

PRESS RELEASE

**Unipol Gruppo Finanziario's Board of Directors
has approved the results for the first quarter of 2009**

Unipol Gruppo Finanziario's Board of Directors today approved the Interim Business Report as at 31 March 2009.

The quarter closed with a consolidated net profit for the Group of €41m and was characterized by a remarkable increase in income, which was 60% up on the first three months of 2008, mainly thanks to Life business (+160.3%), and by a slight fall of 1.2% in Non-Life business, whilst banking business returned to making a profit after major adjustments on doubtful debts carried out in 2008. The UGF Group's results showed a net improvement compared with the final quarter of 2008, which was more homogeneous in terms of the economy as a whole.

The Chief Executive Officer, Carlo Salvatori, announced, «Against a background that was still profoundly affected by the financial crisis and the economic recession, the UGF Group confirmed its strength in the market, its potential for growth, its strong capital base and its financial equilibrium», and added: “The profits in the first quarter, especially when compared with the last months of 2008, gave a positive signal and confirmed that the choices that the Group has made and is making in tackling the difficult market situation and in ascertaining the requirements for performing better in 2009 are the right ones.»

In **insurance business** direct income amounted to €2,683m (+60% on the same period last year).

Life business, with direct income of €1,661m (+160.3%), had an especially good level of growth thanks to the contribution made by both BNL Vita, which achieved income of €1,152m (+ 645%), and UGF Assicurazioni, which had total income of €508m (+6.3%). The pension funds sector also performed well, with income of €114m, an increase of 27.5%. Also well up was new business in terms of APE¹ for the Group, which amounted to €109m, an increase of 95% compared with the first quarter of 2008 (net of Quadrifoglio Vita, which was sold last year). These results are proof of the popularity of the Group's new products with customers looking for protection and guarantees for their investments against a background of substantial turbulence in the financial markets.

Non-Life direct income fell slightly (-1.6%) to €1,022m. This decrease was linked to the decisions made in the second half of 2008 to implement very selective underwriting policies, to restructure the portfolio and to review prices in view of the negative climate in both the economy as a whole and the sector. To be specific, MV income was down 3.4%, whilst the contribution made by the other classes continued to be positive (+1.2%).

As for technical performance, the first quarter was affected by the deterioration in market terms, which had already occurred in the final part of 2008. The weather continued to be particularly problematic in the first three months of the year with the same unfortunate trend as in the second half of 2008. (A total of more than twice that for the same period last year). The combined ratio for direct business recorded in the

¹ Annual Premium Equivalent, obtained by adding the annual premium income from new business and a tenth of the single premiums from new business



first three months of 2009 was 99.6% and was made up of a loss ratio² of 76.9% and an expense ratio³ of 22.7%. The combined ratio for the first quarter of 2009 was slightly up compared with 98.6% recorded in 2008 but well up on the final quarter of last year. The work carried out by the Group on reviewing tariffs, the work done by the network of agencies and more selective underwriting policies are expected to begin to bear fruit in the second half of the current year.

In **banking business** work continued on reorganizing and relaunching UGF Banca under its new management as part of a strategy of increasing integration with the insurance companies in the Group and of refocusing on retail business and small/medium-sized enterprises.

Compared with the figures at the end of 2008, the first three months of 2009 showed an increase in the number of current accounts (+2.8% compared with end of 2008) and in ordinary customer deposits (+3%). UGF Banca's customer deposits totalled €8,531m as at 31 March 2009. At €8,395m lending to customers was slightly down (-1%). Gross operating income rose to €80m (+5.5% on the first quarter of 2008) despite the drop in market interest rates since the first quarter of 2008. UGF Banca ended the first quarter of 2009 with a net profit of €3.2m.

Turning to asset management, against a background of deterioration in financial markets starting in 2008, the Group continued its traditional prudence in implementing investment policies that safeguarded the portfolio, were compatible with liabilities to policyholders and met solvency requirements.

Net capital gains and investment income in the first quarter of 2009 (excluding those arising out of assets and liabilities on financial instruments recorded at fair value) amounted to €259m (-7.3%). It should be mentioned that a capital gain of €27m was made in the same period of last year as a result of the sale of Quadrifoglio Vita.

The turbulence in the financial markets led to an additional deterioration in the reserve for securities classified as AFS of approximately €200m during the quarter (from -€1,325m at the end of 2008 to -€1,524m at the end of March 2009) linked to the fall in share prices and to the widening of the credit spreads on fixed-income securities. However by the end of April the subsequent upturn in the financial markets had returned the AFS reserve to slightly better levels than those pertaining at the end of 2008.

Despite the difficult climate in which we had to operate, the figures for the solvency margin at the end of the first quarter of 2009 indicated that there was a surplus of approximately €500m compared with the regulatory requirements, which has increased since then because of the upturn in the financial markets and the improvement in the AFS reserve.

As a result of the business performance mentioned above, Unipol Gruppo Finanziario's consolidated result for the first quarter of 2009 was positive to the tune of €41m and that pertaining to the Group of €39m.

On the basis of the information at its disposal and in accordance with the Code of Corporate Governance for Listed Companies and Article 147-3 of the Finance Consolidation Act, Unipol Gruppo Finanziario's Board of Directors today expressed its opinion that Pier Luigi Celli, who was appointed Director at the Ordinary Shareholders' Meeting held on 22 April 2009, meets the requirements of independence.

Mr Celli was also confirmed as a member of the Committee for Social Responsibility.

² Ratio between claims and premiums

³ Ratio between operating expenses and premiums



Bruno Cordazzo has today resigned from his post as a Member of the Board of Directors of Unipol Gruppo Finanziario. Mr Cordazzo, who was neither an executive director nor an independent director (in accordance with the Code of Corporate Governance for Listed Companies and the Finance Consolidation Act), was a member of the Appointments Committee. According to the information available to the Company, Mr Cordazzo holds no shares in Unipol Gruppo Finanziario. Having noted his resignation, the Board of Directors will vote on a replacement for Mr Cordazzo and on making up the numbers on the Appointments Committee at the next Board meeting, which is scheduled to take place on 25 June 2009.

Unipol Gruppo Finanziario's results for the first quarter of 2009 will be presented to the financial community at 5 o'clock this afternoon. It will be possible to have access to the presentation by means of a webcast or a conference call. The telephone numbers to call if you wish to attend the event are 02 8058811 (within Italy), 8666320328 (from the USA) or +44 2031474796 (from other countries). The other technical details for accessing the event are available on the Investor Relations page of www.unipolgf.it.

As from 15 May 2009 the Interim Business Report as at 31 March 2009 will be available to the public at our registered office in Bologna, Via Stalingrado 45, and from Borsa Italiana S.p.A.

The report will be also available on the Company's website: www.unipolgf.it.

The Senior Executive responsible for drawing up the Company's accounts, Maurizio Castellina, has declared, in accordance with Article 154-2, para. 2, of the Consolidated Finance Act, that the accounting information reported in this press release corresponds to the figures in the documents, books and accounting records.

Bologna, 14 May 2009

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SUMMARY OF CONSOLIDATED BALANCE SHEET

ASSETS

€m		31/03/2009	31/12/2008	31/03/2008
1	INTANGIBLE ASSETS	1,819	1,819	1,811
2	TANGIBLE ASSETS	570	572	455
3	TECHNICAL PROVISIONS - REINSURERS' SHARE	484	534	593
4	INVESTMENTS	36,007	35,422	37,639
4.1	Investments in property	202	224	296
4.2	Shareholdings in subsidiaries, associates and joint ventures	40	39	25
4.3	Investments held to maturity	1,811	1,813	1,842
4.4	Loans and receivables	13,735	13,712	10,748
4.5	Financial assets available for sale	12,673	11,588	14,491
4.6	Financial assets at fair value through profit or loss	7,546	8,046	10,236
5	SUNDRY RECEIVABLES	1,661	1,663	1,326
6	OTHER ASSETS	1,296	1,147	966
7	CASH AND CASH EQUIVALENTS	345	345	379
	TOTAL ASSETS	42,181	41,501	43,169

LIABILITIES AND SHAREHOLDERS' EQUITY

€m		31/03/2009	31/12/2008	31/03/2008
1	SHAREHOLDERS' EQUITY	3,584	3,705	5,193
1.1	pertaining to the Group	3,273	3,433	4,911
1.1.1	Capital and reserves	4,758	4,666	5,668
1.1.7	Profits or losses on financial assets available for sale	-1,524	-1,325	-873
1.1.9	Profit (loss) for the year pertaining to the Group	39	93	116
1.2	pertaining to minority interests	311	273	282
2	AMOUNTS SET ASIDE	83	81	52
3	TECHNICAL PROVISIONS	26,075	25,298	25,788
4	FINANCIAL LIABILITIES	10,596	10,895	10,629
4.1	Financial liabilities recorded at fair value through profit or loss	2,291	2,377	3,257
4.2	Other financial liabilities	8,305	8,517	7,372
5	PAYABLES	556	412	498
6	OTHER LIABILITIES	1,287	1,110	1,009
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	42,181	41,501	43,169

SUMMARY OF CONSOLIDATED INCOME STATEMENT

€m		31/03/2009	31/03/2008
1.1	Net premium income	2,687	1,614
1.1.1	<i>Gross earned premiums</i>	2,724	1,690
1.1.2	<i>Earned premiums ceded</i>	-37	-76
1.2	Commissions and fees receivable	22	28
1.3	Income and charges arising out of financial instruments recorded at fair value through profit or loss	8	-101
1.4	Income arising out of shareholdings in subsidiaries, associates and joint ventures	1	27
1.5	Income arising out of other financial instruments and investments in property	334	346
1.6	Other receipts	25	51
1	TOTAL RECEIPTS AND INCOME	3,077	1,965
2.1	Net charges relating to claims	2,529	1,313
2.1.1	<i>Amounts paid and change in technical provisions</i>	2,546	1,358
2.1.2	<i>Reinsurers' share</i>	-17	-45
2.2	Commissions and fees payable	6	8
2.3	Charges arising out of shareholdings in subsidiaries, associates and joint ventures	0	0
2.4	Charges arising out of other financial instruments and investments in property	105	102
2.5	Operating expenses	326	317
2.6	Other charges	38	52
2	TOTAL COSTS AND CHARGES	3,005	1,793
	PROFIT (LOSS) FOR THE YEAR BEFORE TAXATION	72	172
3	Taxation	31	49
	CONSOLIDATED PROFIT (LOSS)	41	123
	pertaining to the Group	39	116
	pertaining to minority interests	2	6



SUMMARY OF CONSOLIDATED INCOME STATEMENT BY BUSINESS SECTOR																		
(€m)																		
	NON-LIFE BUSINESS			LIFE BUSINESS			TOTAL INSURANCE			BANKING BUSINESS			Holding/Services and intersector eliminations			TOTAL CONSOLIDATED		
	Mar-09	Mar-08	var %	Mar-09	Mar-08	var %	Mar-09	Mar-08	var %	Mar-09	Mar-08	var %	Mar-09	Mar-08	var %	Mar-09	Mar-08	var %
Net earned premiums	1,034	988	4.6	1,654	626	164.1	2,687	1,614	66.5						2,687	1,614	66.5	
Net income from commissions and fees	0	0		0	0		0	0		18	23	-23.3	(1)	(3)	-69.6	17	19	-13.5
Financial income/charges (excl. assets/liabilities at fair value)	59	85	-30.8	151	125	20.9	211	211	-0.1	52	50	3.9	(4)	19		259	280	-7.3
Net claims charges	(808)	(712)	13.6	(1,744)	(713)	144.6	(2,552)	(1,424)	79.2				0	2	-83.0	(2,552)	(1,423)	79.3
Operating expenses	(232)	(218)	6.6	(24)	(40)	-39.5	(256)	(258)	-0.5	(61)	(55)	11.9	(8)	(4)	82.9	(326)	(317)	2.8
Other income/charges	(4)	(9)		(10)	5		(14)	(4)		(0)	2		1	1		(14)	(1)	
Profit (loss) before taxation	48	135	-64.4	27	4	613.3	75	138	-45.6	8	20		(12)	13		72	172	-58.2
Taxation															(31)	(49)	-36.7	
Consolidated profit (loss)															41	123	-66.8	
Profit (loss) - minority interests															2	6	-69.7	
Profit (loss) - Group															39	116	-66.7	