.e. taking into account Quadrifoglio Vita's investments, which were reclassified under IFRS 5 as 'Non-current assets or assets of a disposal group held for sale', and all of BNL Vita's investments as at 31 December 2006, there was a decrease of 4.3%.

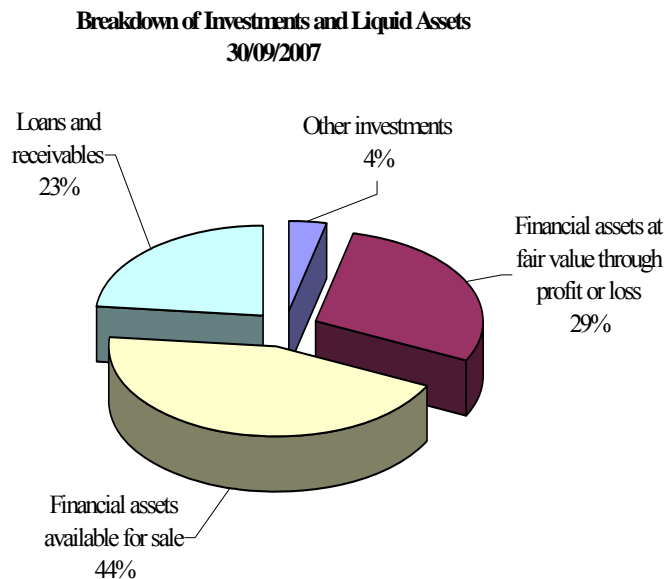
Investments and liquid assets in the insurance sector amounted to €31,963m (€31,553m as at 31/12/2006) and accounted for 81.9% of the total for the Group whilst those in the banking sector amounted to €9,123m (€8,695m as at 31/12/2006), 88.4% of which were loans and receivables from customers and banks.

Asset management guidelines in the first nine months of 2007 focused on short-term investments in cash and investments in shares.

Against a macroeconomic background characterised by uncertainties about an upturn in prices and a possible increase in interest rates, operations in the bond market concentrated on investments in variable-rate securities and with counterparties with a high rating.

The need to improve returns on the bond portfolio was pursued by trading in securities.

The weight of the share component has been gradually increased during the year by investing almost exclusively in the Eurozone and focusing on high-liquidity high-yield shares.



The Group's investments subdivided according to category and compared with the position as at 31 December 2006 are set out in the following table:

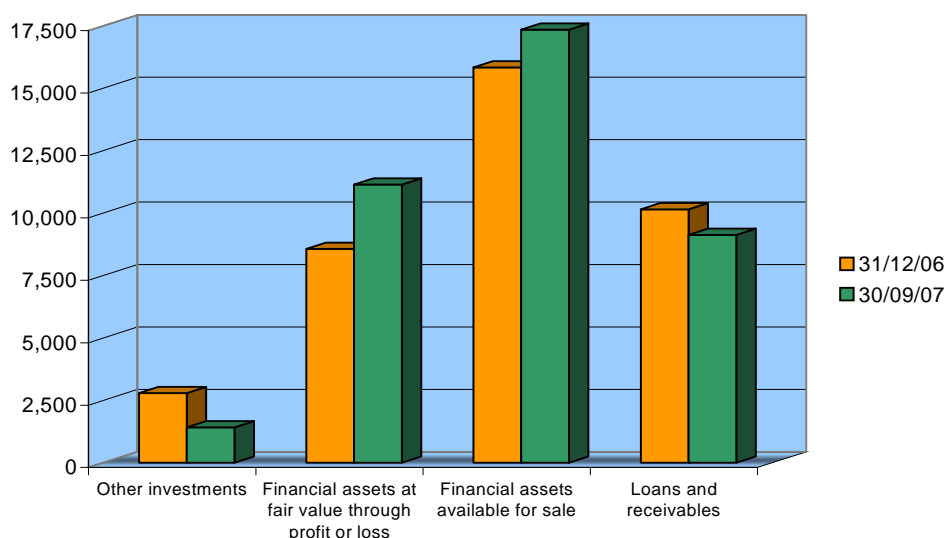
INVESTMENTS AND LIQUID ASSETS

(amounts in €m)

	30/09/2007	comp. %	31/12/2006	comp. %	var. %
Buildings	310	0.8	299	0.8	3.8
Shareholdings in subsidiaries, associates and joint ventures	31	0.1	39	0.1	-20.5
Investments held to maturity	735	1.9	1,038	2.8	-29.2
Loans and receivables	9,126	23.4	10,157	27.2	-10.2
-Loans and receivables i.r.o. banking customers	7,431	19.0	6,640	17.8	11.9
-Interbanking loans and receivables	620	1.6	1,507	4.0	-58.9
-Deposits with ceding undertakings	22	0.1	21	0.1	2.2
-Other loans and receivables	1,053	2.7	1,989	5.3	-47.1
Financial assets available for sale	17,353	44.4	15,838	42.4	9.6
Financial assets at fair value through profit or loss	11,139	28.5	8,566	22.9	30.0
- held for trading	3,246	8.3	3,898	10.4	-16.7
- designated at fair value through profit or loss	7,893	20.2	4,668	12.5	69.1
Cash and cash equivalents	348	0.9	1,414	3.8	-75.4
TOTAL INVESTMENTS AND LIQUID ASSETS	39,042	100.0	37,350	100.0	4.5

Investments and Liquid Assets

(€m)



Investments in property

Investments in land and buildings amounted to €310m as at 30 September 2007; including property for own use, the Group's property assets amounted to €685m. As at 31 December 2006 property assets had amounted to €675m, €299m of which had been accounted for by investments in property and €376m by property for own use.

The variations in the various levels were due both to changes of use and to capitalisation of extraordinary maintenance expenses in cases in which the value of the property had risen.

Shareholdings in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures totalled €31m as at

30 September 2007 and were almost exclusively in associates (€39m as at 31/12/2006).

The decrease was mainly due to consolidation on a line-by-line basis of the former Nuova Unipol Assicurazioni (now Unipol Assicurazioni) and the former Nuova Aurora Assicurazioni (now Aurora Assicurazioni), both of which had been valued using the equity method as at 31 December 2006.

Investments held to maturity

Investments held to maturity amounted to €735m as at 30 September 2007 (-29.2% compared with 31/12/2006). On the same basis of consolidation the balance would have been €1,100m (+6% compared with 31/12/2006). This category included fixed-rate bonds acquired to match special Life tariffs.

Loans and receivables

Loans and receivables amounted to €9,126m as at 30 September 2007 compared with €10,157m as at 31 December 2006 (-10.2%). On the same basis of consolidation the variation would have been -10.5%.

Part of the decrease was attributable to the payment of €657m for the acquisition of 29.162% of Aurora Assicurazioni following the bid.

The main contribution to this item was from banking business, with €7,431m of loans to customers (+11.9% compared with 31/12/2006) and €620m of receivables from banks (-58.9% compared with 31/12/2006).

Other loans and receivables fell from €1,989m as at 31 December 2006 to €1,053m as at 30 September 2007, a decrease of €936m largely attributable to overdue repo operations that were not renewed.

Financial assets available for sale

Financial assets available for sale amounted to €17,353m as at 30 September 2007 (+9.6% compared with 31/12/2006). On the same basis of consolidation the variation would have been -3.2%.

Financial assets recorded at fair value through profit or loss

Financial assets in this category were divided into assets held for trading and assets recorded at fair value through profit or loss.

They amounted to €11,139m as at 30 September 2007 (+30% compared with 31/12/2006). On the same basis of consolidation financial assets recorded at fair value through profit or loss rose by 7.7%.

The item was made up of €7,893m of assets where the investment risk was borne by the policyholders (+69.1%) and €3,246m of assets held for trading (-16.7%). On the same basis of consolidation assets recorded at fair value rose by 20.9% whilst assets held for trading fell by 15.9%.

Cash and cash equivalents

Cash and cash equivalents amounted to €348m (€1,414m as at 31/12/2006, -75.4%).

Net capital gains and investment income

As at 30 September 2007 net investment income and capital gains amounted to €1,015m (€930m as at 30/9/2006, +9.2%).

On the same basis of consolidation, i.e. taking into account BNL Vita's entire net income as at 30 September 2006, the variation was +0.2%.

Details of net capital gains and investment income are set out in the following table:

NET INVESTMENT INCOME					
<i>(amounts in €m)</i>					
	30/09/2007	<i>comp.</i>	30/09/2006	<i>comp.</i>	<i>var.</i>
		%		%	%
Investments in property	5	0.4	16	1.5	-70.6
Income from shareholdings in subsidiaries, associates and joint ventures	0	0.0	1	0.1	-79.6
Net income from investments held to maturity	38	2.8	36	3.4	5.8
Net income from loans and receivables	341	25.3	290	27.1	17.5
Net income from financial assets available for sale	755	56.0	470	44.0	60.4
Net income from financial assets at fair value	144	10.7	236	22.1	-38.8
Balance on cash and cash equivalents	63	4.7	19	1.8	228.6
Total net income from financial investments and liquid assets	1,347	100.0	1,070	100.0	25.9
Net income/charges from financial liabilities at fair value	(123)		(7)		
Net income/charges from other financial liabilities	(208)		(133)		57.2
Total net income/charges from financial liabilities	(331)		(140)		136.8
Total net income/charges from financial assets and liabilities	1,015		930		9.2

SHAREHOLDERS' EQUITY

The Group's equity as at 30 September 2007, including the profit for the period, amounted to €4,964m (€5,358m as at 31/12/2006). Equity pertaining to minority interests amounted to €289m (€515m as at 31/12/2006).

The decrease in Group capital and reserves was mainly due to:

- the variation in the provision for profits and losses on financial assets available for sale, linked to the poor performance in the financial markets, which fell from -€70m as at 31 December 2006 to -€532m as at 30 September 2007,
- the distribution by the Parent Company of €288m in dividends, €106m of which was extraordinary dividend taken from the share premium reserve,
- the capital increase for the purpose of the merger of €83m, €31m of which was share capital and €52m the share premium reserve.

On 30 September 2007 the Parent Company's share capital was €2,391,426,100 and was made up of 1,479,885,786 ordinary shares and 911,540,314 preference shares.

As at 30 September 2007 the Parent Company UGF held no own shares. The other subsidiaries in the Group held no shares in the holding company as at the same date.

TECHNICAL PROVISIONS AND FINANCIAL LIABILITIES

TECHNICAL PROVISIONS AND FINANCIAL LIABILITIES			
<i>(amounts in €m)</i>			
	30/09/2007	31/12/2006	<i>var. %</i>
Non-Life technical provisions	7,476	7,393	1.1
Life technical provisions	18,391	16,650	10.5
TOTAL TECHNICAL PROVISIONS	25,868	24,042	7.6
Financial liabilities at fair value	3,794	3,121	21.5
- <i>Investment contracts - insurance companies</i>	3,327	2,952	12.7
- <i>Other</i>	467	169	176.1
Other financial liabilities	7,325	7,258	0.9
- <i>Investment contracts - insurance companies</i>	234	399	-41.4
- <i>Subordinate liabilities</i>	863	788	9.5
- <i>Payables to banking customers</i>	5,550	5,364	3.5
- <i>Interbanking payables</i>	24	52	-53.5
- <i>Other</i>	654	654	-0.1
TOTAL FINANCIAL LIABILITIES	11,119	10,379	7.1

Technical provisions amounted to €25,868m as at 30 September 2007, an increase of 7.6% compared with 31 December 2006 and were made up of €7,476m of Non-Life technical provisions (€7,393m as at 31/12/2006, +1.1%) and €18,391m of Life technical provisions (€16,650m as at 31/12/2006, +10.5%). On the same basis of consolidation, i.e. taking into account the figures for Quadrifoglio Vita as at 30 September 2007 and those for BNL Vita as at 31 December 2006, the Life technical provisions recorded a decrease of 9.5%, mainly attributable to surrendered corporate policies in Class V that were not renewed.

Total financial liabilities amounted to €11,119m (+7.1% compared with 31/12/2006), €3,794m of this amount being financial liabilities recorded at fair value (€3,121m as at 31/12/2006, +21.5%) and €7,325m of Other financial liabilities (€7,258m as at 31/12/2006, +0.9%). On the same basis of consolidation the variations would have been -17.8% and +0.6% respectively.

NET GROUP RESULT AS AT 30 SEPTEMBER 2007

The net result for the Group amounted to €332m and was made up as follows:

GROUP NET PROFIT			
<i>(amounts in €m)</i>			
	30/9/2007	30/9/2006	var. %
Total profits Parent Company and other consolidated companies	428	471	-9.0%
Consolidation adjustments:			
Elimination of intra-Group dividends	(62)	(130)	
Other value adjustments	5	6	
Total consolidation adjustments	(57)	(123)	
Consolidated profit	372	347	7.0%
Minority interests	(40)	(64)	
Net profit - Unipol Group	332	284	16.9%

RECENT SIGNIFICANT EVENTS AND BUSINESS OUTLOOK FOR THE CURRENT FINANCIAL YEAR

There have been no significant events since the end of the quarter.

Despite considerable uncertainty in the financial markets, in view of both performance to date and the business outlook the result for the current year is expected to be better than last year.

Bologna, 8 November 2007

The Board of Directors

CONSOLIDATED BALANCE SHEET

ASSETS

€m		30/09/2007	31/12/2006
1	INTANGIBLE ASSETS	1,716.6	1,335.7
1.1	Goodwill	1,685.4	1,303.8
1.2	Other intangible assets	31.2	31.9
2	TANGIBLE ASSETS	428.9	433.6
2.1	Property	375.0	375.9
2.2	Other tangible assets	53.9	57.7
3	TECHNICAL PROVISIONS - REINSURERS' SHARE	717.5	657.4
4	INVESTMENTS	38,694.1	35,936.0
4.1	Investments in property	310.3	298.9
4.2	Shareholdings in subsidiaries, associates and joint ventures	30.7	38.6
4.3	Investments held to maturity	735.2	1,037.8
4.4	Loans and receivables	9,125.5	10,157.0
4.5	Financial assets available for sale	17,353.1	15,837.8
4.6	Financial assets recorded at fair value through profit or loss	11,139.4	8,565.9
5	SUNDRY RECEIVABLES	1,049.0	1,176.9
5.1	Receivables arising out of direct insurance operations	599.7	808.9
5.2	Receivables arising out of reinsurance operations	131.2	104.8
5.3	Other receivables	318.1	263.2
6	OTHER ASSETS	2,734.6	696.4
6.1	Non-current assets or assets of a disposal group held for sale	1,865.3	0.0
6.2	Deferred acquisition costs	64.5	70.2
6.3	Deferred tax assets	494.7	366.2
6.4	Current tax assets	30.6	45.3
6.5	Other assets	279.4	214.6
7	CASH AND CASH EQUIVALENTS	348.3	1,413.6
	TOTAL ASSETS	45,688.9	41,649.6

LIABILITIES AND SHAREHOLDERS' EQUITY

€m		30/09/2007	31/12/2006
1	SHAREHOLDERS' EQUITY	5,253.2	5,873.0
1.1	pertaining to the Group	4,963.8	5,357.7
1.1.1	Capital	2,391.4	2,360.1
1.1.2	Other equity	0.0	0.0
1.1.3	Capital reserves	2,242.0	2,296.8
1.1.4	Accumulated earnings and other reserves	509.4	456.8
1.1.5	(Own shares)	0.0	0.0
1.1.6	Reserve for net exchange rate differences	0.0	0.0
1.1.7	Profits or losses on financial assets available for sale	-532.1	-70.3
1.1.8	Other profits or losses recorded in the equity direct	21.4	32.9
1.1.9	Profits (loss) for the year pertaining to the Group	331.6	281.3
1.2	pertaining to minority interests	289.5	515.2
1.2.1	Capital and reserves pertaining to minority interests	285.6	470.9
1.2.2	Profits or losses recorded in the equity direct	-36.1	-35.9
1.2.3	Profits (loss) for the year pertaining to minority interests	40.0	80.3
2	AMOUNTS SET ASIDE	44.5	45.0
3	TECHNICAL PROVISIONS	25,867.6	24,042.4
4	FINANCIAL LIABILITIES	11,119.1	10,379.2
4.1	Financial liabilities recorded at fair value through profit or loss	3,793.6	3,121.2
4.2	Other financial liabilities	7,325.5	7,257.9
5	PAYABLES	504.5	520.2
5.1	Payables arising out of direct insurance operations	49.6	46.5
5.2	Payables arising out of reinsurance operations	157.9	18.6
5.3	Other payables	297.0	455.1
6	OTHER LIABILITIES	2,900.0	789.8
6.1	Liabilities of a disposal group held for sale	1,868.5	0.0
6.2	Deferred tax liabilities	236.7	210.3
6.3	Current tax liabilities	53.0	52.9
6.4	Other liabilities	741.7	526.7
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	45,688.9	41,649.6

CONSOLIDATED INCOME STATEMENT

€m		30/09/2007	30/09/2006	Third quarter 2007
1.1	Net earned premiums	6,354.0	6,214.2	2,566.3
1.1.1	<i>Gross earned premiums</i>	6,577.4	6,442.0	2,645.5
1.1.2	<i>Earned premiums ceded</i>	-223.4	-227.8	-79.2
1.2	Commissions and fees receivable	102.2	81.1	40.8
1.3	Income and charges arising out of financial instruments recorded at fair value through profit or loss	21.5	228.7	56.2
1.4	Income arising out of shareholdings in subsidiaries, associates and joint ventures	0.5	1.5	-1.3
1.5	Income arising out of other financial instruments and investments in property	1,303.4	903.9	434.4
1.5.1	<i>Interest receivable</i>	934.4	629.5	385.0
1.5.2	<i>Other income</i>	89.7	44.1	23.5
1.5.3	<i>Profits realised</i>	279.1	229.4	25.9
1.5.4	<i>Unrealised profits</i>	0.2	1.0	0.0
1.6	Other income	83.9	60.7	13.9
1	TOTAL INCOME AND PROCEEDS	7,865.5	7,490.1	3,110.3
2.1	Net charges relating to claims	5,951.1	5,802.2	2,465.2
2.1.2	<i>Amounts paid and changes in technical provisions</i>	6,107.0	5,969.3	2,535.4
2.1.3	<i>Reinsurers' share</i>	-155.9	-167.1	-70.2
2.2	Commissions and fees payable	33.1	26.0	13.5
2.3	Charges arising out of shareholdings in subsidiaries, associates and joint ventures	0.3	0.1	0.0
2.4	Charges arising out of other financial instruments and investments in property	310.0	204.2	152.4
2.4.1	<i>Interest payable</i>	208.2	133.1	96.8
2.4.2	<i>Other charges</i>	22.5	9.2	15.4
2.4.3	<i>Losses realised</i>	56.7	40.2	31.4
2.4.4	<i>Unrealised losses</i>	22.6	21.7	8.9
2.5	Operating expenses	916.1	826.6	302.6
2.5.1	<i>Commissions and other acquisition expenses</i>	603.7	519.9	208.2
2.5.2	<i>Investment management expenses</i>	16.2	17.7	5.0
2.5.3	<i>Other administrative expenses</i>	296.2	288.9	89.4
2.6	Other costs	86.8	106.9	11.2
2	TOTAL COSTS AND CHARGES	7,297.3	6,966.1	2,944.8
	PROFIT (LOSS) FOR THE PERIOD BEFORE TAXATION	568.1	524.0	165.5
3	Taxation	196.6	176.7	79.5
	PROFIT (LOSS) FOR THE PERIOD NET OF TAX	371.6	347.3	85.9
4	PROFIT (LOSS) PERTAINING TO DISCONTINUED OPERATIONS			
	CONSOLIDATED PROFIT (LOSS)	371.6	347.3	85.9
	pertaining to the Group	331.6	283.7	71.6
	pertaining to minority interests	40.0	63.6	14.3

Assets and liabilities reclassified following the application of IFRS 5

Assets

€m		30/09/2007
1	INTANGIBLE ASSETS	0.4
4	INVESTMENTS	1,788.3
4.3	<i>Investments held to maturity</i>	365.2
4.4	<i>Loans and receivables</i>	11.6
4.5	<i>Financial assets available for sale</i>	849.1
4.6	<i>Financial assets recorded at fair value through profit or loss</i>	562.4
5	SUNDRY RECEIVABLES	17.6
6	OTHER ASSETS	21.4
7	CASH AND CASH EQUIVALENTS	37.6
	TOTAL ASSETS	1,865.3

Liabilities

3	TECHNICAL PROVISIONS	1,317.9
4	FINANCIAL LIABILITIES	549.8
4.1	<i>Financial liabilities recorded at fair value through profit or loss</i>	440.2
4.2	<i>Other financial liabilities</i>	109.7
5	PAYABLES	0.8
	TOTAL LIABILITIES	1,868.5

Basis of consolidation

Name	State	Registered office	Method (1)	Type of business (2)	% direct holding	% indirect holding	% total participating interest (3)	% votes available at Ordinary General Meetings (4)	% consolidation
Unipol Gruppo Finanziario Spa	086 Italy	Bologna	G	4					100.00
Compagnia Assicuratrice Unipol Spa	086 Italy	Bologna	G	1	100.00		100.00		100.00
Aurora Assicurazioni Spa	086 Italy	S.Donato M. (Mi)	G	1	100.00		100.00		100.00
Compagnia Assicuratrice Linear Spa	086 Italy	Bologna	G	1	100.00		100.00		100.00
Navale Assicurazioni Spa	086 Italy	Milan	G	1	99.83		99.83		100.00
Navale Vita Spa	086 Italy	Rome	G	1		100.00 Navale Assicurazioni Spa	99.83		100.00
Unisalute Spa	086 Italy	Bologna	G	1	98.48		98.48		100.00
BNL Vita Spa	086 Italy	Milan	G	1	31.00	20.00 Unipol Assicurazioni Spa	51.00		100.00
Unipol SGR Spa	086 Italy	Bologna	G	8	100.00		100.00		100.00
Unipol Banca Spa	086 Italy	Bologna	G	7	67.75	16.78 Unipol Assicurazioni Spa	84.53		100.00
Unipol Merchant - Banca per le Imprese Spa	086 Italy	Bologna	G	7		86.15 Unipol Banca Spa	72.82		100.00
Unipol Fondi Ltd	040 Ireland	Dublin	G	11		100.00 Unipol Banca Spa	84.53		100.00
Cooperleasing Spa	086 Italy	Bologna	G	11		100.00 Unipol Banca Spa	84.53		100.00
Nettuno Fiduciaria Srl	086 Italy	Bologna	G	11		100.00 Unipol Banca Spa	84.53		100.00
Grecale Srl	086 Italy	Bologna	G	11		60.00 Unipol Banca Spa 40.00 Unipol Merchant Spa	79.85		100.00
Grecale Abs Srl	086 Italy	Bologna	G	11		10.00 Smallpart Spa Unipol Banca Spa (*)	10.00		100.00
Castoro RmbS Srl	086 Italy	Milan	G	11		Unipol Banca Spa (*)			100.00
Atlante Finance Srl	086 Italy	Milan	G	11		Unipol Banca Spa (*)			100.00
Mirdi Srl	086 Italy	Bologna	G	10		100.00 Unipol Assicurazioni Spa	100.00		100.00
Unifimm Srl	086 Italy	Bologna	G	10		100.00 Unipol Assicurazioni Spa	100.00		100.00
Dimensione e Sviluppo Immobiliare Spa	086 Italy	Bologna	G	11		61.00 Smallpart Spa 39.00 Unipol Merchant Spa	89.40		100.00
Smallpart Spa	086 Italy	Bologna	G	9		100.00 Unipol Assicurazioni Spa	100.00		100.00
SRS Spa	086 Italy	Bologna	G	9		75.21 Unipol Assicurazioni Spa 24.79 Aurora Assicurazioni Spa	100.00		100.00
Quadrifoglio Vita Spa	086 Italy	Bologna	P	1	50.00		50.00		50.00

(1) Consolidation method: G=on a line-by-line basis, P=proportional, U=on a line-by-line basis as per coordinated management.

(2) 1=Italian insurers; 2=EU insurers; 3=non-EU insurers; 4=insurance holdings; 5=EU reinsurers; 6=non-EU reinsurers; 7=banks; 8=asset management companies; 9=sundry holdings; 10=property companies; 11=other.

(3) is the product of the percentage holdings relating to all the companies that may come somewhere along the chain between the company that draws up the consolidated accounts and the company in question. If the latter is a direct participating interest of several subsidiaries the individual products must be added up.

(4) Total percentage of votes available at Ordinary General Meetings if different from the direct or indirect holding.

(*) Special purpose vehicles used for securitisation transactions. They are not subsidiaries but they are consolidated as they substantially retain all risks and benefits

Details of unconsolidated shareholdings

Name	State	Registered office	Method (1)	Type of business (2)	% direct holding	% indirect holding	% total participating interest (3)	% votes available at Ordinary General Meetings (4)	Book value (€m)	Share capital (€)
Unieuropa Srl	086 Italy	Bologna	11	a		98.00 Smallpart Spa	98.00		0.5	510,000
Unisalute Servizi Srl	086 Italy	Bologna	11	a		100.00 Unisalute Spa	98.48		0.2	52,000
BNL Servizi Assicurativi Srl	086 Italy	Milan	11	a		100.00 Bnl Vita Spa	51.00		0.3	10,400
Hotel Villaggio Città del Mare Spa	086 Italy	Terrasini (Pa)	11	b		49.00 Unipol Assicurazioni Spa	49.00		2.9	7,000,000
A.P.A. Spa	086 Italy	Parma	11	b		46.50 Smallpart Spa	46.50		0.7	1,000,000
Assicoop Ferrara Spa	086 Italy	Ferrara	11	b		47.40 Smallpart Spa	47.40		0.5	376,635
Assicoop Firenze Spa	086 Italy	Florence	11	b		44.00 Smallpart Spa	44.00		0.4	1,000,000
Assicoop Imola Spa	086 Italy	Imola (Bo)	11	b		47.33 Smallpart Spa	47.33		1.1	1,000,000
Assicoop Modena Spa	086 Italy	Modena	11	b		43.32 Smallpart Spa	43.32		2.7	2,256,800
Assicoop Ravenna Spa	086 Italy	Ravenna	11	b		49.00 Smallpart Spa	49.00		2.2	3,640,000
Assicoop Romagna Spa	086 Italy	Forlì	11	b		48.00 Smallpart Spa	48.00		0.8	774,700
Assicoop Sicura Spa	086 Italy	Bologna	11	b		40.00 Smallpart Spa	40.00		2.2	202,800
Assicoop Siena Spa	086 Italy	Siena	11	b		49.00 Smallpart Spa	49.00		0.4	510,000
Assicura Spa	086 Italy	Reggio Emilia	11	b		35.00 Smallpart Spa	35.00		1.0	1,040,000
ZIS Fiera 2 - Consorzio	086 Italy	Bologna	11	b		31.72 Midi Srl	31.72		0.3	789,185
Nuovi Investimenti Spa	086 Italy	Bologna	9	b		39.00 Smallpart Spa 10.00 Unipol Merchant Spa	46.28		3.4	4,700,000
Euresa Holding SA	092 Luxembourg		4	b		24.05 Unipol Assicurazioni Spa	24.05		3.3	10,000,000
Pegaso Finanziaria Spa	086 Italy	Bologna	9	b		45.00 Smallpart Spa	45.00		3.1	7,000,000
SCS Azioninnova Spa	086 Italy	Bologna	11	b		40.00 Unipol Merchant Spa	29.13		1.0	2,501,250
Promorest Srl	086 Italy	Castenaso (Bo)	11	b		45.00 Unipol Merchant Spa	32.77		1.3	100,000
Unagro Srl	086 Italy	Bagnacavallo (Ra)	10	b		35.71 Unipol Merchant Spa	26.01		2.5	7,000,000

(1) 1=Italian insurers; 2=EU insurers; 3=non-EU insurers; 4=insurance holdings; 5=EU reinsurers; 6=non-EU reinsurers; 7=banks; 8=asset management companies; 9=sundry holdings; 10=property companies; 11=other.

(2) a=subsidiaries (IAS28); b=associates (IAS28); c=joint ventures (IAS 31); please mark with (*) the companies available for sale in accordance with IFRS 5 and write the legend at the foot of the statement.

(3) is the product of the percentage holdings relating to all the companies that may come somewhere along the chain between the company that draws up the consolidated accounts and the company in question. If the latter is a direct participating interest of several subsidiaries the individual products must be added up.

(4) Total percentage of votes available at the Ordinary General Meeting if different from the direct or indirect holding.

**DECLARATION OF THE SENIOR EXECUTIVE RESPONSIBLE
FOR DRAWING UP THE COMPANY ACCOUNTS**
(in accordance with Article 154-bis, para. 2, of Legislative Decree 58/1998)

RE: Consolidated Quarterly Report as at 30 September 2007

The undersigned Maurizio Castellina, in his capacity as the Senior Executive Responsible for drawing up Unipol Gruppo Finanziario S.p.A's Accounts

DECLARES

in accordance with Article 154-*bis*, paragraph 2, of the *Testo unico delle disposizioni in materia di intermediazione finanziaria* [the 'Single Financial Services Act'] that, to the best of his knowledge and belief, the Consolidated Quarterly Report as at 30 September 2007 corresponds to the documentary results, the books and the accounting records.

Bologna, 8 November 2007

The Senior Executive Responsible
for drawing up the Company accounts
Maurizio Castellina

(signed on the Italian original)

Translated from the original Italian by SEL, the translation company owned by the University of Salford, Manchester, UK