

PRESS RELEASE

**Unipol Group — Consolidated profit rose by 11.2%
in the first 9 months of 2006**

Aggregate income from insurance business reached €7,608m (+3.3% compared with €7,364m as at 30/9/05), €4,799m of which in Life business (+4.3%) and €2,809m in Non-Life business (+1.7%).

Net earned premiums were €6,214m (+9.3%), €2,748m of which in Non-Life business (in line) and €3,467m in Life business (+18.6%).

Investments and liquid assets rose to €37,895m (€35,925m at 2005 year-end).

Banking customer deposits grew by 31.6% (compared with 2005 year-end), to €9,238m. Profit before taxation in banking business rose to €43m, + 88.1%.

Unipol Banca's net profit rose to €24m (+147%).

Consolidated profit rose to €347m (+11.2%).

The Board of Directors of Unipol Assicurazioni, held today, approved the consolidated quarterly report of the Unipol Group as at 30 September 2006.

In **insurance business** the Group companies' direct aggregate income reached €7,608m (+3.3% compared with €7,364m as at 30 September 2005), €4,799m of which in Life business (+4.3%) and €2,809m in Non-Life business (+1.7%).

More specifically:

- the composite companies (Unipol Assicurazioni and Aurora Assicurazioni) recorded insurance income of €4,677m (+2.6%), €2,192m of which in Life business (+3.7%) and €2,485m in Non-Life business (+1.6%). Aurora Assicurazioni's excellent performance is particularly worth highlighting, recording a growth in income by 4.1%;
- the Non-Life specialist companies (Linear, Navale and Unisalute) reached insurance income of €324m (+2.3%);
- the bancassurance companies (BNL Vita and Quadrifoglio Vita) improved their insurance income to €2,606m (+4.9%).

Earned premiums, net of outward reinsurance, were €6,214m (+9.3%), €2,748m of which in Non-Life business (in line with 30/9/2005) and €3,467m in Life business (+18.6%). The higher growth rate in Life premiums, compared with that of Life aggregate income, was mainly due to the increase in significant insurance risks for products sold in 2006 in comparison with 2005 (when income from investment products not classified as premiums according to the IAS/IFRS was still considerable).

Investments rose to €37,895m (€35,925m at 2005 year-end). The investment management policies still involved a considerable allocation of liquid types of investment. Investment income, growing over the first part of 2006, was affected by the rise in interest rates which led to a reduction in trading on securities and to remarkable value adjustments on securities in portfolio recorded as financial assets at fair value through profit or loss, the incidence of which on the total portfolio (23%), although definitely decreasing over the end of 2005 (36%), was especially high compared with the classification policies adopted by competitors.

Technical provisions and financial liabilities amounted to €34,691m (€32,686m as at 31/12/2005).

Net capital gains and investment income for the period and capital gains from disposals and trading were €930m (+11.2%). Income from 'financial assets available for sale' also included €22m of capital gains resulting from the merger of Reti Bancarie into Banca Popolare Italiana and €139m of capital gains resulting from the sale of Antonveneta shares to Abn Amro (€59m) and of BNL ordinary shares (€80m).

The combined ratio on 30 September 2006, as calculated on direct and indirect business and net of reinsurance, was 96.9% (96.6% on 30/9/2005), the loss ratio 74.4% and the expense ratio 22.5%. Worth mentioning is especially the improvement of the expense ratio, decreasing by 0.3% compared with 22.8% in the first nine months of 2005. Claims frequency in Motor TPL was substantially stable, whilst the increase in overall average costs was in line with inflation rate.

On the whole, the Group's insurance business contributed a total of €500m to pre-tax profit, €98m of which pertained to Life business (€75m on 30/9/2005) and €402m to Non-Life business (€422m on 30/9/2005).

Pre-tax profit as shown in Non-Life income statement was strongly affected by the equity markets trend — which influenced the operating on securities classified as 'financial assets at fair value through profit or loss' in comparison with 30 September 2005, when remarkable non-recurring capital gains on property were also realised — and by costs for the period related to the closing of the BNL operation (€29m).

As at 30 September 2006 the Unipol Group's sales network was made up of 1,725 insurance agencies — 576 of which Unipol Assicurazioni's agencies and 1,149 Aurora Assicurazioni's agencies — 196 non-exclusive agencies and 224 brokers, through which Navale operates. Quadrifoglio Vita distributes its products through 293 outlets of Banca Agricola Mantovana (MPS Group) and BNL Vita through about 700 banking outlets of the BNL Group.

The **banking business**, made up of the Unipol Banca Group, achieved considerable growth levels in the first nine months of the year.

Worth mentioning is the increase in customer deposits to €9,238m as at 30 September 2006, +31.6% compared with 31 December 2005, whilst customer funds were €26,121m (+10.5% over the beginning of the year).

Lending to customers grew to €6,516m on 30 September 2006, an increase of over €1bn for the period considered (+18.4%), thus further improving the credit quality ratios (substandard loans/net loans ratio was 2.06%, compared with 2.99% at 2005 year-end, and net bad and doubtful loans/net loans ratio 0.59%, compared with 0.64% at 2005 year-end).

Cost/income ratio stood at 66.6%, a decrease by about 8 p.p. compared with the first nine months of 2005, a trend that will contribute to Unipol Banca's alignment with the sector best performances.

Profit before taxation in overall banking business was €43m in the first nine months of the financial year (€23m as at 30/9/2005, +88.1%). Unipol Banca's net profit rose to €24m (+147%).

As at 30 September 2006 Unipol Banca's sales network was made up of 257 branches — 138 of which co-located with insurance agencies, 40 finance counters and 425 financial advisers.

The **Unipol Group's** overall consolidated profit before taxation was €524m, +6% compared with the first nine months of 2005, consolidated profit €347m (+11.2%) and consolidated profit pertaining to the Group €284m (+0.6%).
Tax incidence on the profit for the period was 33.7% (36.9% on 30/9/2005). Profit pertaining to the Group only in the third quarter 2006 was €86m (compared with €77m in the third quarter of 2005).

Significant events after 30 September 2006 and expected business outlook

On 10 October 2006 Unipol Ordinary shares entered the S&P/MIB Index.
Considering the trends recorded so far and the expected business outlook, profit for the current financial year is expected to be positive.

Results presentation

Today at 5 p.m. a conference call will take place for presenting the aforesaid Group results. The procedure to attend the event is available on the Company's Website www.unipol.it —Section 'Investor Relations'.

Bologna, 13 November 2006

Unipol Assicurazioni S.p.A.

www.unipol.it

Attached are summaries of consolidated Income Statement and Balance Sheet as at 30 September 2006.

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Please note that the original Press Release is in Italian. In case of doubt, the Italian version prevails.

CONSOLIDATED INCOME STATEMENT

€m		30-09-2006	30-09-2005	31-12-2005	3Q2006
1.1	Net earned premiums	6,214	5,685	7,899	1,762
1.1.1	Gross earned premiums	6,442	5,898	8,233	1,838
1.1.2	Earned premiums ceded	-228	-213	-334	-76
1.2	Commissions and fees receivable	81	92	121	21
1.3	Income and charges arising out of financial instruments recorded at fair value through profit or loss	229	385	482	146
1.4	Income arising out of shareholdings in subsidiaries, associates and joint ventures	1	8	45	-1
1.5	Income arising out of other financial instruments and investments in property	904	619	752	315
1.5.1	Interest receivable	629	340	474	233
1.5.2	Other income	44	48	36	13
1.5.3	Profits realised	229	230	240	68
1.5.4	Unrealised profits	1	2	2	1
1.6	Other receipts	61	22	94	2
1	TOTAL RECEIPTS AND INCOME	7,490	6,812	9,393	2,244
2.1	Net charges relating to claims	5,802	5,248	7,207	1,721
2.1.2	Amounts paid and variation in technical provisions	5,969	5,360	7,424	1,770
2.1.3	Reinsurers' share	-167	-112	-217	-49
2.2	Commissions and fees payable	26	32	43	8
2.3	Charges arising out of shareholdings in subsidiaries, associates and joint ventures	0	0	0	0
2.4	Charges arising out of other financial instruments and investments in property	204	176	321	63
2.4.1	Interest payable	133	98	131	38
2.4.2	Other charges	9	21	18	2
2.4.3	Losses realised	40	38	42	17
2.4.4	Unrealised losses	22	20	131	6
2.5	Operating expenses	827	811	1,118	249
2.5.1	Commissions and other acquisition expenses	520	519	732	152
2.5.2	Investment management expenses	18	17	22	5
2.5.3	Other administrative expenses	289	275	364	92
2.6	Other costs	107	50	222	9
2	TOTAL COSTS AND CHARGES	6,966	6,318	8,911	2,049
	PROFIT (LOSS) FOR THE YEAR BEFORE TAXATION	524	494	482	195
3	Taxation	177	182	199	77
	PROFIT (LOSS) FOR THE YEAR NET OF TAX	347	312	283	117
4	PROFIT (LOSS) PERTAINING TO DISCONTINUED OPERATIONS				
	CONSOLIDATED PROFIT (LOSS)	347	312	283	117
	pertaining to the Group	284	282	254	86
	pertaining to minority interests	64	30	28	31

SUMMARY OF CONSOLIDATED INCOME STATEMENT

BROKEN DOWN BY BUSINESS SECTOR (€m)

	NON-LIFE BUSINESS			LIFE BUSINESS			INSURANCE TOTAL		
	30/9/06	30/9/05	% var.	30/9/06	30/9/05	% var.	30/9/06	30/9/05	% var.
Net earned premiums	2,748	2,763	-0.5	3,467	2,922	18.6	6,214	5,685	9.3
Net income from commissions and fees	0	(0)		3	6	-54.5	3	6	-51.6
Financial income/charges	343	325	5.5	494	442	11.8	837	767	9.1
Net charges relating to claims	(2,044)	(2,040)	0.2	(3,759)	(3,208)	17.2	(5,803)	(5,248)	10.6
Operating expenses	(597)	(602)	-0.7	(104)	(91)	14.9	(701)	(692)	1.3
Other income/charges	(48)	(24)	101.2	(2)	4		(50)	(20)	147.1
Pre-tax profit (loss)	402	422	-4.8	98	75	30.5	500	498	0.5

	BANKING BUSINESS			intersector eliminations		CONSOLIDATED TOTAL		
	30/9/06	30/9/05	% var.	30/9/06	30/9/05	30/9/06	30/9/05	% var.
Net earned premiums						6,214	5,685	9.3
Net income from commissions and fees	56	55	2.7	(4)	0	55	61	-9.2
Financial income/charges	112	80	40.2	(19)	(11)	930	836	11.2
Net charges relating to claims				1	0	(5,802)	(5,248)	10.6
Operating expenses	(129)	(119)	8.7	4	0	(827)	(811)	1.9
Other income/charges	4	7	-40.6	(1)	(15)	(46)	(28)	64.4
Pre-tax profit (loss)	43	23	88.3	(19)	(26)	524	494	6.0
Taxation						(177)	(182)	-3.0
Consolidated profit (loss)						347	312	11.2
Profit (loss) - minority interests						64	30	111.4
Profit (loss) - Group						284	282	0.6

CONSOLIDATED BALANCE SHEET

€m		30-09-2006	31-12-2005	30-09-2005
1	INTANGIBLE ASSETS	1,339	1,443	1,622
1.1	Goodwill	1,307	1,411	1,588
1.2	Other intangible assets	31	32	34
2	TANGIBLE ASSETS	383	371	361
2.1	Property	324	317	314
2.2	Other tangible assets	58	54	47
3	TECHNICAL PROVISIONS - REINSURERS' SHARE	710	678	676
4	INVESTMENTS	36,454	35,064	31,871
4.1	Investments in property	346	352	352
4.2	Shareholdings in subsidiaries, associates and joint ventures	26	28	39
4.3	Investments held to maturity	1,049	949	968
4.4	Loans and receivables	10,641	10,926	8,586
4.5	Financial assets available for sale	15,506	9,723	7,313
4.6	Financial assets recorded at fair value through profit or loss	8,886	13,085	14,612
5	SUNDRY RECEIVABLES	933	1,143	929
5.1	Receivables arising out of direct insurance operations	556	786	565
5.2	Receivables arising out of reinsurance operations	113	112	159
5.3	Other receivables	264	245	206
6	OTHER ASSETS	677	535	907
6.1	Non-current assets or assets held for sale belonging to a group in the course of being sold	5	0	0
6.2	Deferred acquisition costs	70	69	71
6.3	Deferred tax assets	298	176	173
6.4	Current tax assets	34	48	26
6.5	Other assets	269	241	637
7	CASH AND CASH EQUIVALENTS	1,441	861	375
	TOTAL ASSETS	41,936	40,096	36,742
1	SHAREHOLDERS' EQUITY	5,968	6,043	4,097
1.1	pertaining to the Group	5,456	5,552	3,855
1.1.1	Capital	2,360	2,360	966
1.1.2	Other equity	0	0	0
1.1.3	Capital reserves	2,297	2,391	1,226
1.1.4	Accumulated earnings and other reserves	453	432	1,283
1.1.5	(Own shares)	0	0	0
1.1.6	Reserve for net exchange rate differences	0	0	0
1.1.7	Profits or losses on financial assets available for sale	29	81	79
1.1.8	Other profits or losses recorded in the equity direct	33	33	21
1.1.9	Profit (loss) for the year pertaining to the Group	284	254	282
1.2	pertaining to minority interests	513	491	242
1.2.1	Capital and reserves pertaining to minority interests	471	462	209
1.2.2	Profits or losses recorded in the equity direct	-22	1	3
1.2.3	Profit (loss) for the year pertaining to minority interests	64	28	30
2	AMOUNTS SET ASIDE	37	38	34
3	TECHNICAL PROVISIONS	24,173	22,249	21,195
4	FINANCIAL LIABILITIES	10,518	10,436	10,107
4.1	Financial liabilities recorded at fair value through profit or loss	3,348	3,723	3,744
4.2	Other financial liabilities	7,170	6,713	6,363
5	PAYABLES	342	411	321
5.1	Payables arising out of direct insurance operations	40	68	67
5.2	Payables arising out of reinsurance operations	45	58	35
5.3	Other payables	257	285	219
6	OTHER LIABILITIES	898	918	988
6.1	Liabilities of a group in the course of being sold held for sale	0	0	0
6.2	Deferred tax liabilities	248	223	262
6.3	Current tax liabilities	126	75	171
6.4	Other liabilities	524	620	554
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	41,936	40,096	36,742