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Unipol Gruppo Finanziario

Interim Financial Report
30 September 2012

Unipol
GRUPPO



UNIPOL GRUPPO FINANZIARIO S.P.A.

Registered Office and Head Office in Bologna at Via Stalingrado, 45

Fully paid up issued share capital euro 3,365,292,295.47

Tax registration and Bologna companies' registration number - 00284160371 and R.E.A. no. 160304

The group parent, Unipol is registered with the Register of Insurance Groups, number 046

www.unipol.it

*This is a translation from the Italian original, which is
the official version*

Consolidated Interim Financial Report at 30 September 2012

(prepared in accordance with the requirements of Art.154-ter of Legislative Decree no. 58/1998)

Bologna, 14 November 2012

Contents

Directors and Officers	4
Management report	
Macroeconomic background and market performance	6
Basis of preparation of the Interim Financial Report	11
Consolidation	12
Business combination with the Premafin/Fondiarria-SAI Group.....	13
Financial highlights	19
Other performance indicators.....	20
Performance review	21
Insurance business segment	25
Banking business segment	34
Real estate business segment.....	36
Holding/service companies and other activities	38
Asset management	40
Equity.....	43
Technical reserves and financial liabilities	45
Significant events after the reporting period.....	47
Outlook	48
List of subsidiaries fully consolidated	49
Consolidated interim financial statements	
Consolidated statement of financial position	56
Consolidated income statement and statement of comprehensive income.....	58
Segmental analysis of the consolidated income statement.....	59
Statement of the Manager in charge of the financial reporting pursuant to Article 154-bis of Legislative Decree 58/1998.....	63

Directors and Officers

Honorary Chairman	Enea Mazzoli																						
Board of Directors																							
Chairman	Pierluigi Stefanini																						
Vice Chairman	Piero Collina																						
Chief Executive Officer and General Manager	Carlo Cimbri																						
Directors	<table> <tr> <td>Francesco Berardini</td> <td>Ivan Malavasi</td> </tr> <tr> <td>Sergio Betti</td> <td>Massimo Masotti</td> </tr> <tr> <td>Rocco Carannante</td> <td>Enrico Migliavacca</td> </tr> <tr> <td>Pier Luigi Celli</td> <td>Pier Luigi Morara</td> </tr> <tr> <td>Sergio Costalli</td> <td>Milo Pacchioni</td> </tr> <tr> <td>Ernesto Dalle Rive</td> <td>Marco Pedroni</td> </tr> <tr> <td>Vincenzo Ferrari (*)</td> <td>Giuseppe Politi</td> </tr> <tr> <td>Jacques Forest</td> <td>Adriano Turrini</td> </tr> <tr> <td>Vanes Galanti</td> <td>Francesco Vella</td> </tr> <tr> <td>Roger Iseli</td> <td>Marco Giuseppe Venturi</td> </tr> <tr> <td>Claudio Levorato</td> <td>Luca Zaccherini</td> </tr> </table>	Francesco Berardini	Ivan Malavasi	Sergio Betti	Massimo Masotti	Rocco Carannante	Enrico Migliavacca	Pier Luigi Celli	Pier Luigi Morara	Sergio Costalli	Milo Pacchioni	Ernesto Dalle Rive	Marco Pedroni	Vincenzo Ferrari (*)	Giuseppe Politi	Jacques Forest	Adriano Turrini	Vanes Galanti	Francesco Vella	Roger Iseli	Marco Giuseppe Venturi	Claudio Levorato	Luca Zaccherini
Francesco Berardini	Ivan Malavasi																						
Sergio Betti	Massimo Masotti																						
Rocco Carannante	Enrico Migliavacca																						
Pier Luigi Celli	Pier Luigi Morara																						
Sergio Costalli	Milo Pacchioni																						
Ernesto Dalle Rive	Marco Pedroni																						
Vincenzo Ferrari (*)	Giuseppe Politi																						
Jacques Forest	Adriano Turrini																						
Vanes Galanti	Francesco Vella																						
Roger Iseli	Marco Giuseppe Venturi																						
Claudio Levorato	Luca Zaccherini																						
Company Secretary	Roberto Giay																						
(*) Appointed at the Board of Directors meeting dated 10 May 2012																							
Board of Statutory Auditors																							
Chairman	Roberto Chiusoli																						
Standing statutory auditors	Giorgio Picone Domenico Livio Trombone																						
Alternate statutory auditors	Carlo Cassamagnaghi Cristiano Cerchiai																						
Executive charged with the preparation of the financial statements	Maurizio Castellina																						
External Auditors	PricewaterhouseCoopers SpA																						

Management Report

Macroeconomic background and market performance

Macroeconomic background

In September 2012, the European Central Bank (ECB) approved the *Outright Monetary Transactions (OMT)* programme, aimed at restoring an appropriate monetary policy transmission and the singleness of the monetary policy within the eurozone, thus eliminating the fragmentation of financial markets, brought about by the sovereign debt crisis that hit the weaker states within the euroarea. OMT stipulates that upon an application by a member state for assistance, the ECB will see to the purchase of sovereign debt without any predefined quantitative limits. The ECB's intervention will be on the secondary market and will be limited to sovereign bonds with a maximum maturity of three years. The liquidity created through OMT will be fully sterilised, with an amount of liquidity, equivalent to the sovereign debt issue, being absorbed back by the ECB from the banking system. The ECB will not have privileged creditor rights, and will accordingly accept the same treatment as private or other creditors, with respect to bonds issued by euroarea countries through OMT. Any state government requesting assistance by means of OMT will consequently be subject to the adoption of specific measures as agreed with the European Union. Financial markets have reacted positively to this programme, with yield spread between peripheral states and Germany have narrowing to less concerning levels.

During the second quarter of the 2012, common slowdown trends continued to emerge internationally, especially within the members of the Economic and Monetary Union: Germany's GDP grew by 1%, France's by 0.3%, whilst Spain (-1.3%) and Italy (-2.5%) registered worrying contractions. Notwithstanding monetary stimuli and a liberal fiscal policy, the US economy did not manage to go beyond the upward trend of 2.3% in the second quarter. The UK registered a disappointing -0.5%. Slowdown trends have also been registered in emerging countries, particularly Brazil (+0.5%).

As concerns Italy, there is general expectation that in 2012 the GDP will contract by more than two percentage points. The current recession has been characterised by a surge in unemployment and increased tax burden, both resulting in a reduction in households' disposable income (forecast at -4.5% for 2012). This also results in a fall in private consumption, which is not being compensated by public spending leading to a significant drop in the country's current expenditure.

In July, the seasonally adjusted index of retail sales (that incorporates both quantity and price factors) registered a downward trend of 3.2%.

The downward consumption trend impacted business future prospects with businesses delaying their investment decisions, and therefore also contributing to the drop in domestic aggregate demand. Opportunities remain for businesses that are in a position to compete on international markets. Given this background, it is not surprising to note that Italy's balance of trade has experienced a significant improvement, from a trade deficit of euro 18 billion in the first seven months of 2011 to a trade surplus of over euro 4 billion over the same period in 2012. Notwithstanding this, it is difficult for the improvement in external trade, on its own, to translate into tangible growth for the Italian economy.

National income and expenditure accounts for the first six months of 2012 registered a significant increase in interest expense (+13.9%). They also illustrate a surplus of euro 4 billion, compared to a deficit of euro 1.5 billion over the same period in 2011. Notwithstanding this surplus, the recession and Italy's contributions to "State aid" funds are further increasing the public debt to GDP ratio.

Financial markets

The third quarter of 2012 has been characterised by consistent recoveries in prices across the major international financial markets.

The main factor behind the increased propensity to risk by part of investors was the change in strategy adopted by the ECB last Summer, aimed at curtailing the sovereign debt crisis in the euroarea.

In July, the ECB launched a plan for the purchase of sovereign bonds. The plan differs from the previous plan, announced in 2010, on two fronts:

- the plan is not subject to quantitative limits as it is managed by a central bank, that also controls the liquidity base;
- the bonds purchased by the ECB will rank 'pari passu' with those held by private investors. With this approach, contrary to what happened upon restructuring of the Greek sovereign debt (whereby private investors suffered a 77% loss in the value of their investments), in the case of restructuring of national debt of a member state of the euroarea, any subsequent losses will be equally shared between private investors and the ECB.

In light of these macroeconomic and monetary policy developments, and amidst evident signs of economic recession in the peripheral countries of the euroarea, coupled with contained inflation rates, interest rates continued to decrease markedly, justifying the ECB's decision to reduce the refinancing reference rate to 0.75%.

Considerable improvement has been registered in the US and Asian stock market indexes. The Standard & Poor's 500 Index, that incorporates the largest 500 listed companies in the US, registered a growth of 5.76%, equivalent to a 14.56% increase over the index at the beginning of the year. The Japanese Nikkei 225 index suffered a slight decline, of -1.52% in the last quarter, but the index as at September 2012, still represents a 4.91% increase over closing 2011 levels. The European stock markets performance during 2012 to date was generally positive, except for the Madrid Ibex index that lost 10% since the beginning of the year. An upward movement of 5.94% has been registered on the Eurostoxx50 in 2012, whereas Milan's FTSE MIB registered a 5.75% increase in the third quarter, but is at nearly unchanged when compared to the beginning of the year.

The market for corporate and bank bonds continues to be relatively stable, when compared to the stock markets and returns on these obligations during 2012 were largely positive. The iTraxx Senior Financial, which represents the average spread of financial institutions with high credit standing, registered a decrease of 57 bp, from 261 to 204 during the third quarter of the year.

The insurance sector

ISVAP statistics for the first half year of 2012 confirm the negative economic recessionary conditions that the Italian market has been facing. Both Life and Non-life business registered a deterioration over the same period in 2011, with decreases of 12.1% and 0.8% respectively.

Premiums in the motor vehicle third party liability (MV TPL) class of business grew by 0.3% in the first six months of 2012 when compared to the same period of 2011. The effect, in terms of growth, arising from premium adjustments has been diluted. This arose in view of the impact of recessionary trends that the market is facing, including a decrease in car registration numbers, lower use of already registered vehicles, and for which insurance is not being sought, and the increasing trend in the avoidance of one's motor insurance obligations.

From an underwriting perspective, a decrease in the frequency of claims has been observed, mainly brought about by a decrease in distances travelled. In June traffic on motorways fell by 7.8% and 7.6% for

light vehicles and heavy vehicles respectively. The downward trend in claims frequency, that is also linked to the implementation of regulations by which bodily injury claims can only be accepted where the injury can be documented, is balancing out the decrease in premiums on the MVTPL class. The drop in car registration numbers (in the period January to September 2012 car sales decreased by 21.3% compared to 2011 levels) is the main factor giving rise to a decrease in premiums on the motor vehicle damage class of business of 7.2% .

Non-motor business classes registered an overall decline of 0.9%. The wider industry context also impinged on volumes. Favourable trends have been registered in the following classes: Legal Assistance (+2.8%), Assistance (+6.6%), Credit (+1.2%) and General Liability (+1.4%). On the other hand, other classes registered a decrease in premium, namely health (-1.4%) and property (-1.7%), driven by the fall of Miscellaneous financial loss. This fall was brought about by a slowdown in the processing of new mortgages.

Life business was generally adversely impacted by the recessionary period that Italy is going through. This class of business faced a sharp drop in savings trends, principally brought about by a decline in households' disposable income - down at 9.2% in the first six months of 2012, from 9.6% in the same period last year.

New individual Life policies in the first eight months of 2012 suffered a 14.9% decrease from 2011 levels, excluding cross border business, which also decreased by 10.9%.

The sharpest drop was suffered in business generated through bank branches and post-offices (down by 23%), whereas new business written by agents went fell by 12.2%. On the contrary, the financial advisors network registered a growth of 28.3% in new business. The growth arises also on the unit-linked market, where financial advisors generate over 50% of the business. An analysis of new business by class evidences varying trends, namely; a decrease in Class I of 19.6%, a drop of 29.9% in Class V and an increase in Class III of 6.6%, mainly on unit linked products (+9%).

In the first six months of 2012, the Life business on a net basis, deteriorated by euro 3 billion, a decrease mainly attributable to Class III (euro 4.5 billion) and V (euro 2.1 billion). This is the result of an increase in surrender of policies, which stood at 11.6% of technical reserves (compared to 8% in 2010).

The banking and fund management sector

As at August, bank loans to non-financial companies and to family businesses decreased by 2% and 1.3% respectively, when compared to 2011 levels. This arose both by constraints on the supply, due to increased perceived risk surrounding these loans, as well as by weakening of demand, brought about by decreased level of activity within the sector. On the other hand, an increase in the ratio of non-performing loans to loans was observed, especially in the non-financial sector.

A sustained growth of 4.3% in residents' bank deposits was registered when compared to December 2011 levels. Whilst bank deposits increased by a modest 1%, mainly driven by fixed-term deposits, repo transactions increased by a significant 39.1%, and bonds by 5.3%. This trend is generally linked to banking institutions issuing securities, to repurchase them, with the intent of then using them as collateral for ECB refinancing. On the contrary, foreign funding decreased by 7.6% since the beginning of the year and funds within the Italian banking system shrank by euro 30 billion in the first eight months of 2012.

Investment portfolios at credit institutions are increasingly characterised by medium and long-term securities. The funding gap, typically associated with the Italian banking system, has been filled up by funds from the euro system. The loans to retail deposits ratio of the largest seven banks decreased from 121% in Dec 2011 to 119% at 30 June 2012.

Pressure from Regulators and the markets alike, forced Italian credit institutions to strengthen their equity base position: at 30 June 2012 Core Tier I funds of the main 13 listed groups was equivalent to 10.1%, a 130 basis-point increase over December 2011.

A more positive outlook towards sovereign debt encouraged a decrease in interest rates on new loans to non-financial entities. The tightening of the spread, coupled with decreasing short-term interest rates contributed to a fall in the cost of funding. Notwithstanding these movements, a decrease in short-term spreads arose as a consequence of the fall in the mark-down. Given this background, it can be assumed that net customers' interest income will continue to shrink. Loan impairments that are expected to increase with the economic recession, continue to weigh significantly on banks' profitability margins.

A fall in the disposable income at household level generally gives rise to decreases in savings, and in subsequently financial activity. The adverse economic conditions brought about a drop in households' financial debt, both related to real estate acquisition, as well as consumption credit. Notwithstanding this, it is anticipated that customers' activity on financial markets will grow by 2% during the rest of 2012.

Deposits, especially fixed term deposits, are increasingly representing a wider share of the investments portfolio, driven by higher rates of return. On the contrary, demand for asset management products remains weak due to market volatility and strong competition from short-term investments, which are also considered to be lower risk.

The net business of mutual funds registered a drop of circa euro 3 billion in the first eight months of 2012, despite the positive trend observed in recent months. The largest decrease (euro 7 billion) arose on liquidity funds. Equity funds also suffered, with a net decrease of euro 5.8 billion, whilst bond funds performed well with a euro 13.2 billion increase. Overall, assets under management, in mutual funds, grew from euro 414 billion at the end of 2011 to euro 437 billion at 31 August 2012.

According to the statistics released by Banca d'Italia at 30 June 2012, assets under management amounted to euro 445 billion, an increase over the position at December 2011 (euro 434 billion). This arises despite a drop registered in the first quarter of the year amounting to over euro 5 billion.

The pension funds sector

The number of individual subscriptions to supplementary pension schemes grew marginally, by 2.9%, by the second quarter of 2012. However, during the third quarter, the number remained static. In this stagnant background, only personal pension plans appear to be growing at a relatively steadier pace.

Market operators are pushing for a boost to the system, through financial assistance and promotional measures. However, in view of the current economic scenario, it is unlikely that this issue will be raised to the Government's and Parliament's agenda.

Trade unions and employers' associations are currently discussing possible initiatives aimed at boosting young employees' interest in such pension schemes.

Establishment of a new supervisory body for insurance undertakings

Following the adoption at law of Decree no. 95, dated 6 July 2012, which has the objective of converging the supervision of the insurance and the banking sectors, the Istituto per la Vigilanza sulle Assicurazioni Private (ISVAP) was replaced by the **Istituto per la Vigilanza sulle Assicurazioni (IVASS)**, that will be governed by the Banca D'Italia (Italy's Central Bank), as per Art. 13 of legislation dated 7 August 2012 "also known as Spending Review" no. 135.

IVASS' statute was approved on 9 November 2012 by the "Consiglio dei Ministri" and will become effective on 1 January 2013. The two Directors, nominated by Banca D'Italia, on IVASS have also been chosen.

Basis of preparation of the Interim Financial Report

This consolidated interim financial report of Unipol Group for the period ended 30 September 2012 has been prepared in accordance with Article 154-ter of Legislative Decree no. 58/1998. The information contained in this report was prepared for the purpose of complying with the content requirements of the above mentioned legislation and does not purport to satisfy the requirements of IAS 34 on interim financial reporting.

The accounting policies adopted in this interim financial report are consistent with those adopted for the consolidated financial statements for the year ended 31/12/2011 and the interim half-yearly report for the six months ended 30 June 2012, except as described below.

The preparation of interim financial information requires management to make additional judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense.

Since the purpose and content of this report are limited to compliance with the requirements of Article 154-ter of Legislative Decree no. 58/1998 for quarterly interim financial reporting, impairment assessments that will, as required by IAS/IFRS, be performed at the financial year-end have not been carried out at 30 September 2012. These assessments primarily relate to impairment testing of goodwill and of equity investments classified as available-for-sale. In respect of the latter, subject to impairment criteria being satisfied and after taking into consideration the results of impairment testing carried out as at 30 June 2012, any fair value losses occurring up to 30 September 2012 have been recognised in the consolidated income statement.

As also indicated in the Prospectus in relation to Unipol's proposed increase in capital, Unipol Group's parent company and the Regulator are continuing with their analysis and review of the classification and measurement of structured securities.

The acquisition on 19 July 2012 of a controlling interest in the Premafin/Fondiaria-SAI Group has resulted in the real estate operations becoming a strategic operating segment for the Unipol Group. Accordingly, and in view of the requirements of IFRS 8, the Group has identified the following financial reporting segments with effect from this interim report:

- Non-life insurance
- Life insurance
- Banking
- Real estate (new reporting segment)
- Holding/Service companies and other activities

The real estate companies Unifimm, Midi, Consider, Covent Garden Bo and Punta di Ferro, which are all controlled by Unipol Assicurazioni and which were included within the non-life insurance business segment up to 30 June 2012, are now included within the new real estate segment. Comparative figures have been restated.

A list of consolidated subsidiaries, analysed by operating segment, is included with this report.

The acquisition of the controlling interest in the Premafin Group took place at the start of the third quarter of this financial reporting period and accordingly this consolidated interim financial report only incorporates financial results of the Premafin Group for the third quarter of 2012. The consolidated statement of financial position incorporates the Premafin Group's assets and liabilities as at 30 September 2012.

Explanation of variation analysis in this interim report

- Variances in financial results are expressed as a percentage movement from 30/9/2011 results.
 - Variances in assets and liabilities are expressed as a percentage movement from 31/12/2011 balances.
 - For comparability reasons when analysing certain movements in results, the Premafin Group results were excluded from the 30/9/2012 results while, following the disposal of Bnl Vita at the end of the third quarter of 2011, Bnl Vita's results were excluded from the 30/9/2011 results.
 - For comparability reasons when analysing certain movements in assets and liabilities over the 31/12/2011 position, balances in relation to the Premafin Group were excluded from the 30/9/2012 position.
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The reporting currency is the euro. Unless otherwise stated, all amounts in this report are presented in millions of euro and accordingly, the sum of individually rounded items might not equal the rounded sum of the actual amounts.

Consolidation

At 30 September 2012, the Unipol Group consisted of the parent company together with 114 directly and indirectly owned subsidiaries (IAS 27), of which 83 subsidiaries form part of the Premafin Group. At 31/12/2011, 31 companies were consolidated. Subsidiaries whose size is considered to be insignificant are excluded from the consolidation.

There are no joint ventures.

Associates, where the Group has a shareholding of between 20% and 50%, and insignificant subsidiaries (numbering 48 entities, 29 of which form part of the Premafin Group), are accounted for using the equity method of accounting (IAS 28) or at cost. There were 17 associates and insignificant subsidiaries as at 31/12/2011.

A list of the consolidated subsidiaries as at 30/9/2012 is included with this report.

Business combination with the Premafin/Fondiarial-SAI Group

Acquisition of the Premafin/Fondiarial-SAI Group

During the third quarter of 2012, the first phase of the business combination between the Unipol Group and the Premafin Group was successfully completed. Having obtained all the necessary authorisations from the relevant Regulators, Unipol subscribed on 19 July to a share issue that was reserved for subscription by Unipol, and that had been resolved at an extraordinary meeting of Premafin S.p.A's ("Premafin") shareholders on 12 June 2012. Through the share issue, amounting to euro 340 million, Unipol acquired a controlling interest in Premafin, with an approximate shareholding interest of 81%. Premafin and its subsidiary Finadin S.p.A used the proceeds of euro 340 million from the capital increase to subscribe, in proportion to their shareholding interest, to the issue of share capital of Fondiarial-SAI S.p.A ("Fondiarial-SAI"), which was concluded on 13 September 2012. All shares were subscribed to, with Unipol and banks forming part of the underwriting syndicate also having subscribed to the share issue.

In particular, Unipol has subscribed to, or otherwise acquired, new shares in Fondiarial-SAI as follows:

- an amount of 240,609,096 Class B savings shares, that remained unsubscribed on the stock exchange, for a consideration of euro 136 million, acquired to honour commitments made with Fondiarial-SAI. The shares acquired represent 74.48% of the savings share capital, and 19.35% of the total share capital of Fondiarial-SAI after the capital increase;
- an amount of 30,853,620 ordinary shares acquired on 10 September 2012, through the exercise of option rights acquired during the offer on the stock exchange, that represent 3.35% and 2.48% respectively of the ordinary share capital and total share capital after the capital increase, of Fondiarial-SAI;
- an amount of 14,254,110 ordinary shares that remained unsubscribed on the stock exchange, and acquired by the banks forming part of the underwriting syndicate in Fondiarial-SAI's share issue, at a consideration of euro 14 million. The shares represent 1.55% and 1.15% respectively of Fondiarial-SAI's ordinary share capital and total share capital after the capital increase.

As a result of the above acquisitions, Unipol owns a direct shareholding of 22.98% of Fondiarial-SAI's share capital.

As a result of becoming the controlling shareholder of the Premafin Group (which in turn controls the Fondiarial-SAI Group), the Unipol Group has become the leading player in the non-life business local market and the second overall largest insurer.

On 16 July 2012 Unipol initiated the process of increasing its capital by euro 1,100 million, as had been resolved at an extraordinary meeting of its shareholders held on 19 March 2012, with the objective of ensuring sufficient capital to fund the business combination. Finsoe S.p.A, Unipol's parent company, fully subscribed to its allocation of the issue confirming its shareholders' support in relation to the business combination. The increase in capital was completed on 13 September 2012 upon subscription in full of the issued ordinary and preference shares, in which the banks forming part of the underwriting syndicate also participated.

The strengthening of its capital base enables the Group to have the resources necessary to support its business initiatives and development plans and to continue creating value in the sectors in which the Group operates, in particular in its core insurance business.

From a business strategy perspective, activities aimed at the business combination process are ongoing. The integration of Premafin, Fondiaria-SAI and Unipol Assicurazioni, for which an invitation to participate was also extended to Milano Assicurazioni, is considered critical for the expected rationalisation and simplification of the Group in a way as to fully leverage on the synergies identified in the Business Plan. To this end a 2013-2015 Business Plan, which has at its basis the business principles that are shared between the two groups, is being drafted for the said companies with the assistance of a professional advisor. The plan builds on the business plan developed independently by Unipol, which is known within the market, and a Plan developed by Fondiaria-SAI.

The integration of operational activities of the two groups, which is aimed at the integration of all areas in terms of management, administration and IT of Unipol Assicurazioni and Fondiaria-SAI, as well as at the identification of operational synergies, commenced in August. At the group head quarters in Bologna and Milan, 27 work groups, which have been sub-divided into more than one hundred sub groups, have been set and a topic assigned to each.

The development of the group business plan will be in conformity with commitments given to the Competition and Market Authority, "Autorità Garante della Concorrenza e del Mercato ("AGCM") that provide for, inter-alia, a reduction in premiums through transfer or surrender of one or more lines of business.

On 10 October 2012, Unipol submitted an appeal to Lazio's Regional Administrative Court (TAR) requesting a reconsideration of some measures prescribed by the AGCM in relation to commitments that the Unipol Group provided to the same Authority, as they are considered to be excessively harsh. More specifically, Unipol contested the Antitrust assessment of the Italian non-life policy market and the resulting calculation of market share - both at national and regional level - which the Group has to adhere to in order to avoid any potential restrictions to competition that might arise from the business combination with Fondiaria-SAI. Other procedures stipulated by the Authority as part of the process, such as the disposal of the insurance and financial holding companies' assets are in progress and will continue irrespective of the outcome of the appeal.

In conclusion, the process of integrating the two Groups, with the main objectives of creating an insurance group of repute that can effectively compete with the major local and European insurers and of creating value for all the companies' shareholders that partake in the project, continues.

Termination of the existing Equity Swap contract between Premafin and UniCredit and Premafin's debt restructuring agreement

As agreed with its lenders, Premafin terminated its existing Equity Swap contract with UniCredit S.p.A. ("Unicredit") on 19 July 2012 through the transfer of 34,736 ordinary shares in Fondiaria-SAI to Premafin, and the assumption of a debt obligation towards Unicredit for an amount of approximately euro 46 million. At the same time, as announced to the market on 14 June 2012, and as provided in article 67.3 d) of the Recovery Plan ("Piano di Risanamento Art. 67,3(d) L.F.") approved by the Company's Board of Directors on 30/3/2012, upon occurrence of the so-called Phase 1, and subject to the completion of the capital injection into Premafin by Unipol, the following became effective:

- (i) the Pre-Acquisition Modified Loan Agreement ("il Contratto di Finanziamento Modificato Ante Integrazione"), which provides for the restructuring of the debt arising from the Loan Agreement ("Contratto di Finanziamento") in pool, and from the termination of the Equity Swap contract, amounting to euro 368 million plus interest accrued since the last interest payment. The Agreement also provides, inter alia, for rescheduling of the debt's maturity to 31 December 2020;
- (ii) the New Act of Confirmation ("Nuovo Atto di Conferma") of the crystallized pledge on 1,160,670 ordinary shares of Fondiaria-SAI, a pledge that provides for the non realisation of, or diminution in, the acquisition mechanism, and which does not extend to any other Fondiaria-SAI shares owned by

- Premafin resulting, among others things, from the increase in capital that Fondiaria-SAI approved on 19 March 2012 and confirmed on 27 June 2012, and
- (iii) modifications to loan agreements between the subsidiary Finadin Finanziaria di Investimenti S.p.A. ("Finadin") and Banca Popolare di Milano Soc. Coop. a r.l. ("BPM") amounting to euro 13 million and Banco Popolare Soc. Coop. ("BP") for euro 13 million, both of which mature on 31 December 2013, have come into force. These agreements continue to be covered by a pledge on 65,727 Fondiaria-SAI shares in favour of BPM and 62,120 Fondiaria-SAI shares in favour of BP.

Exposure of the Premafin/Fondiaria-SAI Group to Imco-Sinergia Group

On 14 June 2012, the Second Civil Chamber of the Court of Milan declared Imco S.p.A. ("Imco") and Sinergia Holding di partecipazioni S.p.A. ("Sinergia") bankrupt.

Premafin Group balances as at 30 September 2012 were unchanged over the 30 June 2012 position, as indicated below:

- euro 102 million owed to Milano Assicurazioni S.p.A. by Avvenimenti e Sviluppo Alberghiero S.r.l. in relation to the business initiative on Via Fiorentini in Rome. The exposure to this debt, net of provision for impairment at 30/ 9/2012, amounts to euro 53 million;
- euro 77 million owed to Milano Assicurazioni S.p.A. by Imco in relation to the business initiative on Via De Castillia in Milan. The exposure to this debt, net of provision for impairment at 30/ 9/2012, amounts to euro 25 million;
- euro 23 million owed to Immobiliare Fondiaria-SAI S.p.A. by Imco in relation to the business initiative on San Pancrazio Parmense (PR). The exposure to this debt, net of provision for impairment at 30/ 9/2012, amounts to euro 8 million;
- euro 7 million advances on project works that are owed to Nuove Iniziative Toscane S.p.A. by Europrogetti S.p.A., which is fully provided for at 30/9/2012;
- euro 21 million owed to Banca SAI by the Imco-Sinergia Group, of which euro 11 million represent unsecured credit positions, and which is also fully provided for at 30/9/2012;
- euro 3 million, net of reinsurance, on credit and suretyship insurance policies provided as guarantees by companies forming part of the Imco-Sinergia Group and already accounted for as a technical charge in the non-life technical account;
- further exposure to suretyship insurance policies amounting to euro 8 million net of reinsurance.

Furthermore, following the declaration of bankruptcy of Sinergia and Imco, Premafin has strengthened its provision for contractual risks in response to the risk of non-materialisation of guarantees provided by Imco and its subsidiaries in respect of any costs/ responsibilities related to the commitment of sale to third parties of areas located in the municipality of Milan, and the act of citation by the City of Milan on 11 October 2012.

Nomination of a "commissario *ad acta*" for Fondiaria-SAI

The ISVAP, in Note dated 15 June 2012, stated that it had observed serious irregularities in the management of Fondiaria-SAI that warranted the adoption of measures stipulated by Art. 229 of Legislative Decree 7 September 2005 no. 209 of the Italian Insurance Code ("Codice delle Assicurazioni"). The latter provides for the appointment by ISVAP of an officer, "commissario *ad acta*".

Reference is made to the press releases of the Fondiaria-SAI Group dated 18 June 2012, 19 June 2012, 26 June 2012 and 2 August 2012, in which information was published on the state of the investigations launched by the Company on the matter. It was announced that the Board of Directors resolved to call a shareholders' meeting before 31 October 2012 to implement social responsibility actions, with prior identification by the Committee of Independent Directors of the beneficiaries of such actions, the

individuals' misconduct and damages caused. In a communication dated 12/9/2012, ISVAP resolved that the proposed actions suggested by the Company were not sufficient to rectify the circumstances that led to the infringement accusations contained in its Note of 15 June 2012. ISVAP inferred that it is its view that Fondiaria-SAI is reluctant to rectify the situation.

ISVAP concluded that the conditions, prescribed by Art. 229 of Legislative Decree 7 September 2005 no. 209, existed in this case, and therefore nominated prof. Matteo Caratozzolo as "commissario *ad acta*" of Fondiaria-SAI, (also in its capacity of the Group's parent company), with a mandate to enact the necessary measures for the purposes of ensuring that the management of the company is in conformity with the law:

1. "in relation to the instances subject to the accusations contained in ISVAP's Note no. 32-12-000057 dated 15 June 2012 considered both individually and overall:
 - Identify specifically the individuals responsible for the transactions carried out to the detriment of Fondiaria-SAI and its subsidiaries;
 - Determine the damage caused by acts and omissions, whether intentional or through negligence, carried out by such individuals in all areas investigated;
2. as a result of, and in carrying out, the actions required by point 1, instigate, promote and encourage all adequate actions, including legal actions, to ensure that Fondiaria-SAI's and its subsidiaries' equity is restored and safeguarded in all the areas under scrutiny;
3. exercise, for the purposes referred to in points 1) and 2), the powers vested in Fondiaria-SAI as the Group's parent company and as a partner in subsidiaries' meetings.

The above mandate must be completed by 31 January 2013. "

Denunciation by Fondo Amber Capital

At a Fondiaria-SAI's Board of Directors meeting held on 17/10/2012, the Board assessed the status and progress of the work carried out to date by the relevant structures within the company, with the support of an appointed advisor, in connection with a denunciation presented in accordance with Art. 2408 of the Civil Code, by business partner Amber Capital, as well as related requests for information made by the board of statutory auditors, ("Il Collegio Sindacale") also in accordance with Art. 2408 of the civil code.

As a result of this assessment, the Board provided the "Collegio Sindacale" with all the information necessary for it to present at Fondiaria-SAI's shareholders' meeting, originally scheduled for the 29 and 30 October 2012, its final report on the disputed matter, which also took account of the powers delegated to the "Commissario *ad acta*" that was in the meantime nominated by ISVAP.

Following the appointment of the "Commissario *ad acta*", Fondiaria-SAI's meeting was not called as originally scheduled and the report required by the Committee of Independent Directors was provided to the Commissario *ad acta* for his consideration.

Similarly, the Board of Directors of Milano Assicurazioni and the special-appointed Committee of Independent Directors, with the support of an advisor, conducted investigations and reported its findings to the parent on relevant matters. It also identified instances where possible claims for damages and compensation can be instituted, which would eventually be proposed at the meeting.

Disclosure of business combination

In accordance with IFRS 3 – Business combinations, the acquirer has to present goodwill separately from the amounts of assets acquired and liabilities assumed, which should be recognised and classified or designated taking into account the contractual terms, economic conditions, its accounting policies or operational principles and other relevant factors in existence at the date of acquisition. The acquirer must furthermore recognise and measure all assets and liabilities at their acquisition date fair value. IFRS 3 provides for a one year measurement period during which the acquirer may adjust, retrospectively to the acquisition date, the acquired assets' and liabilities' initial provisional fair values on the basis of information that became known after the acquisition date but which relates to facts and circumstances that existed at the acquisition date.

The identification and valuation of assets acquired and liabilities assumed by Unipol as part of the business combination with Premafin Group is complex due both to the diversification of the business areas within the acquired Group, as well as to the significance of the investment and insurance portfolios acquired. Unipol, in collaboration with Premafin/Fondiaria-SAI, has promptly set up technical working groups with the objective of identifying, classifying and valuing assets acquired and liabilities assumed in the business combination, together with identifying any differences in accounting policies and valuation principles adopted by the two Groups. The technical groups' work is in progress, with the aim of presenting, in the financial statements for the year ending 2012, substantially final values for most of the assets acquired and liabilities assumed.

Given that the fair value of the assets acquired and liabilities assumed at the acquisition date have not yet been determined due to the reasons detailed above, the business combination has been recognised in the interim financial report for the nine months to 30 September 2012 at the values reported in Premafin Group's half-yearly interim financial report, as this represents the statement of financial position at the nearest date to the acquisition date.

Initial, provisional values ascribed to the acquisition for the purpose of this Interim Financial Report at 30/9/2012 are summarised in the table below.

These values may, particularly in respect of investments, financial liabilities, and the implicit value of Life and Non-life insurance business, be subject to adjustments which may be significant.

	<i>Values in millions of Euros</i>	amount
Intangible assets		44
Property plant and equipment		379
Reinsurer's share of technical provisions		759
Investments		32,354
Other assets and receivables		4,139
Cash and cash equivalents		2,002
Provisions		-317
Technical provisions		-33,535
Financial liabilities		-2,921
Trade and other payables		-1,496
Total identifiable net assets		1,409

<i>Values in millions of Euros</i>	amount
Consideration paid at the date of acquisition	510
Value of the non-controlling interest in Gruppo Premafin	1,187
Net value of identifiable assets and liabilities	-1,409
Goodwill	288

The consideration transferred on the acquisition date was settled in cash and corresponds to the consideration paid by Unipol for the acquisition of shares in Premafin and Fondiaria-SAI, net of commissions payable to the underwriting syndicate. Unipol's direct acquisitions of Premafin and Fondiaria-SAI shares, as previously described, have been considered together for the purposes of accounting for the business combination as all shares were acquired as part of the same transaction to acquire control over the Premafin/Fondiaria-SAI Group. Non-controlling interests have been recognised as their proportionate share (direct and indirect holding) of the net assets acquired.

The value of goodwill, albeit provisionally measured, has been determined by reference only to the portion attributable to the Unipol Group. This has been calculated on the basis of the net assets acquired, after elimination of goodwill, as reported in Premafin Group's consolidated financial statements, after taking into account any related tax implications.

SUMMARY OF GROUP'S FINANCIAL HIGHLIGHTS

	30/9/2012	30/9/2011	31/12/2011	30/9/2012 on a comparable basis
<i>Values in Millions of Euro</i>				
Non-Life Business Direct premium	4,302	3,071	4,333	3,004
<i>change % ⁽¹⁾</i>	<i>40.1</i>	<i>3.5</i>	<i>2.1</i>	<i>-2.2</i>
Life Business Direct premium	2,853	3,944	4,588	1,918
<i>change % ⁽¹⁾</i>	<i>-27.7</i>	<i>15.2</i>	<i>-3.1</i>	<i>4.7</i>
<i>of which Life investment contracts</i>	<i>86</i>	<i>122</i>	<i>142</i>	<i>79</i>
Direct premium	7,156	7,015	8,921	4,922
<i>change % ⁽¹⁾</i>	<i>2.0</i>	<i>9.7</i>	<i>-0.6</i>	<i>0.4</i>
Bank Deposits	10,543	10,109	9,583	9,600
<i>change % ⁽²⁾</i>	<i>10.0</i>	<i>8.7</i>	<i>3.1</i>	<i>0.2</i>
Annual Premium Equivalent (APE) Long term business - Group's share	n.d.	175	248	189
<i>change % ⁽¹⁾</i>		<i>-29.7</i>	<i>-30.8</i>	<i>7.7</i>
Non-Life Loss ratio - direct business	75.0%	75.6%	73.2%	72.0%
Non-Life Expense ratio - direct business	23.7%	22.5%	22.3%	23.6%
Non-Life Combined ratio - direct business	98.7%	98.1%	95.5%	95.5%
Net income from financial instruments (excluding Assets and Liabilities designated at fair value)	918	749	834	676
<i>change % ⁽¹⁾</i>	<i>22.5</i>	<i>-12.5</i>	<i>-26.7</i>	<i>10.7</i>
Consolidated result	146	72	-94	181
<i>change % ⁽¹⁾</i>	<i>100.9</i>	<i>59.9</i>		<i>149.4</i>
Investments and cash and cash equivalents	72,015	35,157	34,167	36,982
<i>change % ⁽²⁾</i>	<i>110.8</i>	<i>1.4</i>	<i>-1.4</i>	<i>8.2</i>
Technical reserves	55,713	22,315	22,039	22,425
<i>change % ⁽²⁾</i>	<i>152.8</i>	<i>0.3</i>	<i>-0.9</i>	<i>1.8</i>
Financial liabilities	16,174	12,813	12,829	13,422
<i>change % ⁽²⁾</i>	<i>26.1</i>	<i>1.3</i>	<i>1.4</i>	<i>4.6</i>
Equity attributable to the owners of the parent	4,785	3,260	3,078	
<i>change % ⁽²⁾</i>	<i>55.4</i>	<i>-10.6</i>	<i>-15.6</i>	
No. of employees	15,693	7,614	7,638	7,737

(1) Variances in financial results are expressed as a % movement from 30/9/2011 results

(2) Variances in assets and liabilities are expressed as a % movement from 31/12/2011 balances

Other performance indicators

The following indicators - APE, loss ratio, expense ratio and combined ratio - are not prescribed by international accounting standards, but are in practice generally accepted and commonly used as financial and economic indicators within the industry.

Indicators at 30/9/2012 are illustrated **on a comparable basis**, after excluding Premafin Group's contribution to results during the third quarter of 2012.

Annual Premium Equivalent - APE

<i>Values in Millions of Euro</i>	sep-12	set-11	june-12	dec-11
Recurring annual premiums (pro-rata)	28	30	20	52
Single premiums (pro-rata)	1,609	1,453	850	1,955
Total new Life business (pro-rata)	1,637	1,483	870	2,007
APE pro-rata	189	175	105	248
<i>change %</i>	<i>7.7%</i>	<i>19.9%</i>	<i>-18.1%</i>	<i>8.3%</i>

Loss ratio (direct and gross of reinsurance) - Non-Life Business

<i>Values in Millions of Euro</i>	sep-12	set-11	june-12	dec-11
Direct premiums (gross of reinsurance)	3,183	3,246	2,130	4,361
Direct claims (gross of reinsurance)	2,291	2,454	1,543	3,193
Loss ratio	72.0%	75.6%	72.4%	73.2%

Expense ratio (direct and gross of reinsurance) - Non-Life Business

<i>Values in Millions of Euro</i>	sep-12	set-11	june-12	dec-11
Direct premiums (gross of reinsurance)	3,004	3,071	2,146	4,333
Direct operating expenses (gross of reinsurance)	708	691	495	965
Expense ratio	23.6%	22.5%	23.1%	22.3%

Combined ratio (direct and gross of reinsurance) - Non-Life Business

	sep-12	set-11	june-12	dec-11
Loss ratio	72.0%	75.6%	72.4%	73.2%
Expense ratio	23.6%	22.5%	23.1%	22.3%
Combined ratio	95.5%	98.1%	95.5%	95.5%

Life business **APE** measures the volume of new business as a proportion of the total volume of Life business. New business is calculated as the sum of all recurring new premiums and one tenth of the new single premiums. This indicator is typically used in conjunction with the value of in-force business and the value of new Life business, in assessing the Life business performance of the Group.

Loss ratio is a principal indicator of profitability of Non-life insurance business. It equates the ratio of cost of direct claims incurred to direct premium income.

Expense ratio is a percentage indicator, it equates the ratio of operating expenses (excluding commissions from indirect insurance business) to direct premiums.

Combined ratio is an indicator that measures the result on the Non-life underwriting account and is calculated as the sum of the loss ratio and the expense ratio.

Performance review

The business combination with Premafin Group took place at the beginning of the third quarter 2012 and therefore this Interim Financial Report consolidated only Premafin Group's results for the third quarter of the year. For the purpose of greater comparability and understandability of movements in performance indicators, the comments below will address movements "on a comparable basis" by excluding Premafin Group. The performance for the first nine months of the year of the Premafin Group will then be analysed separately.

Business performance, on a comparable basis

In the first nine months of 2012, the Group continued to register positive results, notwithstanding significant claims registered, and other adverse economic effects, in relation to the earthquake activity in Emilia, Veneto and Lombardy in May. In the third quarter 2012, these led to further adjustments to technical provisions and further claims being reported. The adverse effects were largely absorbed by reinsurance.

The effects of the recession that the euroarea is currently facing, especially in Italy, are always more evident and the insurance market, both Life and Non-life business are experiencing the repercussions.

Non-life direct premiums, on a comparable basis, amounted to euro 3,004 million (-2.2% over 2011 third quarter results), of which euro 1,838 million was in the Motor classes and euro 1,166 million was on Non-motor. In the MV TPL class of business, an improvement in technical results was registered, despite the selective underwriting policy. Premiums on this class of business amounted to euro 1,615 million (-1.9% compared to 2011 third quarter). The MV damage class suffered a larger drop equivalent to euro 223 million (-9.8%), mainly arising due to the sharp decrease in the number of car registrations.

The direct insurer Linear (telephone/internet), operating in the motor class of business was successful and continued to expand its activities. Premiums during the first nine months of 2012 amounted to euro 164 million, representing a growth of 11.5%.

On the contrary, Arca Assicurazioni's level of business fell following deregulation on the agency channel which has not yet compensated the decrease in activity arising in the bank branch channel, which to date is the only distribution channel used by the company.

Non-motor lines of business registered premiums of euro 1,166 million. These represent a decrease of 1%, and is mainly attributable to continued adherence to strict underwriting selective criteria and to the effects of the economic crisis, that is also impacting the level of business at Unipol Assicurazioni.

Unisalute contributed positively to the Group results (premiums amounted to euro 187 million, +12.7% compared to the same period last year). Unisalute specialises in health insurance business and it continues to extend its distinguishing business model, with positive technical results.

The improvement in the MV TPL core technical indicators, such as the loss ratio, show that the technical result of the Group has improved mainly due to a decrease in the number of claims reported, compared to the same period last year. On the Non-motor classes, the technical result is currently impacted by an elevated frequency of claims linked to freezing climatic conditions, the heavy snowfalls over a number of Italian regions which occurred in February, and especially the May earthquakes in Emilia and surrounding areas reserved at circa euro 100 million (circa euro 50 million net of reinsurers' share).

Notwithstanding the obvious earthquake effects on claims incurred (estimated at 3 basis points) in the first nine months of 2012, the Group registered a 72% loss ratio compared to 75.6% in the nine months to September 2011 and 73.2% at the financial year end 2011.

The expense ratio on direct business stood at 23.6%, an increase over the 22.5% registered at the end of the third quarter of 2011. The increase is attributable both to a decline in premiums as well to the increase in acquisition costs related principally to supplementary agents' provisions and to costs associated with the so-called "scatole nere" (Unibox policies). In accordance with a recent deregulation decree "Liberalizzazioni" the latter are to be borne by insurance companies.

The Group therefore registered, on a comparable basis, a combined ratio (on direct business) of 95.5% at the end of the third quarter of 2012. After excluding the effect of the earthquakes, a loss ratio of 92.5% arises. This represents a 5.6% improvement over the 98.1% registered at the third quarter of 2011 and a drop of more than 3% when compared to the 2011 year end position (95.5%).

The combined ratio net of reinsurance, which is typically higher than the ratio on direct business due to elevated existing costs of obtaining security, was actually 94.2%. This is marginally lower than the direct combined ratio, due to the effect of high reinsurance recoveries on the Emilia earthquakes claims.

Life business continues to be negatively affected by repercussions of the economic crisis, particularly the decreased savings capacity of Italian households (-12.1% during the first six months of 2012; Source ISVAP). The Group's direct premiums for the nine months ended 30 September 2012, (on a comparable basis), amounted to euro 1,918 million, a growth of 4.7% over the euro 1,832 million premiums in the first nine months of 2011¹.

Unipol Assicurazioni contributed to the growth with premiums of euro 1,490 million, (+17% compared to the same period of the previous year), principally due to the introduction of two new mandates in the Guaranteed Closed-Ended Funds (class VI) which generated premiums of euro 411 million.

Decreases were registered by Arca Vita e Arca Vita International that generated premiums of euro 427 million (-23.5% over the first nine months of 2011).

As illustrated above, the volume of new business in pro-rata APE terms for the first nine months of 2012 amounts to euro 189 million, compared to euro 175 million at 30 September 2011 (comparable basis). Euro 160 million of the amounts were generated by Unipol Assicurazioni and euro 29 million by the companies forming part of the Arca Group.

As concerns the **management of investments** within insurance business companies, the financial markets registered ups and downs during the nine months up to 30 September 2012. At the beginning of the year, markets registered significant recoveries in the prices of securities, but this was nearly nullified in the second quarter, amongst concern about the sustainability of sovereign debt of certain European states, including Italy. In September, the financial markets registered improvements triggered by the ECB's decision to approve, albeit in prescribed instances, the unlimited purchase of government bonds of euro zone countries. This decision reassured investors and encouraged a recovery of Italian government bonds and equity markets.

Within this background, gross return on investments credited to the income statement for the nine months up to 30 September 2012 approximated 4.3%. In view of the constant uncertainty surrounding the financial markets, the Group's investment policies remain prudent and aim at maintaining an appropriate risk/return balance whilst also placing a right balance between assets and policyholder liabilities.

In the **banking business segment**, the main focus continues to be the consolidation of funding sources and redevelopment of lending with the principal aim of establishing balance sheet equilibrium. On the funding side, the Group participated in the ECB's LTRO (*Long Term Refinancing Operation*) offer which took place in the first quarter and which resulted in the Group taking out loans amounting to euro 600 million, maturing in 2015 and subject to relatively low interest rates (currently 0.75%). Following this transaction, the total amount of LTRO subscribed by Unipol Banca reached euro 850 million.

¹ The figure as at 30 September 2011 restated to "the comparable basis" excludes Bnl Vita, that had been disposed of during 2011. Its premiums amounted to euro 2,112 million during the period.

As for lending, the Bank persevered with implementing its guidelines that focus on retail and small business - the Group's core market. The growth in this client base, balanced out the reduction in exposure to corporate clients. Total lending volume was substantially aligned to year-end 2011.

In the face of the ongoing economic crisis, with the heightened credit risk and the resulting strengthening of provisions on non-performing loans that ensued, the banking business segment registered a positive net result and an improvement over the same period up to 30 September 2011. Repurchase transactions and optimisation of liabilities, which were carried out during the first 6 months of 2012, coupled with realised capital gains on sale of securities registered in the third quarter, contributed to the positive result.

Performance of the Premafin/Fondiaria-SAI Group

The main trends that characterised Premafin/Fondiaria-SAI Group's performance during the first nine months of 2012 are commented below.

The **Non-life insurance** direct premiums of the Premafin/Fondiaria-Sai Group in the nine months up to 30 September 2012 amounted to euro 4,700 million (-7,6% compared to third quarter 2011 amounts), of which euro 3,201 million in the Motor classes and euro 1,499 million in the Non Motor classes.

The drop in premiums is attributable not only to the difficult economic background but also to the enforcement of selective underwriting policies which include amongst others termination of business in the risky areas, particularly third-party liability.

The improvement in the technical result represented by the decrease in reported claims. With respect to prior year claims run-off, a favourable trend is observed upon claims settlement. Having said that, the group is committed to maintain prudent reserving criteria.

The combined ratio on direct business, recalculated using Unipol's methodology, and including "Other technical items" in premium income, stood at 101.6% at 30 September 2012 (99.3% excluding the negative result of earthquake in Emilia) compared to 103.8% in the first nine months of 2011 and 110.4% at financial year end 2011.

Premium income from **Life insurance business** amounted to euro 2,549 million representing a significant decrease (-22,3%) influenced by prevailing market and bankinsurance conditions. Business is predominantly in traditional Class I products, whereas financial type products suffered considerable decreases.

In relation to **real estate**, 2012 saw rationalisation and containment of costs. The net result of the business segment is affected by impairment charges suffered by the Group and does not include the significant realisation gains that had been registered in 2011.

In the **Banking business segment**, the Premafin/Fondiaria-Sai Group operates principally through Banca SAI, whose result was negatively affected by the impairment of receivables due from the Imco-Sinergia amounting to euro 17 million.

Even the **Other Activities' sector** continues to register negative results primarily attributable to Group owned health facilities, all located in Tuscany, and the failure to finalize an agreement with the Tuscan Region on the burden of overhead costs. The Group results also suffered the negative contribution of Atahotels, a hotel operator, that was caused by reduced turnover brought about by the economic crisis, together with increased operational costs. As from the end of the half-year 2012, the company has been reclassified to "assets held for sale" in view of the intention to dispose of it.

Unipol Group's results at the end of the third quarter 2012 show **consolidated profits of euro 181 million (on a comparable basis)** compared to euro 72 million registered over the same period of the previous year.

Premafin Group registered losses amounting to euro 74 million at 30/9/2012. The result for the third quarter, (pertaining to Unipol Group) is a negative euro 81 million, adjusted to euro 46 million, upon consolidation.

Therefore, **the consolidated result of the Unipol Group at 30/9/2012, including the Premafin Group, amounts to euro 146 million.**

The solvency position at 30 September 2012 has been calculated using provisional values attributed to the business combination with the Premafin Group and the margin of solvency required for Premafin Group at 31/12/2011. The group has excess capital of over euro 2.5 billion and a solvency cover equivalent to circa 1.6 times the required minimum margin.

Insurance business segment

Premiums and investment products

Income, (direct and indirect premiums and investment products), amounted to euro 7,181 million at 30/9/2012 representing an increase of 2% over 30/9/2011. This increase is mainly due to changes in the consolidation scope, namely the inclusion in 30/9/2012 of the numbers of Premafin Group's third quarter income (euro 2,236 million), whereas 30/9/2011 figures include nine months of Bnl Vita (euro 2.112 million). Using a comparable basis, this accounts for an increase of 0.4%.

Life business registered a drop of 27.7%, since the incremental premium income attributable to Premafin Group's third quarter 2012 business, which amounts to euro 936 million, does not compensate for the euro 2,112 million generated by Bnl Vita at 30/9/2011. On a comparable basis, the movement is an increase of +4.6%.

Non-life premiums at 30/9/2012 increased by 39.9%, and include Premafin's Group premiums that amounted to euro 1,300 million. Using a comparable basis, the movement is a negative -2.2%.

All the income from the Non-life business of the Group has been classified as insurance premiums since the business meets the criteria for recognition of insurance contracts as per IFRS 4 (the existence of significant insurance risk).

Within Life business, investment products amount to euro 86 million at 30/9/2012 and arise on Class III (Unit and Index-Linked policies) and Class VI (pension funds).

Consolidated premium

<i>Values in Millions of Euro</i>	30/9/2012		30/9/2011		% change on a comparable basis	
		<i>mix %</i>		<i>mix %</i>	<i>change%</i>	
Non-Life Direct premium	4,302		3,071		40.1	-2.2
Non-Life Indirect premium	25		23		6.7	-0.3
Total Non-Life premium	4,327	60.3	3,094	43.9	39.9	-2.2
Life Direct premium	2,767		3,822		-27.6	7.6
Life Indirect premium	1		2		-28.8	-40.8
Total Life premium	2,768	38.5	3,823	54.3	-27.6	7.5
Total Life investment products	86	1.2	122	1.7	-29.6	-35.4
Total Life premium	2,854	39.7	3,946	56.1	-27.7	4.6
Total premium	7,181	100.0	7,040	100.0	2.0	0.4

Premium income in the third quarter of 2012 only amounted to euro 3,942 million (euro 1,978 million in the third quarter of 2011, +99,3%). On a comparable basis, this accounts to euro 1,706 million (-13,8% over 30/9/2011).

Direct premium income to 30 September 2012 amounts to euro 7,156 million (+2% over 30/9/2011, +0.4% on a comparable basis), constituted by euro 4,302 million from Non-life business (+40.1% and on a comparable basis, -2.2%) and euro 2,853 million from Life business (-27.7% and +4.7% on a comparable basis).

Premafin Group's contribution to direct premium income amounted to euro 1,299 million of Non-life premiums and euro 935 million of Life premiums.

Direct premium

<i>Values in Millions of Euro</i>				values and change on a comparable basis		
	30/9/2012	30/9/2011	change %	30/9/2012	30/9/2011	change %
Total Non-Life premium	4,302	3,071	40.1	3,004	3,071	-2.2
Total Life premium	2,853	3,944	-27.7	1,918	1,832	4.7
Total direct premium	7,156	7,015	2.0	4,922	4,903	0.4

The following tables show indirect premium income and reinsurance outwards premiums respectively:

Indirect business

<i>Values in Millions of Euro</i>				values and change on a comparable basis		
	30/9/2012	30/9/2011	change %	30/9/2012	30/9/2011	change %
Non-Life premium	25	23	6,7	23	23	-0,3
Life premium	1	2	-28,8	1	2	-40,8
Total indirect premium	26	25	4,5	24	25	-2,8

Business ceded

<i>Values in Millions of Euro</i>				values and change on a comparable basis		
	30/9/2012	30/9/2011	change %	30/9/2012	30/9/2011	change %
Non-Life premium	169	104	62,2	101	104	-3,8
<i>Non-Life retention (%)</i>	96,1%	96,6%		96,7%	96,6%	
Life premium	15	16	-8,1	14	16	-12,0
<i>Life retention (%)</i>	99,5%	99,6%		99,2%	99,1%	
Total premium ceded	184	121	52,8	114	120	-4,8
<i>Total retention (%)</i>	97,4%	98,3%		97,6%	97,5%	

Life business

Life business income (direct and indirect) amounts to euro 2,854 million, registering a decrease of 27.7% over 30/9/2011 levels. The figures at 30/ 9/2011 include nine months of Bnl Vita premium income that amounted to euro 2,112 million and that is not included in 30/9/2012 figures as the company had been disposed of in 2011. The inclusion in 2012 of Premafin Group's third quarter premiums, amounting to euro 936 million does not compensate for the decrease in relation to Bnl Vita premiums. On a comparable basis, life business registered an increase of 4.6%

Direct premiums, that make up most of total premium income comprise:

Life direct premium

	Values in Millions of Euro			values and change on a comparable basis		
	30/9/2012	30/9/2011	change %	30/9/2012	30/9/2011	change %
Premium						
I - Whole and term life insurance	1.298	2.894	-55,1	916	1.145	-20,0
III - Unit-linked/index-linked policies	491	361	36,0	0	15	-98,0
V - Capitalisation insurance	217	256	-15,3	162	239	-32,4
VI - Pension funds	761	311	144,6	761	310	145,4
Total Life premium	2.767	3.822	-27,6	1.839	1.710	7,6
Investment products						
III - Unit-linked/index-linked policies	71	110	-35,0	70	110	-36,3
V - Capitalisation insurance	0	3	-100,0	0	3	-100,0
VI - Pension funds	15	10	54,3	9	10	-5,1
Total Life investment products	86	122	-29,6	79	122	-35,4
Total premium						
I - Whole and term life insurance	1.298	2.894	-55,1	916	1.145	-20,0
III - Unit-linked/index-linked policies	562	471	19,4	70	125	-43,8
V - Capitalisation insurance	217	259	-16,3	162	242	-33,3
VI - Pension funds	776	321	141,9	770	320	140,8
Total Life direct premium	2.853	3.944	-27,7	1.918	1.832	4,7

At 30/9/2012 the volume of new business calculated in terms of APE, and excluding non-controlling interests and Premafin group's contribution, stood at euro 189 million (+7.7% on a comparable basis, excluding Bnl Vita from 30/9/2011 figures).

Unipol Assicurazioni represents euro 160 million of the consolidated amounts (+15.1%), whereas Arca Group's amounts stood at euro 29 million (-21.4%), and Linear life's contribution to this was immaterial.

In the Closed Pension Funds business, the Unipol Group, via Unipol Assicurazioni, managed a total of 26 mandates (of which 15 are "with guaranteed capital and/or minimum return") at 30/9/2012. Total funds under management amounted to euro 3,335 million (of which euro 1,996 million with guaranteed capital). At 31/12/2011 funds under management amounted to euro 2,690 million, of which euro 1,557 million were with guaranteed capital.

In relation to Open Ended Pension Funds, effective 1 July 2012, the funds "Unipol Futuro" and "Aurora Previdenza" were merged into the open ended pension fund "Unipol Previdenza". The merger was effected in order to rationalize the Group's pension offer and to maximize the efficient management of the funds involved.

At 30/9/2012 equity of the funds "Unipol Previdenza" and "Unipol Insieme" reached a total of euro 311 million and 24,876 fund members (euro 271 million and 22,178 fund members at 31/12/2011).

The traditionally Non-life business insurer **Unipol Assicurazioni** generated direct Life premium income of euro 1,490 million, representing an increase of 17% mainly on class VI which increased from euro 320 million at 30/9/2011 to euro 770 million at 30/9/2012. The significant increase is mainly attributable to the introduction, in the third quarter, of two significant mandates for the management of "guaranteed" pension funds (Fon.Te e Previmoda), on which an extraordinary income of euro 400 million was generated for payment of past stock. An analysis by class of business of Life premium income is provided in the table below:

Unipol Assicurazioni - Total Life Business

	<i>Values in Millions of Euro</i>	30/9/2012	30/9/2011	<i>change %</i>	<i>mix %</i>
I Whole and term life insurance		557	699	-20.3	37.4
III Unit-linked/index linked policies		1	19		0.1
- of which investment products		1	4		
V Capitalisation insurance		162	236	-31.5	10.8
- of which investment products		0	3		
VI Pension funds		770	320	140.8	51.7
- of which investment products		9	10		
Total Life business classes		1,490	1,274	17.0	100.0
- of which investment products		10	16	-37.2	

The Life companies forming part of the **Arca Group** (Arca Vita and Arca Vita International) generated direct premium income of euro 427 million at 30/9/2012, a decrease of 23.5% over 30/9/2011 mainly due to the reduction in Arca Vita International's premiums (-37.2%). An analysis by class of business is illustrated in the table below:

Gruppo Arca - Total Life business

	<i>Values in Millions of Euro</i>	30/9/2012	30/9/2011	<i>change %</i>	<i>mix %</i>
I Whole and term life insurance		358	445	-19.7	83.8
III Unit-linked/index linked policies		69	106	-35.1	16.2
- of which investment products		69	106		
V Capitalisation insurance		0	6	-99.1	0.0
Total Life business		427	558	-23.5	100.0
- of which investment products		69	106	-35.1	

Direct life insurance company, **Linear Life's**, contribution to the Group's premium income at 30/9/2012 is considered relatively insignificant. The company sells life policies online.

Premafin Group's premium income amounted to euro 2,549 million (euro 3,279 million at 30/9/2011), of which euro 935 million related to the third quarter of the year consolidated in the Unipol Group. The table below contains an analysis by class of business.

Gruppo Premafin - Total Life business

	<i>Values in Millions of Euros</i>	30/9/2012	30/9/2011	<i>change %</i>	<i>mix %</i>
I Whole and term life insurance		1,540	1,002	53.7	60.4
III Unit-linked/index linked policies		795	2,023		31.2
- of which investment products		6	10		
V Capitalisation insurance		189	226	-16.2	7.4
VI Pension funds		24	27	-11.6	0.9
- of which investment products		24	27		
Total Life business		2,549	3,279	-22.3	100.0
- of which investment products		30	37	-19.2	

Direct premiums of **Fondiarria-SAI** in the third quarter of 2012 amount to euro 560 million, representing a reduction over the euro 713 million at 30/9/2011.

Premium income generated through **bank branches** amounted to euro 1,698 million, representing 67% of total direct premiums (70% at 31/12/2011).

The company **Lawrence Life** registered premium income amounting to euro 724 million through the issuance of two unit-linked products, with 5-year duration (against premium income of euro 1,888 million at September 2011).

Non-life business

Total premiums (direct and indirect) on the non-life portfolio amounted to euro 4,327 million at 30 September 2012 (+39.9% over 30/9/2011, -2.2% on a comparable basis).

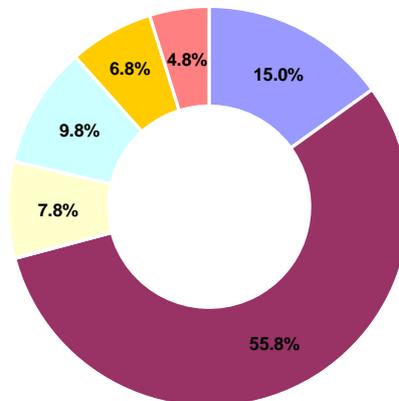
Direct premiums amount to euro 4,302 million (+40.1%, -2.2% on a comparable basis). **Indirect** premiums amount to euro 25 million (+6.7%, -0.3% on a comparable basis).

An analysis by main classes of Non-life business including variances over 30/9/2011, is included in the table below:

Values in Millions of Euro	values and change on a comparable basis					
	30/9/2012	30/9/2011	change %	30/9/2012	30/9/2011	change %
Motor vehicle third-party liability, sea, lake and canal vessels (classes 10 and 12)	2,400	1,646	45.8	1,615	1,646	-1.9
Motor vehicle damage (class 3)	338	247	36.6	223	247	-9.8
Total Motor premium	2,738	1,893	44.6	1,838	1,893	-2.9
Accident and health (classes 1 and 2)	647	515	25.5	538	515	4.3
Fire and other damage to property (classes 8 and 9)	421	292	44.1	280	292	-4.3
General third party liability (class 13)	292	224	30.5	215	224	-3.9
Other classes	204	146	39.8	133	146	-8.9
Total Non-motor premium	1,564	1,178	32.8	1,166	1,178	-1.0
Total Non-Life premium	4,302	3,071	40.1	3,004	3,071	-2.2

General Business Premium percentage mix

- Accident and Health
- Motor vehicle third-party liability
- Motor vehicle damage
- Fire and other damage to property
- General third-party liability
- Other classes



Premium income generated by the non-life insurer **Unipol Assicurazioni** totalled euro 2,565 million (-2.8%). The drop in Motor class premiums (-2.6%) concerns both the MV TPL class, on which the reduction in customer base was not compensated by the increase in average premium, as well as the motor damage class - negatively affected by the sharp drop in car sales. On the Non-motor classes (-3.2%) the decrease in premiums is more pronounced on commercial business. On one hand commercial business has been impacted by recovery plans and restrictive underwriting policies, (especially on the TPL class of business and business with public entities), and on the other hand is facing adverse economic conditions.

Unipol Assicurazioni - Non-Life Direct Business

	<i>Values in Millions of Euro</i>	30/9/2012	<i>mix. %</i>	30/9/2011	<i>mix. %</i>	<i>change %</i>
Motor vehicle third-party liability, sea, lake and canal vessels (classes 10 and 12)		1,437		1,462		-1.7
Motor vehicle damage (class 3)		203		222		-8.6
Total Motor premium		1,641	<i>64.0</i>	1,685	<i>63.8</i>	<i>-2.6</i>
Accident and health (classes 1 and 2)		325		325		-0.1
Fire and other damage to property (classes 8 and 9)		269		280		-3.8
General third party liability (class 13)		210		218		-3.9
Other classes		120		131		-8.5
Total Non-motor premium		924	<i>36.0</i>	955	<i>36.2</i>	<i>-3.2</i>
Total Non-Life Business premium		2,565	<i>100.0</i>	2,640	<i>100.0</i>	<i>-2.8</i>

The Non-life business companies within the **Arca Group** (Arca Assicurazioni e ISI Insurance) generated direct premiums of euro 88 million at 30/9/2012, a decrease of 25.1% over 30/9/2011.

The drop in volume of business is attributable to the reorganisation of the distribution channels especially the deregulation of the agency channels in subsidiary Arca Assicurazioni S.p.A., but also to actions intended at rebalancing the MV TPL class of business. On the agency and other intermediaries' channel, a reduction of 88.8% in volume of business has been registered. Premium income through the bank branches channel registered an increase of 3.9% at 30/9/2012 when compared to the same period in 2011.

Gruppo Arca - Non-Life Direct Business

	<i>Values in Millions of Euro</i>	30/9/2012	<i>mix %</i>	30/9/2011	<i>mix %</i>	<i>change %</i>
Motor vehicle third-party liability, sea, lake and canal vessels (classes 10 and 12)		40		62		-34.7
Motor vehicle damage (class 3)		5		10		-48.3
Total Motor premium		46	<i>51.9</i>	72	<i>61.3</i>	<i>-36.6</i>
Accident and health (classes 1 and 2)		19		18		7.4
Fire and other damage to property (classes 8 and 9)		10		12		-14.3
General third party liability (class 13)		5		5		-4.1
Other classes		8		10		-25.3
Total Non-motor premium		42	<i>48.1</i>	45	<i>38.7</i>	<i>-6.9</i>
Total Non-Life Business premium		88	<i>100.0</i>	117	<i>100.0</i>	<i>-25.1</i>

Direct premium income of the **Premafin Group** amounts to euro 4,700 million (euro 5,084 million at 30/9/2011), of which euro 1,299 million is attributable only to the third quarter and therefore pertains to the Unipol Group.

Gruppo Premafin - Non-Life Business						
<i>Values in Millions of Euro</i>	30/9/2012	<i>mix %</i>	30/9/2011	<i>mix %</i>	<i>change %</i>	
Motor vehicle third-party liability, sea, lake and canal vessels (classes 10 and 12)	2,779		2,984		-6.9	
Motor vehicle damage (class 3)	422		479		-12.0	
Total Motor premium	3,201	<i>68.1</i>	3,464	<i>68.1</i>	<i>-7.6</i>	
Accident and health (classes 1 and 2)	402		432		-7.0	
Fire and other damage to property (classes 8 and 9)	530		559		-5.2	
General third party liability (class 13)	313		343		-8.6	
Other classes	255		287		-11.3	
Total Non-motor premium	1,499	<i>31.9</i>	1,621	<i>31.9</i>	<i>-7.5</i>	
Total Non-Life Business premium	4,700	<i>100.0</i>	5,084	<i>100.0</i>	<i>-7.6</i>	

The decrease in direct premiums on the MV TPL class reflects the implementation of policies providing for vigorous underwriting reforms on multi-claim portfolios and the continued influence of the "Bersani" regulations, particularly with respect to the mechanism known as "Bonus / Malus". Motor classes were also negatively impacted by the decrease in car registrations.

As concerns non motor LoB, the level of premiums suffered mainly because of the restructuring of commercial insurance portfolios, intended at restricting business with sectors that are now associated to structural negative results. The deterioration is also due to the difficulties encountered by the retail sector which is heavily affected by the economic crisis, and more specifically, the contraction in households' disposable income.

Fondiarria-SAI generated direct premium income of euro 2,529 million (-5.9%), of which euro 1,743 million in the Motor classes (-6.3%).

The subsidiary company, **Milano Assicurazioni** contributed euro 1,998 million (-7.8%) to premium income, registering a decrease of 8.6% in the Motor classes and of 5.6% in the other Non-life classes.

Specialised companies (Linear and Unisalute) generated direct premiums of euro 351 million (+12.1%) at 30/9/2012. **Linear** generated direct premiums amounting to euro 164 million, an increase of 11.5% over 30/9/2011. **Unisalute** produced premium income of euro 187 million, an increase of 12.7% over 30/9/2011.

Performance of the insurance business segment

In total, the Group's insurance business segment **registered profits before tax of euro 437 million**, euro 408 million on a comparable basis (euro 269 million at 30/9/2011, +62,5% and +70,9% on a comparable basis).

Life business generated profits of euro 112 million, euro 62 million on a comparable basis (euro 129 million at 30/9/2011, -13% and -37.4% on a comparable basis).

Non-life business reported profits of euro 325 million, euro 346 million on a comparable basis (euro 140 million at 30/9/2011).

Premium - net of reinsurance

Values in Millions of Euro	30/9/2012	30/9/2011	change %	values and change on a comparable basis		
				30/9/2012	30/9/2011	change %
Non-Life Premium	4,604	3,164	45.5	3,092	3,164	-2.3
Life Premium	2,753	3,807	-27.7	1,826	1,695	7.7
Premium	7,357	6,972	5.5	4,918	4,860	1.2

Net claims incurred - net of reinsurance

Values in Millions of Euro	30/9/2012	30/9/2011	change %	values and change on a comparable basis		
				30/9/2012	30/9/2011	change %
Net claims incurred - Non-Life	-3,412	-2,436	40.1	-2,183	-2,436	-10.4
Net claims incurred - Life (*)	-3,147	-4,057	-22.4	-2,140	-1,887	13.4
Net claims incurred	-6,559	-6,492	1.0	-4,323	-4,322	0.0

(*) include the net proceeds of assets and liabilities designated at fair value

A comparison using the same basis indicates that the **loss ratio** on direct Non-life business (an indicator measuring the ratio of claims to attributable premiums) stood at 72% (75.6% at 30/9/2011). The trend which saw the volume of claims reported decreasing continued up to 30/9/2012 and was felt on the main classes of business in which the Group underwrites business.

Number of claims reported by class (except Motor TPL) on a comparable basis

	30/9/2012	30/9/2011	change %
Motor vehicle damage (class 3)	105,119	112,402	-6.5
Accident (class 1)	73,103	119,527	-38.8
Health (class 2)	1,526,461	900,432	69.5
Fire and other damage to property (classes 8 and 9)	96,597	137,448	-29.7
General third party liability (class 13)	43,287	91,309	-52.6
Other classes	123,484	256,240	-51.8
Total	1,968,051	1,617,358	21.7
Total net of the Health class	441,590	716,926	-38.4

The increase of 21.7% in claims reported (excluding MV TPL class) is attributable to the Sickness class of business (+69.5%), driven by the expansion of Unisalute's portfolio and the increasing relevance of supplementary health funds (fondi sanitari) within Unipol Assicurazioni that are characterised by the presence of increasingly utilised prescription charges (ticket sanitari) and the low average cost.

In relation to the MV TPL class, to which the direct indemnity agreement ("Convenzione Risarcimento Diretto" known as "Card") applies, claims reported in the first nine months of 2012 in relation to "caused "

claims (Non Card + debtor Card claims) amounted to 243,074, equivalent to a 16.4% decrease compared to the same period of the previous year. An amount of 197,611 reported claims fall under the Direct Indemnity Agreement (debtor Card claims) representing 81.3% of the total claims (debtor Card + Non Card). Claims reported through the "Card Gestionaria", "CARD" handler amounted 198,901, a drop of 17.2%. The settlement rate for the latter stood at 67.9%, a 0.9 basis points decrease over 2011. The average settlement cost registered a decrease of 3.3%.

In the MV TPL class, the improvement in profitability over 2011 levels continued, and is mainly attributable to decreases in distances travelled as well as rigorous underwriting policy on fleet business.

The technical result on Non motor classes was negatively affected by increased significant claims linked to freezing climatic conditions, heavy snowfalls in February and of most significance, the earthquakes in Emilia and surrounding areas in May. The cost of these claims is approximately euro 100 million at 30 September (circa euro 50 million net of reinsurers' share).

Operating expenses - net of commissions received from reinsurers

Values in Millions of Euro				values and change on a comparable basis		
	30/9/2012	30/9/2011	change %	30/9/2012	30/9/2011	change %
Operating expenses - Non-Life Business	-1,002	-681	47.2	-703	-681	3.3
Operating expenses - Life Business	-138	-115	20.2	-82	-91	-9.9
Total operating expenses	-1,140	-796	43.3	-785	-771	1.7

On a comparable basis, the *expense ratio* for direct Non-life business, (totals operating expenses, gross of commissions received from reinsurers and investment management expenses as a percentage of direct premium income), stood at 23.6% (22.5% at 30/9/2011). The increase in this ratio is attributable to the decrease in premiums, but also to increased legal acquisition costs, related principally to supplementary agents' costs and to costs associated with the so-called "scatole nere" (Unibox policies). In accordance with a recent deregulation decree "Liberalizzazioni" the latter are to be borne by insurance companies.

On a comparable basis, the *combined ratio*, on direct business, stood at 95.5% at 30 September 2012 (98.1% at 30/9/2011). This indicator is a summation of the loss ratio (72%) and the expense ratio (23.6%).

As concerns **Premafin Group**, the number of claims reported (excluding DDOR Novi Sad data) totalled 1,254,091 (-10.7% compared to 30/9/2011). In particular, a significant decrease was registered on MV TPL claims (-17.9%), MV damage (-21%), Accident (-14.5%) and general third party liability (-13.5%).

On MV TPL, the positive decreasing trend with respect to the frequency of claims reported continued. The trend was driven both by a general market improvement in the area as well as by decisions taken on the portfolio since 2010. This, in addition to ongoing monitoring by the anti-fraud section within the Group.

The following are technical indicators for companies forming part of the **Premafin Group** at 30/9/2012:

- Loss ratio 75.5% (78% at 30/9/2011)
- OTI ratio (percentage other technical income of premium income) 3.1% (2.8% at 30/9/2011)
- Expense ratio 23% (23% at 30/9/2011)
- Combined ratio 101.6% (103.8% at 30/9/2011).

Banking business segment

The business combination with Premafin Group resulted in an increase of 4 companies in the banking segment: Banca SAI, Finitalia, SAI Investimenti Sgr and SAI Mercati Mobiliari Sim.

Performance of the Unipol Banca Group

The Unipol Banca Banking Group's **direct customer deposits** increased by euro 17 million reaching approximately euro 9.6 billion. Given the decrease in deposits by Unipol group companies, amounting to euro 212 million, the stability in overall deposits results exclusively from positive results achieved from retail customers, and reinforces the group's plan to decrease volumes of deposits made by Group companies.

At 30 September 2012 the Banking Group's **indirect customer deposits** stood at euro 20.9 billion (+11.9% compared to December 2011), comprising euro 19.6 billion in assets in custody (+16.1% compared to December 2011) and euro 1.3 billion in assets under management (-27.5% compared to December 2011). The growth in assets in custody was exclusively attributable to Unipol Group's assets (increase of euro 2,802 million), whilst retail customers' assets funds decreased by 5.6% to euro 1,422 million.

Asset under management are in sharp decline in all product types offered. In fact, the trend of customers shifting from these products towards more liquid forms of saving persists. Life policies registered a drop of 41%, whilst funds, including both third parties' and Unipol Fondi's funds, lost between 12% and 14%.

Consistent with direct customer deposits, **loans to customers** remained almost constant at euro 10.1 billion, whilst **interbank loans** amounted to approximately euro 290 million compared to euro 376 million registered at the end of 2011 (-23%).

The Banking Group's net impaired loans amount to euro 2 billion (equivalent to 20.2% of total loans), with provisions of euro 519 million (coverage of 20.4%). In addition, provisions of euro 102 million were recognised by Unipol Group's parent company in respect of loans covered by the indemnity agreement entered into with Unipol Banca in August 2011.

Performance of Banca SAI from 1/1 to 30/9/2012

Banca SAI's assets under management at 30 September 2012 (net of Premafin Group holdings) stood at a euro 1.6 billion (euro 1.5 billion at financial year end 2011).

Indirect deposits (net of group companies' deposits) decreased to euro 638 million at 30 September 2012 compared to euro 659 million at the end of 2011.

Throughout the third quarter of 2012, Banca SAI continued with its plan to contain and reduce lending, which was introduced in 2011 on the basis of a new credit policy, guided by the principle of sound and prudent management and spreading of risk and selectivity.

Excluding the exposure to the subsidiary Finitalia, amounting to euro 103 million in the form of money and current accounts, and an additional amount of euro 76 million relating to bonds subscribed by Banca SAI, the volume of lending activity decreased from euro 679 million in 2011 to euro 625 million at the end of September 2012.

Banca SAI continued to focus on the concept of "spreading risk" both in terms of distribution of the economic activity, and in terms of concentrations to individual customers. More selective criteria have been adopted in managing loan portfolios with the objective of aligning the size and quality of lines of credit offered to customers to the latter's risk profile.

Banca SAI registered losses before tax of euro 15 million during the nine month period to September 2012 (losses of euro 5 million up to 30/9/2011) principally due to a more prudent approach to valuing loan exposures, particularly in respect of debts due from the bankrupt Imco-Singeria Group.

The Banking Business Segment registered **profits before tax** of euro 1 million during the third quarter of 2012 (euro 18 million up to 30/9/2011), to which the Premafin Group contributed losses, for the third quarter of 2012, amounting to euro 13 million.

On a comparable basis, excluding the results of the companies forming part of the Premafin Group, profits before tax amounted to euro 14 million (euro 18 million up to 30/9/2011), predominantly attributable to Unipol Banca. Profit after tax amounts to euro 6 million (euro 2 million up to 30/9/2011).

The table below includes the main income statement line items of the Banking Segment, presented in accordance with income statement formats specific to banks.

Banking Sector	on a comparable basis					Gruppo
	Values in Millions of Euros		change %	30/9/2012	change %	Premafin
	30/9/2012	30/9/2011		30/9/2012		30/9/2012
Net interest income	183	155	17.8	154	-1.1	29
Net commission income	92	92	0.7	79	-13.7	13
Other net financial income	45	5	721.0	44	697.2	1
Gross income	321	253	26.9	277	9.5	44
Net impairment loss on financial assets	-90	-40	127.7	-59	49.4	-31
Net financial result	230	213	8.1	217	2.1	13
Operating costs	229	195	17.4	203	4.3	26
	71.4%	77.2%		73.5%		58.1%
Profit (loss) before tax	1	18	-92.9	14	-23.0	-13

Excluding the Premafin Group results, **Gross income** totalled euro 277 million, registering a growth of 9.5% over the same period of 2011, mainly driven by increases of euro 39 million in banking activities and in particular by gains on the repurchase/settlement of financial liabilities. Increased commission expense contributed to a decline of 13.7% in net commission income, primarily due to commissions amounting to euro 4 million that were paid to the Unipol Group's parent company in relation to a settlement agreement on certain debts, as well as the cost of a guarantee issued by the MEF (Ministry of Economy and Finance) on two bonds issued in January 2012, amounting to euro 4 million.

Operational costs amounted to euro 203 million (euro 195 million up to 30/9/2011), registering an increase of 4.3%.

The cost/income ratio improved from 77.2% up to September 2011 to 73.5% up to 30/9/2012.

Impairment losses amounted to euro 59 million, arising almost entirely on loan exposure (euro 40 million up to 30/9/2011). The increase over September 2011 is due not only to the further deterioration of the macroeconomic background, but also to extraordinary impairments amounting to euro 13 million on loans which had previously already been impaired.

Real estate business segment

The results of the real estate business segment comprise the activities of subsidiaries Immobiliare Fondiaria-SAI and Immobiliare Milano, subsidiary Nit S.r.l., of Fondi Immobiliari Chiusi Tikal R.E. and Athens and of other smaller entities, all of which became in scope for the consolidation upon the business combination with Premafin Group.

In addition, as from this quarterly financial report, the following subsidiaries of Unipol Assicurazioni presented as part of this business segment: Midi, Unifimm, Punta di Ferro, Consider and Covent Garden BO, previously disclosed with the non-life insurance business segment.

The following table includes the main results of the real estate segment, predominantly attributable to Premafin Group (third quarter 2012 results):

Real Estate Sector	Values in Millions of Euro					Gruppo
	30/9/2012	30/9/2011	change %	on a comparable basis		Premafin
				30/9/2012	change %	30/9/2012
Income from investments and financial assets, and participating holdings	19.5	2.1		5.4		14.1
Other income	13.0	1.0		6.7		6.2
Total revenue and income	32.4	3.1	<i>n.s.</i>	12.1	296.9	20.3
Financial charges	-23.6	1.4		-5.2		-18.4
Management expenses	-2.9	0.6		-2.9		-0.1
Other charges	-13.5	1.2		-2.4		-11.1
Total costs and charges	-40.0	3.3	<i>n.s.</i>	-10.5	-418.1	-29.5
Profit (loss) before tax	-7.6	-0.2	<i>n.s.</i>	1.7	<i>n.s.</i>	-9.2

Performance of the Premafin real estate group from 1/1 to 30/9/2012

Losses before tax of the business segment for the nine-month period amount to euro 35 million, as compared to loss of euro 1 million up to 30/9/2011. Included within the 2011 result were certain capital gains.

The result for the period is impacted by depreciation charges on investment property amounting to euro 22 million (unchanged over 30/9/2011), by impairment losses of euro 2 million (euro 5 million at 30/9/2011), and also by the losses arising from the bankruptcy of Imco-Sinergia amounting to euro 11 million (related to development in "Area Castello" undertaken by the subsidiary Nit) and the real estate development in San Pancrazio Parmense through subsidiary Immobiliare Fondiaria-SAI.

Castello Area

With regard to the criminal proceedings before the Court of Florence, in which Fondiaria-SAI SpA is involved, for the offenses referred to in Articles 319 and 320 pursuant to Article 5 and 25 of Legislative Decree no. 231/2001, in relation to the urbanization of the Castello Area situated in the City of Florence, the submission of oral statements during the criminal inquiry has been completed and the process will now continue with the hearings and final determination.

The prosecutors argued that they have supported the accusation by carrying out investigations, drawing their conclusions and demanding information at the hearings dated 26 and 28 March. The Prosecution

asked that the Company be ordered to pay a pecuniary fine of 400 shares with value ranging from a minimum of about euro 250 to a maximum of euro 1,549. They also requested that the Company be banned from contracting with public administration over the next two years and that the plots within the Castello Area for which building permits had been issued, be confiscated.

The prosecutors also required the seizure of the entire area.

With regard to the defence of the Company, a request for acquittal was lodged together with a subordinate hypothesis, that the Company be ordered to pay the pecuniary fine and not be subject to the disqualifying penalties, in consideration of the fact that the Company has adopted an organisation and management model suitable to prevent, amongst other, the committing of offences against Public Administration, like the ones the Company is being accused of. The Florence Tribunal, in a hearing dated 29 June 2012, did not deliver its judgement but ordered, in accordance with the provisions of Art. 507 c.p.p., a supplementary preliminary hearing in order to revisit some submissions already brought before the inquiring court. For these reasons, the trial was therefore adjourned to 9 November 2012 and thereafter re-adjourned to 19 November.

The value of related inventory related to the Area Castello case as at 30/9/2012 amounts to euro 169 million, less than the value determined by the independent expert at 31/12/2011. This amount is considered to be reasonable, if one assumes the continuation of the building project and does not reflect the risks associated with a possible unsuccessful Court judgement.

Holding/Service companies and other activities

Upon the business combination with the Premafin Group, the Holding/Service and Other Activities sector expanded both in terms of the number of companies included in this sector as well as the types of activity. Apart from Unipol Group's parent company and the sub holding Premafin, this sector includes hotel operators, medical and health and any other activity that is not insurance (Life and Non-life), banking and real estate.

The following table shows main results of the holding/service and other activities sector including Premafin Group results for the third quarter:

Holding/service companies and other activities	Values in Millions of Euro					Gruppo Premafin 30/9/2012
	30/9/2012	30/9/2011	change %	on a comparable basis		
				30/9/2012	change %	
Fee and commission income	4	1		4		
Income from investments and financial assets and participating holdings	16	47		14		1
Other income	153	25		23		130
Total revenue and income	173	73	137.9	42	-42.4	131
Financial charges	-62	65		-50		-12
Management expenses	-131	63		-62		-69
Other costs	-141	19		-55		-87
Total costs and charges	-334	148	-326.3	-166	-212.8	-167
Profit (loss) before tax	-160	-75	115.0	-124	66.6	-36

Losses before tax at 30/9/2012 of the Holding/Service and Other Activities sector amount to euro 160 million (-euro 75 million at 30/9/2011), of which euro 36 million related to the Premafin Group.

On a **comparable basis**, the salient elements that characterised this sector's performance are as follows:

- fees for services provided to Group companies, staff secondment and other services amounted to euro 23 million (euro 25 million at 30/9/2011);
- fees and commissions receivable on the Unipol Banca loan settlement agreement amounting to euro 4 million (euro 1 million at 30/9/2011);
- staff costs, other production costs and charges related to the management of holding activities totalling euro 116 million (euro 82 million at 30/9/2011). These costs include euro 50 million in provisions on Unipol Banca's loan settlement agreement (provision of euro 15 million at 30/9/2011);
- financial income/charges and net income on investments amount to euro 1 million (euro 22 million at 30/9/2011, of which euro 12 million represent dividends received from Group companies). An amount equivalent to euro 10 million is included in the charges on investment in subsidiaries. This represents the ancillary costs of acquiring the majority shareholding in Premafin Holding di Partecipazioni;
- interest payable and other charges on financial liabilities amount to euro 38 million (euro 41 million at 30/9/2011).

Performance of the other activities of the Premafin Group from 1/1 to 30/9/2012

Losses before tax of the sector in the first nine months of 2012 amount to euro 80 million. Premafin and entities under its control (which do not include companies forming part of the Fondiaria-SAI Group) contributed to the consolidated result as follows:

- provision for contractual risks amounting to euro 32 million in relation to the OPA SAI case and the dispute with the City of Milan;
- recurring and non-recurring structural and other costs amounting to euro 8 million;
- financial charges amounting to euro 16 million;
- extraordinary debt restructuring charges totalling euro 3 million.

The Cancer Centre Fiorentino Villanova also contributed to the negative result, with registered losses of euro 11 million (losses of euro 10 million at 30/9/2011).

The Atahotels Group, that has been reclassified to discontinued operations registered losses after tax of euro 14 million at the end of the nine-month 2012 period (losses of euro 10 million at 30/9/2011). The losses have been classified as losses on discontinued operations in the income statement.

Asset management

Investments and cash and cash equivalents

Transactions carried out during the period (excluding Premafin Group)

The medium-long term investment policies adopted by the Group during the period were driven by prudence and safeguarding of the quality of assets, in adherence to the guidelines defined in the Group's Investment Policy. Operations were aimed at achieving target profitability that is consistent with the profile of return on assets and maturity of the Group's liabilities over a period of several years.

Investment activity during the first nine months was characterised by maintaining a high quality portfolio, obtained through diversification and selection of financially sound issuers, paying particular attention to asset liquidity.

The main focus of the investment activity was the bonds sector and, in particular, preference was given to medium to long term Italian government bonds. At the start of the year it was decided to reduce the exposure to Spain, in favour of Italian government bonds; action was initiated in September to reduce exposure to Irish government bonds.

Within the life insurance business, yields on domestic government bonds adequately covered the guaranteed minimum returns determined by the Group's liabilities' profile and the return targets set out in the Business Plan.

Advantage of the high volatility that has characterised the domestic bond market was taken during the first nine months of the year by selling call options on Italian government bonds purchased during the year in order to optimize performance.

Within the Life business, the derivatives entered into in 2010 to hedge interest rate exposures and revised last year, were rescheduled through offsetting transactions to reflect the average maturities of related liabilities.

Non-government bond investment activity was focused on the financial sector and short term bonds.

Exposure to subordinated bonds decreased by approximately euro 260 million during the period. The resulting liquidity has mainly been invested in Italian government bonds.

The Covered bond element of the investment portfolio decreased marginally mainly due to the reduction in exposure to securities of Spanish issuers.

The loans sector has registered total net disposals of over euro 800 million.

Investments in shares decreased by approximately euro 90 million in the first nine months of the year. In particular, at the end of the third quarter the Group took advantage of the opportunity presented by the positive trends on the stock market to reduce its exposure to equity investments, whilst at the same time closing the operation of partial coverage, prudently entered into earlier this year. Almost all the stocks in the portfolio are represented on the Eurostoxx 50 index.

Trading in foreign currencies was carried out solely for the purpose of hedging currency risks on shares and bonds within the portfolio.

In the Group's consolidated insurance portfolio, the average duration of the portfolio was 2.60 in Non-life, 3.67 in Life (largely consistent with 3.60 reported in the six monthly interim report), and 0.69 in the Holding segment, registering a decrease due to the liquidity generated from the share capital issue. Overall duration is equal to 3.19.

No major qualitative or quantitative variations were observed in the composition of the bond portfolios. The mix of fixed-rate and floating-rate instruments within the bond portfolio remained stable at 69% and 31% respectively.

Government bonds represent approximately 62% of the bond portfolio, whilst corporate bonds represent 38%, analysed between financial sector bonds (36%) and industrial sector bonds (2%).

The bond portfolio's credit rating continues to be high. 5% of the portfolio is rated between "AAA" and "AA-", while 14% of holdings are rated "A". Exposure to holdings with a credit rating lower than "A" amounts to 81% of the portfolio, mainly due to the downgrading of the Italian government bonds that constitute 54% of the total bond portfolio.

Cash and cash equivalents amounted to approximately euro 800 million, a reduction from approximately euro 1.1 billion at the start of the year, and are mainly deposited with the Group's bank. The cash and cash equivalents have been invested in short and medium term Italian government bonds.

Group investments and cash and cash equivalents totalled euro 72,015 million at 30 September 2012, reflecting an increase of euro 37,848 million over 31/12/2011, of which euro 35,034 million are attributable to the Premafin Group. An analysis by investment category is included in the table below:

Investments and cash and cash equivalents

<i>Values in Millions of Euro</i>	30/9/2012	31/12/2011	change %	on a comparable basis	
				30/9/2012	change %
Real estate (*)	3,928	1,060	270.5	1,098	3.5
Investments in subsidiaries, associates and j-v	162	42	282.4	48	14.4
Investments held to maturity	3,085	1,689	82.7	2,341	38.6
Loans and receivables	18,418	15,250	20.8	14,785	-3.1
<i>Debt securities</i>	6,777	4,754	42.6	4,366	-8.2
<i>Loans and receivables from banking customers</i>	10,473	9,924	5.5	9,918	-0.1
<i>Inter-bank loans and receivables</i>	343	325	5.5	250	-23.0
<i>Deposits with ceding undertakings</i>	39	18	116.6	16	-12.2
<i>Other loans and receivables</i>	786	229	243.6	235	2.6
Available for sale financial assets	34,475	11,985	187.7	14,341	19.7
Financial assets at fair value through profit or loss	10,881	3,900	179.0	4,169	6.9
<i>of which held for trading</i>	567	451	25.9	497	10.3
<i>of which designated at fair value through profit or loss</i>	10,314	3,450	199.0	3,672	6.5
Cash and cash equivalents	1,066	240	344.6	199	-16.8
Total investments and cash and cash equivalents	72,015	34,167	110.8	36,982	8.2

(*) Include property used for own use and those held for sale (IFRS 5)

Net investment income

An analysis of net investment income is included in the table below:

Net income	values and change on a comparable basis						
	Values in Millions of Euros	30/9/2012	30/9/2011	change %	30/9/2012	30/9/2011	change %
Investment Property		2	7		6	7	
Income / charges on investments in subsidiaries, associates and joint ventures		-10	-22		-9	2	
Net income from investments held to maturity		78	58		68	58	
Net income from loans and receivables		356	399		322	383	
Net income from available for sale financial assets		742	648		505	491	
Net income from financial assets held for trading		-32	-143		-23	-132	
Interest on cash and cash equivalents		4	1		0	1	
Total net income from investments and cash and cash equivalents		1,139	948	20.2	868	809	7.3
Net charges on financial liabilities held for trading		-5	2		0	2	
Net charges on other financial liabilities		-216	-200		-193	-201	
Total net charges on financial liabilities		-221	-198	11.6	-193	-199	-3.3
Total net income (excl. instruments designated at fair value)		918	749	22.5	675	610	10.7
Net income from financial assets designated at fair value		397	-150		257	-93	
Net charges on financial liabilities designated at fair value		-129	56		-129	76	
Total net income from instruments designated at fair value		268	-95		128	-17	
Total capital gains and investment income		1,186	655	81.2	803	592	35.6

Impairment losses on equity investments classified as available-for-sale, amounting to euro 11 million were charged to the income statement (euro 74 million up to 30/9/2011, of which euro 9 million related to Bnl Vita). During the nine-month period ended 30/9/2011, the Group had also suffered impairment losses on Greek government bonds amounting to euro 78 million, of which euro 60 million related to Bnl Vita.

Equity

Group equity

Equity attributable to owners of the parent, excluding non-controlling interests, is analysed below:

	<i>Values in Millions of Euros</i>	30/9/2012	31/12/2011	<i>Change</i>
Share capital		3,365	2,699	666
Capital reserves		1,725	1,506	218
Retained earnings and other reserves		152	91	61
(Own shares)		0	0	0
Currency translation differences reserve		0	0	0
Gains / losses on available-for-sale financial assets		-556	-1,091	535
Other gains and losses recognized directly in equity		-31	-19	-12
Profit (loss) for the period/year		130	-108	238
Total equity attributable to the owners of the parent		4,785	3,078	1,707

Equity attributable to owners of the parent, including the result for the period, amounted to euro 4,785 million (euro 3,078 million at 31/12/2011). The increase is attributable to:

- issue of share capital, amounting to euro 1,053 million net of issue costs;
- increase of euro 535 million arising from positive movements in the revaluation reserve relating to available-for-sale financial assets, which increased from losses of euro 1,091 million at 31/12/2011 to losses of euro 556 million at 30/9/2012;
- decrease of euro 12 million arising from negative movements in the cash flow hedge reserve;
- increase of euro 130 million representing the Group's profit for the period.

Equity attributable to non-controlling interests amounts to euro 1,643 million (euro 126 million at 31/12/2011). The increase arose mainly upon the consolidation of the Premafin Group.

Increase in share capital of Unipol Gruppo Finanziario

The offer to shareholders for the acquisition, for cash proceeds, of 422,851,420 ordinary shares and 260,456,660 preference shares of Unipol Gruppo Finanziario S.p.A. closed on 1 August 2012. The increase in share capital had been resolved by the Board of Directors on 21 June and 12 July 2012, in accordance with the powers conferred by the Extraordinary General Meeting of 19 March 2012.

The following were exercised during the period between 16 July 2012 and 1 August 2012:

- 15,407,311 warrants for the subscription of 308,146,220 newly issued ordinary shares of Unipol, accounting for 72.87% of the total ordinary shares offered, and
 - 5,614,776 warrants for the subscription of 112,295,520 newly issued preference shares of Unipol, accounting for 43.11% of the total preference shares offered,
- for total proceeds of euro 725,780,572.00.

In accordance with the commitments made, Finsoe S.p.A. (Unipol's parent company), Novacoop S.c.ar.l., Coop Adriatica S.c.ar.l., Lima S.r.l., MACIF – Société d'assurance mutuelle à cotisations variables and MAIF – Société d'assurance mutuelle à cotisations variables subscribed to 55.50% of the ordinary shares offered, and to 5.49% of the preference share offered.

At closure of the offer period, 5,735,260 warrants to subscribe for a total of 114,705,200 ordinary shares (representing 27.13% of the ordinary shares offered) remained unexercised, together with 7,408,057 warrants to subscribe for a total of 148,161,140 shares (representing 56.89% of the preference shares offered). These shares amounted to a total of euro 373,867,511.50.

Unipol offered the unexercised warrants to the market from 3 to 7 September 2012. Following the closure of the offer on the Stock Exchange, on 13 September 2012 banks forming part of the underwriting syndicate (Barclays, Credit Suisse, Deutsche Bank, Mediobanca, Nomura, UBS Limited, UniCredit Bank AG Milan Branch, Banca Akros, Banca Aletti, Banca Carige and Centrobanca) subscribed, pursuant to the underwriting agreement entered into on 13 July 2012, to all the 86,021,240 unsubscribed ordinary shares (representing 20.34% of the newly issued ordinary shares) and 90,210,600 unsubscribed preference shares (representing 34.64% of the newly issued preference shares) for a total of euro 259,997,815.00.

Unipol's capital increase was therefore completed with the full subscription of 422,851,420 ordinary shares and 260,456,660 preference shares, for a total amount of euro 1,099,648,083.50. The related issue costs amounted to euro 47 million, net of tax.

Unipol Gruppo Finanziario's new share capital therefore amounts to euro 3,365,292,295.47, of which euro 2,082,543,243.71 is represented by ordinary shares and euro 1,282,749,051.76 is represented by preferred shares, all without par value.

The certificate of execution has been filed with the Register of Companies of Bologna, pursuant to art. 2444, first paragraph, of the Civil Code, on 17/ 9/2012.

Issued share capital amounts in total to 717,473,484 shares, comprising 443,993,991 ordinary shares and 273,479,493 preference shares.

634,236,765 Unipol 2010-2013 ordinary share warrants and 390,660,132 Unipol 2010-2013 preference share warrants are also in issue.

Following the acquisition of the Premafin Group, at 30 September 2012, 40,000 treasury shares are held by the subsidiaries Fondiaria-SAI (24,000) and Milano Assicurazioni (16,000). There were no purchase or sale transactions of treasury shares in the third quarter of the year.

Technical reserves and financial liabilities

Technical reserves and financial liabilities					
Values in Millions of Euros	on a comparable basis				
	30/9/2012	31/12/2011	change %	30/9/2012	change %
Technical reserves - General Business	19,563	7,372	165.4	7,304	-0.9
Technical reserves - Long-term Business	36,150	14,667	146.5	15,122	3.1
Total technical reserves	55,713	22,039	152.8	22,425	1.8
Financial liabilities at fair value	2,129	1,458	46.0	1,548	6.2
Other financial liabilities	14,045	11,370	23.5	11,874	4.4
<i>Investment contracts with insurance companies</i>	28	31	-10.6	28	-10.6
<i>Subordinated liabilities</i>	2,591	1,546	67.6	1,550	0.3
<i>Amounts due to banking customers</i>	6,269	5,772	8.6	6,079	5.3
<i>Inter-bank loans</i>	1,495	1,000	49.5	1,495	49.5
<i>Other</i>	3,662	3,022	21.2	2,727	-9.8
Total financial liabilities	16,174	12,829	26.1	13,422	4.6
Total	71,887	34,868	106.2	35,847	2.8

Group debt (excluding net inter-bank deposits)

Values in Millions of Euros	30/9/2012	31/12/2011	change
Subordinated debt issued by Unipol Assicurazioni	964	964	0
Subordinated debt issued by Unipol Banca	586	582	4
Subordinated debt issued by the Gruppo Premafin	1,041		1,041
Debt securities issued by Unipol Banca	1,831	1,917	-86
Debt securities issued by Unipol	765	954	-189
Amount due to banks and other loans of Group Premafin	665		665
Total debt as at 30/9/2012	5,853	4,417	1,435

Debt securities issued by Unipol, excluding those subscribed by group companies and totalling euro 765 million (euro 954 million at 31/12/2011), relate to the 5% fixed-rate senior unsecured bond loan 2009-2016, with a nominal value of euro 750 million, listed on the Luxembourg Stock Exchange.

It should be noted that on 2 July 2012, Unipol repaid, upon maturity, the three-year senior unsecured bond issued on 1 July 2009 which had a par value of euro 175 million.

Further to debt securities issued by Unipol Banca, excluding those subscribed by group companies, and amounting to euro 1,831 million (euro 1,917 million at 31/12/2011), in June 2013, a Public Exchange Offering (Offerta di Pubblico Scambio) offer of euro 444 million, with maturities falling between 2013 and 2020 was made. Euro 303 million had been traded on the conclusion of this bond issue. This enabled Unipol Banca to improve its liquidity position in the medium to long-term, especially in view of the fact that the bonds offered in exchange have a greater duration of 2.8 years, with a spread higher than 1.26%.

The debt of the Permafin Group consists of subordinated debt of euro 1,041 million payable to Mediobanca SpA, and other amounts due to banks and lenders, amounting to euro 665 million, which are constituted as follows:

- euro 377 million relating to Premafin "*Pre-Acquisition Modified Loan Agreement*" covered by the restructuring programme, as part of the recovery plan pursuant to *art. 67 L.F.*;
- euro 111 million arising on the financing concluded in the context of Fondo Chiuso Immobiliare Tikal R.E with Mediobanca. The original euro 119 million financing was granted for the purchase of property and improvement works and as at 30 September 2012 an amount equivalent to euro 5 million had been paid back. The financing cost is represented by the 3-month Euribor topped by 90 basis points. The Fund, since 2008, made use of derivative rates in implementing a policy of hedging the risk of increases in interest rates on the loan.
- euro 88 million refer to the floating and fixed rate bonds issued in 2009 and 2010 by Banca SAI which have varying maturities ranging from 2012 to 2014;
- euro 66 million refer entirely to the subsidiary Immobiliare Fondiaria-SAI, and arise on the loan agreement signed by Marina di Loano with Intesa SanPaolo, and which expires on 17 March 2014 and has an interest rate equivalent to the 300 basis points above the three-month Euribor. The company has utilised a derivative instrument in implementing a policy of hedging the risk of increases in interest rates on the loan;
- euro 24 million relating to financing given to Finadin, a subsidiary, which is subject to amending agreement clauses.

Significant events after the reporting period

"Special" general meeting of Fondiaria-SAI Class B savings shareholders

The special meeting of Fondiaria-SAI S.p.A. Class B savings shareholders, held on 29 October 2012, resolved to approve Unipol Gruppo Finanziario S.p.A Class B savings shareholders' proposal for the appointment of lawyer Giuseppe Dolcetti as the representative for the Class B savings shareholders for the financial years 2012, 2013 and 2014.

Fondiaria-SAI Ordinary and Extraordinary shareholders' meeting

At the Extraordinary Shareholders' Meeting of Fondiaria-SAI SpA, held on 30 October 2012, the shareholders approved the statutory amendments proposed by the Board of Directors, designed to ensure compliance with regulations in relation to gender balance (so-called "quote rosa ") in the composition of the Board of Directors and the Board of Statutory Auditors. The meeting then proceeded as an ordinary meeting and appointed the Board of Directors, until the approval of the 2012 financial statements, taking into account the above requirements. The new Board of Directors represents the new controlling shareholder, and is chaired by Mr Fabio Cerchiai. At the Board meeting, dated 5 November 2012, Mr Carlo Cimbri was appointed Chief Executive Officer.

Outlook

The activities in relation to the business combination with the Premafin/Fondiarria-SAI Group, and to the development of the 2013-2015 have gathered pace.

From a business perspective, **Non-life business** continues to produce favourable results mainly driven by the ongoing application of selective underwriting policies and guidelines. There were no atmospheric conditions and/or natural disasters reported in October 2012. Such events had a significant adverse effect on claims, which, however, have significantly affected the first nine months of the year.

No significant developments were noted in the **Life business**. Unipol Assicurazioni continues to register growth over previous years, mainly arising on pension funds, whilst the other group companies registered declines in business due to the current market conditions that are not conducive to new business, especially single life policies.

With respect to **asset management**, recoveries in value of securities recorded in the month of September continued through October, following from the position taken by the ECB to support the euro. Having said that, the overall picture, especially in our country, is marked by instability that forces the Group to maintain a prudent investment policy and to safeguard the balance between assets and liabilities.

Bologna, 14 November 2012

The Board of Directors

List of subsidiaries fully consolidated

Companies forming part of the Unipol Group that are included in the consolidation - pre Premafin Group acquisition

Name	Registered office	Parent company	Percentage (%) of shares held
Companies included in the INSURANCE BUSINESS SEGMENT			
Arca Assicurazioni Spa	Verona	Arca Vita Spa	98.09%
Arca Direct Assicurazioni Srl	Verona	Arca Vita Spa	100.00%
Arca Inlinea Scarl	Verona	Arca Vita Spa	60.22%
		Arca Assicurazioni Spa	39.78%
Arca Sistemi Scarl	Verona	Arca Vita Spa	82.03%
		Arca Assicurazioni Spa	16.97%
		Arca Inlinea Scarl	1.00%
Arca Vita International Ltd	Dublin	Arca Vita Spa	100.00%
Arca Vita Spa	Verona	Unipol Gruppo Finanziario	63.39%
Centri Medici Unisalute Srl	Bologna	Unisalute Spa	100.00%
Compagnia Assicuratrice Linear Spa	Bologna	Unipol Gruppo Finanziario	100.00%
Isi Insurance Spa (*)	Verona	Arca Vita Spa	50.00%
Linear Life Spa	Bologna	Unipol Gruppo Finanziario	100.00%
Smallpart Spa	Bologna	Unipol Assicurazioni Spa	100.00%
Unipol Assicurazioni Spa	Bologna	Unipol Gruppo Finanziario	100.00%
Unisalute Spa	Bologna	Unipol Gruppo Finanziario	98.53%
Companies included in the BANKING BUSINESS SEGMENT			
Atlante Finance Srl (**)	Milano	Unipol Banca Spa	
Castoro Rmbs Srl (**)	Milano	Unipol Banca Spa	
Grecale 2011 Rmbs Srl (**)	Bologna	Unipol Banca Spa	
Grecale Abs Srl (**)	Bologna	Smallpart Spa	10.00%
		Unipol Banca Spa	
Nettuno Fiduciaria Srl	Bologna	Unipol Banca Spa	100.00%
SME Grecale srl (**)	Bologna	Unipol Banca Spa	
Unicard Spa	Milano	Unipol Banca Spa	53.63%
Unipol Banca Spa	Bologna	Unipol Gruppo Finanziario	67.74%
		Unipol Assicurazioni Spa	32.26%
Unipol Fondi Ltd	Dublin	Unipol Banca Spa	100.00%
Unipol Leasing Spa	Bologna	Unipol Banca Spa	100.00%
Unipol Merchant Spa	Bologna	Unipol Banca Spa	100.00%
Unipol SGR Spa	Bologna	Unipol Gruppo Finanziario	100.00%

(*)The company is fully consolidated because in the inside of the shares not owned there is a 1% of shares with limited voting rights, but also because of the power held by Arca Vita Spa appointment or revocation of the majority members of the administrative

(**)Special purpose vehicles used for securitization transactions which, although not subsidiaries are consolidated as Unipol Group retained substantially all the risks and rewards

Name	Registered office	Parent company	Percentage (%) of shares held
Companies included in the REAL ESTATE BUSINESS SEGMENT			
Comsider Srl	Bologna	Covent Garden BO srl	100.00%
Covent Garden BO Srl	Bologna	Midi Srl	100.00%
Midi Srl	Bologna	Unipol Assicurazioni Spa	100.00%
Punta di Ferro Srl	Bologna	Unipol Assicurazioni Spa	100.00%
Unifimm Srl	Bologna	Unipol Assicurazioni Spa	100.00%
HOLDING/SERVICE COMPANIES AND OTHER ACTIVITIES			
Unipol Gruppo Finanziario Spa	Bologna	Parent	
Ambra Property Srl	Bologna	Unipol Gruppo Finanziario	100.00%

Companies forming part of the Premafin Group, that are included in the consolidation, (in scope of the consolidation as from 19/7/2012)

Name	Registered office	Parent company	Percentage (%) of shares held
Companies included in the INSURANCE BUSINESS SEGMENT			
Bim Vita Spa	Torino	Fondiarria-SAI	50.00%
Ddor Novi Sad Ado	Novi Sad (Serbia)	Fondiarria-SAI	99.99%
Ddor Re Joint Stock Reinsurance Company	Novi Sad (Serbia)	DDor Novi Sad	0.002%
		The Lawrence RE Ireland	99.998%
Dialogo Assicurazioni Spa	Milano	Milano Assicurazioni	99.85%
Europa Tutela Giudiziaria Spa	Milano	Fondiarria-SAI	100.00%
Fondiarria-SAI Spa	Firenze	Premafin Finanziaria	24.32%
		Unipol Gruppo Finanziario	22.97%
		Finadin	3.09%
Incontra Assicurazioni Spa	Milano	Fondiarria-SAI	51.00%
Liguria Societa' Di Assicurazioni Spa	Segrate (MI)	Milano Assicurazioni	99.97%
Liguria Vita Spa	Segrate (MI)	Liguria Società di Assicurazioni	100.00%
Milano Assicurazioni Spa	Milano	Fondiarria-SAI	61.10%
		Pronto Assistance	0.06%
		Popolare Vita	0.02%
		Sai Holding Italia	0.51%
		Fondiarria Sai Nederland	1.51%
		Sai Interational	0.20%
Popolare Vita Spa	Verona	Fondiarria-SAI	24.39%
		Sai Holding Italia	25.61%
Pronto Assistance Spa	Torino	Fondiarria-SAI	100.00%
Siat Societa' Italiana Ass E Riass Spa	Genova	Sai Holding Italia	94.69%
Systema Compagnia Di Ass.Ni Spa	Milano	Milano Assicurazioni	100.00%
The Lawrence Life Assurance Co. Ltd	Dublin	Popolare Vita	100.00%
The Lawrence Re Ireland Ltd	Dublin	Fondiarria Sai Nederland	100.00%

Name	Registered office	Parent company	Percentage (%) of shares held
Companies included in the BANKING BUSINESS SEGMENT			
Banca Sai Spa	Torino	Fondiarìa-SAI	100.00%
Finitalia Spa	Milano	Banca SAI	100.00%
Sai Investimenti Sgr Spa	Torino	Fondiarìa-SAI	51.00%
		Milano Assicurazioni	29.00%
		Premafin Finanziaria	20.00%
Sai Mercati Mobiliari Sim Spa	Milano	Fondiarìa-SAI	100.00%
Companies included in the REAL ESTATE BUSINESS SEGMENT			
Athens Re Fund - Fondo Speculativo		Milano Assicurazioni	100.00%
Bramante Srl	Milano	Immobiliare Fondiarìa-Sai	100.00%
Campo Carlo Magno Spa	Pinzolo (TN)	Milano Assicurazioni	100.00%
Carpaccio Srl	Milano	Immobiliare Fondiarìa-Sai	100.00%
Cascine Trenno Srl	Torino	Immobiliare Fondiarìa-Sai	100.00%
Consorzio Castello	Firenze	Nuove Iniziative Toscane	99.57%
Immobiliare Fondiarìa-Sai Srl	Milano	Fondiarìa-SAI	100.00%
Immobiliare Litorella Srl	Milano	Immobiliare Fondiarìa-Sai	100.00%
Immobiliare Lombarda Spa	Milano	Fondiarìa-SAI	64.17%
		Milano Assicurazioni	35.83%
Immobiliare Milano Assicurazioni Srl	Torino	Milano Assicurazioni	100.00%
Iniziative e Valorizzazioni Edili In.V.Ed. Srl	Roma	Immobiliare Fondiarìa-Sai	100.00%
Insedimenti Avanzati nel Territorio I.A.T. Spa	Roma	Immobiliare Fondiarìa-Sai	100.00%
Marina Di Loano Spa	Milano	Immobiliare Fondiarìa-Sai	100.00%
Masaccio Srl	Milano	Immobiliare Fondiarìa-Sai	100.00%
Meridiano Aurora	Milano	Fondiarìa-SAI	100.00%
Meridiano Bellarmino Srl	Torino	Immobiliare Fondiarìa-Sai	100.00%
Meridiano Bruzzano Srl	Torino	Immobiliare Fondiarìa-Sai	100.00%
Meridiano Primo Srl	Torino	Immobiliare Fondiarìa-Sai	100.00%
Meridiano Secondo Srl	Torino	Immobiliare Fondiarìa-Sai	100.00%
Mizar Srl	Roma	Immobiliare Fondiarìa-Sai	100.00%
Nuova Impresa Edificatrice Moderna Srl	Roma	Immobiliare Fondiarìa-Sai	100.00%
Nuove Iniziative Toscane Srl	Firenze	Fondiarìa-SAI	96.88%
		Milano Assicurazioni	3.12%
Pontorno Srl	Milano	Immobiliare Fondiarìa-Sai	100.00%
Progetto Bicocca La Piazza Srl In Liquidazione	Milano	Immobiliare Fondiarìa-Sai	74.00%
Ristrutturazioni Edili Moderne R.Edil.Mo Srl	Roma	Immobiliare Fondiarìa-Sai	100.00%
Sim Etoile Sa	Parigi (Francia)	Fondiarìa-SAI	100.00%
Sintesi Seconda Srl	Milano	Immobiliare Milano Assicurazioni	100.00%
Società Edilizia Immobiliare Sarda S.E.I.S Spa	Roma	Immobiliare Fondiarìa-Sai	51.67%
Stimma Srl	Firenze	Fondiarìa-SAI	100.00%
Tikal R.E. Fund		Fondiarìa-SAI	59.65%
		Milano Assicurazioni	35.36%
Trenno Ovest Srl	Torino	Immobiliare Fondiarìa-Sai	100.00%
Villa Ragioneri Srl	Firenze	Fondiarìa-SAI	100.00%

Name	Registered office	Parent company	Percentage (%) of shares held
HOLDING/SERVICE COMPANIES AND OTHER ACTIVITIES			
Premafin HP Spa	Roma	Unipol Gruppo Finanziario	80.93%
APB Car Service Srl	Torino	Auto Presto & Bene	100.00%
Atahotels Compagnia Italiana Aziende Turistiche	Milano	Fondiarria-SAI	51.00%
Alberghiere Spa		Milano Assicurazioni	49.00%
Atavalue Srl	Torino	Sai Holding Italia	100.00%
Auto Presto & Bene Srl	Torino	Fondiarria-SAI	100.00%
Casa Di Cura Villa Donatello Spa	Firenze	Fondiarria-SAI	100.00%
Centro Oncologico Fiorentino Casa di Cura Villanova Srl	Sesto Fiorentino (FI)	Fondiarria-SAI	100.00%
Città della Salute Scrl	Firenze	Casa di Cura Villa Donatello	50.00%
		Centro Oncologico Fiorentino Casa di Cura Villanova	45.00%
		Donatello Day Surgery	2.50%
		Florence Centro di Chirurgia Ambulatoriale	2.50%
Colpetrone Srl	Umbertide (PG)	Saiagricola	100.00%
Dominion Insurance Holding Ltd	Londra (GB)	Finsai International Ltd	100.00%
		Centro Oncologico Fiorentino Casa di Cura Villanova	100.00%
Donatello Day Surgery Srl	Firenze	Fondiarria-SAI	100.00%
Eurosai Finanziaria di Partecipazioni Srl	Torino	Fondiarria-SAI	100.00%
Finsai International Sa	Lussemburgo	Fondiarria-SAI	19.92%
		Sailux Sa	36.15%
		Sainterational Sa	43.93%
Finadin Spa Finanziaria di Investimenti	Milano	Premafin Finanziaria	60.00%
		Saifin-Saifinanziaria	40.00%
		Centro Oncologico Fiorentino Casa di Cura Villanova	100.00%
Florence Centro Di Chirurgia Ambulatoriale Srl	Firenze	Fondiarria-SAI	100.00%
Fondiarria-SAI Nederland B.V.	Amsterdam (Olanda)	Fondiarria-SAI	100.00%
Gruppo Fondiarria-Sai Servizi Scrl	Milano	Fondiarria-SAI	64.16%
		Bim Vita	0.02%
		Dialogo Assicurazioni	0.20%
		Europa Tutela Giudiziaria	0.02%
		Incontra Assicurazioni	0.02%
		Liguria Società di Assicurazioni	0.02%
		Liguria Vita	0.02%
		Pronto Assistance	0.90%
		Siat	0.11%
		Systema Compagnia di Assicurazioni	0.18%
		The Lawrence RE Ireland	0.02%
		Finitalia	0.02%
		Banca SAI	0.02%
		Sai Mercati Mobiliari	0.02%
		Auto Presto & Bene	0.02%
		Pronto Assistance Servizi	0.02%
		Immobiliare Lombarda	0.02%
		Milano Assicurazioni	34.21%

Name	Registered office	Parent company	Percentage (%) of shares held
International Strategy Srl	Milano	Premafin Finanziaria	100.00%
Italresidence Srl	Pieve Emanuele (MI)	Atahotels Compagnia Italiana Aziende	100.00%
Pronto Assistance Servizi Scarl	Torino	Fondiarìa-SAI	37.40%
		Dialogo Assicurazioni	24.00%
		Incontra Assicurazioni	0.15%
		Liguria Società di Assicurazioni	2.20%
		Pronto Assistance	7.70%
		Systema Compagnia di Assicurazioni	0.35%
		Banca SAI	0.10%
		Gruppo Fondiarìa-Sai Servizi	0.10%
		Milano Assicurazioni	28.00%
SAI Holding Italia Spa	Torino	Fondiarìa-SAI	100.00%
Saiagricola Spa Società Agricola	Torino	Fondiarìa-SAI	92.01%
		Pronto Assistance	1.19%
		Milano Assicurazioni	6.80%
Saifin - Saifinanziaria Spa	Torino	Fondiarìa-SAI	100.00%
Sailux Sa	Lussemburgo	Saifin-Saifinanziaria	99.99%
		Finsai International Ltd	0.01%
Saint George Capital Management Sa	Lugano (Svizzera)	Saifin-Saifinanziaria	100.00%
Sainternational Sa	Lussemburgo	Fondiarìa-SAI	100.00%
Santa Maria Del Fico Srl	Umbertide (PG)	Saiagricola	100.00%
Scontofin Sa	Lussemburgo	Finadin	70.00%
		Sailux Sa	19.00%
Service Gruppo Fondiarìa Sai Srl	Firenze	Fondiarìa-SAI	70.00%
		Milano Assicurazioni	30.00%
Sogeint Srl	Milano	Milano Assicurazioni	100.00%
Srp Asset Management Sa	Lugano (Svizzera)	Sai Interational	100.00%

Consolidated interim financial statements:

- Statement of financial position
 - Income statement and statement of comprehensive income
 - Segmental analysis of the income statement
-

Consolidated statement of financial position - Assets

		<i>Values in Millions of Euros</i>	30/9/2012	31/12/2011
1	INTANGIBLE ASSETS		1,962	1,641
1.1	Goodwill		1,811	1,523
1.2	Other intangible assets		151	119
2	PROPERTY PLANT AND EQUIPMENT		1,222	804
2.1	Property		1,104	746
2.2	Other tangible assets		118	58
3	REINSURERS' SHARE OF TECHNICAL PROVISIONS		1,233	396
4	INVESTMENTS		69,841	33,181
4.1	Investment property		2,819	314
4.2	Investments in subsidiaries, associates and joint ventures		162	42
4.3	Investments held to maturity		3,085	1,689
4.4	Loans and receivables		18,418	15,250
4.5	Available-for-sale financial assets		34,475	11,985
4.6	Financial assets at fair value through profit or loss		10,881	3,900
5	OTHER RECEIVABLES		3,228	1,762
5.1	Receivables arising out of direct insurance operations		1,520	821
5.2	Receivables arising out of reinsurance operations		121	58
5.3	Other receivables		1,587	883
6	OTHER ASSETS		3,068	1,554
6.1	Non-current assets or disposal groups classified as held-for-sale		135	0
6.2	Deferred acquisition costs		45	19
6.3	Deferred tax assets		2,084	1,230
6.4	Current tax assets		307	27
6.5	Other assets		498	278
7	CASH AND CASH EQUIVALENTS		1,066	240
	TOTAL ASSETS		81,618	39,578

Consolidated statement of financial position - Equity and liabilities

		<i>Values in Millions of Euro</i>	
		30/9/2012	31/12/2011
1	EQUITY	6,428	3,204
1.1	attributable to the owners of the parent	4,785	3,078
1.1.1	Share capital	3,365	2,699
1.1.2	Other equity instruments		
1.1.3	Capital reserves	1,725	1,506
1.1.4	Retained earnings and other reserves	152	91
1.1.5	(Own shares)	0	0
1.1.6	Reserve for currency translation differences		
1.1.7	Gains or losses on financial assets available-for-sale	-556	-1,091
1.1.8	Other gains or losses recognized directly in equity	-31	-19
1.1.9	Profit (loss) for the period/year attributable to the owners of the parent	130	-108
1.2	attributable to non-controlling interests	1,643	126
1.2.1	Share capital and reserves	1,348	140
1.2.2	Gains or losses recognized directly in equity	279	-28
1.2.3	Profit (loss) for the period/year attributable to non-controlling interests	16	14
2	PROVISIONS	472	112
3	TECHNICAL PROVISIONS	55,713	22,039
4	FINANCIAL LIABILITIES	16,174	12,829
4.1	Financial liabilities at fair value through profit or loss	2,129	1,458
4.2	Other financial liabilities	14,045	11,370
5	PAYABLES	1,174	440
5.1	Payables arising out of direct insurance operations	166	67
5.2	Payables arising out of reinsurance operations	119	43
5.3	Other payables	888	329
6	OTHER LIABILITIES	1,657	953
6.1	Liabilities of a disposal group held for sale	113	0
6.2	Deferred tax liabilities	438	339
6.3	Current tax liabilities	140	29
6.4	Other liabilities	967	585
	TOTAL EQUITY AND LIABILITIES	81,618	39,578

Consolidated Income Statement

		<i>Values in Millions of Euros</i>	30/9/2012	30/9/2011
1.1	Net premiums		7,357	6,972
1.1.1	<i>Gross premiums</i>		7,557	7,094
1.1.2	<i>Reinsurance premium</i>		-200	-123
1.2	Fee and commission income		100	101
1.3	Gains and losses on financial instruments at fair value through profit or loss		230	-237
1.4	Income from investments in subsidiaries, associates and joint ventures		1	1
1.5	Income from other financial instruments and investment property		1,460	1,430
1.5.1	<i>Interest income</i>		1,104	1,087
1.5.2	<i>Other income</i>		105	98
1.5.3	<i>Realized gains</i>		207	148
1.5.4	<i>Unrealised gains</i>		45	98
1.6	Other income		102	84
1	TOTAL REVENUES		9,251	8,352
2.1	Net insurance claims		6,827	6,397
2.1.1	<i>Amounts paid and changes in technical provisions</i>		7,013	6,438
2.1.2	<i>Reinsurer's share</i>		-186	-41
2.2	Fee and commission expense		24	23
2.3	Losses on investments in subsidiaries, associates and joint ventures		11	24
2.4	Charges from other financial instruments and property		494	517
2.4.1	<i>Interest expense</i>		245	199
2.4.2	<i>Other charges</i>		27	10
2.4.3	<i>Realized losses</i>		76	99
2.4.4	<i>Changes in fair values</i>		146	209
2.5	Management expenses		1,383	1,014
2.5.1	<i>Commissions and other acquisition costs</i>		880	617
2.5.2	<i>Investment management expenses</i>		19	13
2.5.3	<i>Other administration expenses</i>		484	384
2.6	Other costs		245	186
2	TOTAL COSTS AND EXPENSES		8,986	8,160
	NET PROFIT (LOSS) BEFORE TAX		265	192
3	Tax		119	119
	NET PROFIT (LOSS)		146	72
4	NET PROFIT (LOSS) FROM DISCONTINUED OPERATIONS		0	0
	CONSOLIDATED PROFIT (LOSS)		146	72
	<i>attributable to the owners of the parent</i>		<i>130</i>	<i>63</i>
	<i>attributable to non-controlling interests</i>		<i>16</i>	<i>9</i>

Consolidated Statement of Comprehensive Income - Net amounts

		<i>Values in Million of Euro</i>	30/9/2012	30/9/2011
	CONSOLIDATED PROFIT (LOSS) FOR THE YEAR		146	72
	Gains or losses on available-for-sale financial assets		844	-435
	Other gains or losses recognized directly in equity		-13	-11
	TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME		831	-446
	TOTAL COMPREHENSIVE INCOME		976	-374
	<i>attributable to the owners of the parent</i>		<i>653</i>	<i>-385</i>
	<i>attributable to non-controlling interests</i>		<i>323</i>	<i>11</i>

	NON-LIFE BUSINESS		LIFE BUSINESS		INSURANCE SECTOR		BANKING SECTOR		HOLDING/SERVICE COMPANIES AND OTHER ACTIVITIES		REAL ESTATE SECTOR		Intersegment eliminations		CONSOLIDATED TOTAL						
	sep-12	sep-11	change %	sep-12	sep-11	change %	sep-12	sep-11	change %	sep-12	sep-11	change %	sep-12	sep-11	change %	sep-12	sep-11	change %			
Values in Million of Euro																					
Net insurance premiums	4,604	3,164	45.5	2,753	3,807	-27.7	7,357	6,972	5.5	84	92	-8.6	4	1		0	0		7,357	6,972	5.5
Net fee commission income	0	0		6	8	-21.1	6	8	-24.4										6	8	-24.4
Financial income / expense (excluding assets / liabilities designated at fair value)	219	153	43.3	660	530	24.6	879	682	28.8	146	121	20.7	-46	-18	151.5	-4	1		918	749	22.5
Net interest income	190	145		574	616		764	762		156	154		-33	-13		-1	0		885	903	
Other income and expenses	31	31		21	49		52	81		0	0		-14	14		9	-1		41	71	
Realised gains and losses	28	1		61	44		90	45		50	7		3	-19		0	2		142	35	
Fair value gains and losses	-30	-24		4	-180		-26	-205		-59	-40		-2	0		-12	0		-149	-259	
Net insurance claims	-3,412	-2,436	40.1	-3,147	-4,057	-22.4	-6,559	-6,492	1.0										-6,559	-6,492	1.0
Management expenses	-1,002	-681	47.2	-138	-115	20.2	-1,140	-796	43.3	-212	-200	5.7	-131	-63	106.8	-3	-1		-1,383	-1,014	36.5
Commissions and other acquisition costs	-809	-565	43.2	-75	-59	28.3	-885	-624	41.8										5	7	-42.7
Other expenses	-193	-116	66.3	-63	-57	11.7	-256	-172	48.4	-212	-200	5.7	-131	-63	106.8	-3	-1		97	39	26.8
Other income / expense	-84	-61	37.5	-22	-44	-50.5	-106	-105	0.7	-19	5	-99.4	12	6		-1	0		-143	-102	40.2
Profit (loss) before tax	325	140	132.2	112	129	-13.0	437	269	62.5	0	18	-99.4	-160	-75	-115.0	-8	0		265	192	38.2
Tax																					
Profit (loss) from discontinued operations																					
Consolidated profit (loss)																			0	0	0.0
Attributable to the owners of the parent																			146	72	100.9
Non-controlling interests profit (loss)																			130	63	
																			16	9	

**Statement of the Manager in charge of the
financial reporting**
(pursuant to Article 154-bis of Legislative Decree 58/1998)



STATEMENT OF THE MANAGER IN CHARGE OF FINANCIAL REPORTING

Re: Unipol Gruppo Finanziario S.p.A.'s Interim Financial Report as at and for the nine months ended 30 September 2012

The undersigned Maurizio Castellina, Manager in charge of financial reporting at Unipol Gruppo Finanziario S.p.A.

HEREBY DECLARES

pursuant to Article 154-*bis*, para.2, of the "Consolidated Act on Financial Intermediation" that the Interim Financial Report as at and for the nine months ended 30 September 2012 is consistent with the document results, ledgers and accounting records.

Bologna, 14 November 2012

The Manager in charge of
Financial reporting
Maurizio Castellina

Unipol Gruppo Finanziario S.p.A.

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Capogruppo del Gruppo Assicurativo Unipol iscritto all'Albo dei gruppi assicurativi al n. 046

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Unipol Gruppo Finanziario S.p.A.

Registered and Head Offices
via Stalingrado, 45
40128 Bologna

Share capital
€3,365,292,295.47 fully paid-up

Bologna Company Register
Tax and VAT No. 00284160371
R.E.A. No. 160304

Parent of the Unipol Insurance Group
entered in the Register of Insurance
Groups - No. 46

fiducia flessibilità disponibilità efficienza ca
dinamicità volontà ottimismo energia union
progresso trasparenza **solidità** consapevole

Unipol Gruppo Finanziario S.p.A.

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