

Press release

THE BOARD OF DIRECTORS APPROVED THE RESULTS OF THE 2004 DRAFT ACCOUNTS

TOTAL PREMIUM INCOME: €3,277.2m (+3.4% on the same basis of consolidation)

NON-LIFE BUSINESS PREMIUM INCOME: €2,147.4m (-0.1%)

LIFE BUSINESS PREMIUM INCOME: €1,129.8m (+10.7%)

NON-LIFE BUSINESS COMBINED RATIO: 92.4% (IN 2003: 93.1%)

NET PROFIT: €145.3m (+11.8%)

PROPOSED DIVIDEND: €0.149 for each ordinary share with the coupon to be detached on 26.4.2005 and expected payment as from 29.4.2005

In a meeting held today and chaired by Mr. Fabrizio Rindi, the Board of Directors of **Aurora Assicurazioni S.p.A. (Unipol Group)** approved the draft accounts for the financial year 2004 and the board report.

Given the incorporation during 2004 of Meieaurora S.p.A. and Winterthur Vita S.p.A. into Aurora Assicurazioni S.p.A. (former Winterthur Assicurazioni S.p.A.), to compare 2004 core business figures in a more accurate and homogeneous way with 2003 figures, pro forma accounts were prepared by aggregating the accounts of merged companies.

The net profit for the year was €145.3m (€130.0m as at 31.12.2003).

In 2004 total premium income was €3,277.2m (+3.4% compared with €3,170.1m for the previous year) distributed as follows:

- Non-Life premium income was €2,147.4m (-0.1% compared with 2003)
- Life premium income was €1,129.8m (+10.7% compared with 2003)

Amounts paid for claims, surrendered policies, matured policies and annuities, including claims handling expenses, came to a total of €2,071.4m (€1,937.4m as at 31.12.2003), an increase of 6.9%.

Motor TPL, in particular, recorded an improvement in the loss ratio.

Technical provisions, net of the reinsurers' share, totalled €9,356.0m (€8,607.2m as at 31.12.2003), an increase of €748.8m or 8.7%; the ratio of net technical provisions to retained premiums rose from 2.9 in 2003 to 3.1 in 2004; in Non-Life business the ratio was 2.0 compared with 1.8 in 2003, whilst in Life business it was 5.0 compared with 4.9 in 2003.

The result of the technical account, which includes allocated investment returns, was positive overall to the tune of €220.9m (€223.6m as at 31.12.2003); in Non-Life business the figure was €204.2m (€199.8m in 2003) and in Life business it was €16.7m (€23.8m in 2003).

Investments and available cash amounted to a total of €9,790.2m (€8,864.2m as at 31.12.2003), an increase of €926m or 10.4%.

Ordinary and extraordinary capital gains and investment income, net of charges and including value adjustments, amounted to €372.4m (€395.9m as at 31.12.2003).

The first months of the 2005 financial year have shown a trend in core business in line with the positive results achieved in the 2004 financial year.

In the last months of 2004 and in the first months of 2005, Aurora Assicurazioni S.p.A. developed its three-year strategic plan focussed on:

- meeting its customers' needs for safety by offering proper protection;
- developing competitive products;
- broadening its presence on the territory through the agency network;
- committing itself to achieve ever-increasing openness.

The Board of Directors of Aurora Assicurazioni S.p.A. will also propose to the forthcoming Shareholders' Meeting the distribution of a total dividend of €137,050,631.95, which is a dividend of €0.149 for each ordinary share having a nominal value of €0.27, with the coupon to be detached on 26.4.2005 and payment as from 29.4.2005.

The Ordinary Shareholders' Meeting of Aurora Assicurazioni S.p.A. has been called for 11:00 a.m. on 19 April 2005 in first call and, if necessary, for the same time on 20 April 2005 in second call.

15 March 2005

For further information please contact:
AURORA ASSICURAZIONI S.p.A.
COMMUNICATION DEPARTMENT
Tel. +39 2 51815949
E-mail: alberto.federici@auroraassicurazioni.it
Website: www.auroraassicurazioni.it

Aurora Assicurazioni SpA

PROFIT AND LOSS ACCOUNT (EUR '000)	31/12/2004	31/12/2003
<i>Written premiums</i>	3,275,797	3,168,860
<i>Change in provisions for unearned premiums (Non-Life business)</i>	-10,731	-17,932
<i>Change in math. provisions (Life business)</i>	-548,026	-686,474
<i>Operating expenses (acquisition and administrative)</i>	-560,763	-546,992
<i>Paid claims (Non-Life), sums paid and changes in sums to be paid (Life)</i>	-2,280,788	-2,034,928
<i>Paid claims of previous financial years (Non-Life)</i>	36,098	15,730
<i>Other technical items</i>	24,122	10,952
Balance on the technical account	-64,291	-90,784
<i>Net income on investments (direct business)</i>	306,894	347,767
Balance on technical direct business	242,603	256,983
<i>Change in other math. provisions (equalization - Non-Life)</i>	-410	4,914
<i>Balance on reinsurance</i>	-21,451	-38,551
<i>Net income on investments (indirect business)</i>	145	213
Balance on operating activities	220,887	223,559
<i>Other net investment income</i>	29,046	31,405
<i>Other net ordinary income (charges)</i>	-25,225	-32,267
<i>Net extraordinary income (charges)</i>	27,511	6,131
Profit before taxation	252,220	228,828
<i>Tax on profit for the financial year and deferred taxation</i>	-106,903	-98,789
NET PROFIT FOR THE FINANCIAL YEAR	145,317	130,039

Aurora Assicurazioni SpA

BALANCE SHEET (EUR '000)	31/12/2004	31/12/2003
Assets		
Intangible assets	349,955	387,184
Investments	8,422,149	8,186,154
- Land and buildings	174,567	201,735
- Shares and participating interests (including group undertakings)	497,452	394,941
- Units and shares in investment funds	24,776	15,188
- Debt securities and other fixed-income securities	6,891,599	7,352,009
- Loans	28,754	26,358
- Sundry financial investments	803,352	193,878
- Deposits with ceding undertakings	1,649	2,045
Investments for the benefit of Life assurance policyholders who bear the investment risk thereof and arising out of pension funds management	626,658	516,972
Technical provisions - reinsurers' share	525,182	506,161
- Non-Life business - technical provisions	372,715	304,826
- Life business - technical provisions	152,467	201,335
Debtors	676,042	790,984
Other assets	799,741	571,073
Prepayments and accrued income	66,225	91,640
TOTAL ASSETS	11,465,952	11,050,168
Liabilities		
Capital and reserves	1,056,193	1,036,617
- Subscribed share capital	248,347	248,347
Reserves	662,529	658,231
Profit (loss) for the financial year	145,317	130,039
Technical provisions	9,254,589	8,596,452
- Non-Life business - technical provisions	4,126,423	3,956,767
- Life business - technical provisions	5,128,166	4,639,685
Technical provisions where the investment risk is borne by policyholders and provision arising out of pension funds management	626,616	516,902
Provisions for other risks and charges	29,637	22,180
Deposits received from reinsurers	191,185	177,235
Creditors	190,719	248,802
Other liabilities	114,137	451,882
Accruals and deferred income	2,876	98
TOTAL LIABILITIES	11,465,952	11,050,168

Aurora Assicurazioni SpA

CASH FLOW STATEMENT FOR THE 2004 FINANCIAL YEAR (EUR '000)

CASH INFLOW:

Cash inflow from operating activities

Net profit for the financial year	145,317
-----------------------------------	---------

Value adjustments on items with no impact on cash flow

Decrease in intangible assets	37,229
Increase in depreciation and amortization funds	9,056
Write-down on investments and write-ups	21,516

Net increase in technical provisions	748,831
Increase in provisions for risks and charges	7,457
Decrease of receivables and other assets, including write-downs	464,453
Decrease of payables and other liabilities	-393,091
Decrease of prepayments and accrued income	25,415
Increase in accruals and deferred income	2,778

Cash inflow from operating activities:	1,068,961
---	------------------

Divestments and other cash inflows

Sales of land and buildings	34,211
Sales of group undertakings	396
Other financial divestments:	
- shares and participating interests	524,239
- units and shares in investment funds	3,320
- debt securities and other fixed-income securities	14,250,144
- sundry financial investments	14,860,901
- loans	7,798
Tangible assets and stocks (fixtures, fitting, equipment and motor vehicles)	204
Deposits received from reinsurers	13,950
Deposits with ceding undertakings	396

TOTAL CASH INFLOW	30,764,519
--------------------------	-------------------

CASH INFLOWS WERE INVESTED AS FOLLOWS:

Investments in land and buildings	10,134
Investments in group undertakings	22,097
Other financial investments:	
- shares and participating interests	632,614
- units and shares in investment funds	12,898
- debt securities and other fixed-income securities	13,786,705
- loans	10,191
- sundry financial investments	15,470,375
- Class D investments	109,686
Tangible assets and stocks (fixtures, fitting, equipment and motor vehicles)	3,806
Dividends paid	125,742

TOTAL CASH FLOW INVESTED	30,184,249
---------------------------------	-------------------

CASH AT BANK AND IN HAND AS AT 1 JANUARY	-161,104
--	----------

CASH AT BANK AND IN HAND AS AT 31 DECEMBER	741,374
--	---------

INCREASE (DECREASE) IN CASH FLOW	580,270
---	----------------

TOTAL CASH FLOW	30,764,519
------------------------	-------------------