

## PRESS RELEASE

**SHAREHOLDERS' MEETING** - APPROVED THE ACCOUNTS FOR 2002, WITH A NET PROFIT OF €103.1M (+23.9%); CONSOLIDATED NET PROFIT FOR THE GROUP WAS €102.1M (+63.8%).

**DIVIDEND PER SHARE:** €0.1156 (+15.4%) FOR PREFERENCE SHARES AND €0.1104 (+16.2%) FOR ORDINARY SHARES, PAYABLE AS FROM **22 MAY 2003**.

**CHANGE IN THE POWER OF THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL AND TO ISSUE BONDS.**

**RESULTS FOR THE 1<sup>ST</sup> QUARTER OF 2003:** GROUP PREMIUM INCOME ROSE TO €2,162M (+67%); THE RESULT FOR ORDINARY BUSINESS ROSE TO €48.5M (+18%) AND THE NET PROFIT FOR THE GROUP TO €23.8M (+7.7%).

### **2002 Accounts - Ordinary and extraordinary meeting of Shareholders**

At the end of the 2002 financial year Unipol Assicurazioni made a pre-tax profit of €175m and a net profit of €103.1m (+23.9%), whilst total premium income rose to €1,901.7m (+10.5%). Group premium income was €6,045.8m (+22.3%), €3,721.8m of which was for Life business (+33.6%) and €2,324m for Non-life business (+7.7%); net profit for the Group rose to €102.1m (+63.8%).

These results were submitted to the Shareholders' Meeting chaired by Giovanni Consorte held in Bologna on 30 April 2003.

Shareholders were allocated a **dividend** of €0.1156 for each preference share and €0.1104 for each ordinary share (which takes account of own shares held), an increase over the previous year of 15.4% and 16.2% respectively. The dividend, which will be paid as from 22 May 2003 (detachment date 19 May 2003, coupon 24 for the preference shares and coupon 18 for the ordinary shares), is allocated a 'full' tax credit of 56.25%.

The total amount of dividends to be paid is €56.9m (+16.6%). Capital and reserves after this allocation amount to €1,330.8m and the items covering the Group's solvency margin at the end of 2002 show a surplus of €337m over the minimum required by law.

In addition, the Meeting renewed the Board's authorization to purchase own shares and those in the Holding Company (for a total maximum countervalue of €144m), renewed KPMG's appointment as auditors for the three-year period 2003/2005, and confirmed the appointment of two Directors, in accordance with Article 2386 of the Civil Code.

In extraordinary session the Meeting updated the power conferred on the Board of Directors, in accordance with Articles 2443 and 2420 ter of the Civil Code, to increase the share capital, within a period of five years, free and/or for a payment, up to a maximum face value of €400m and to issue bonds up to a maximum face value of €500m, in order to provide the flexibility needed to implement the Group's development plans and to strengthen further its competitive position both in the insurance sector and in the banking and merchant banking sector.

## Quarterly report as at 31/03/2003

After the Meeting, Unipol Assicurazioni's Board of Directors reviewed the Group's trend during the first quarter and approved the **consolidated quarterly report** as at 31 March 2003.

Premium income rose to €2,162m (+67%), €1,562m of which was for Life business (+113%) and €600m for Non-life business (+6.8%). Growth in Life business was exceptional and unlikely to be repeated since it was largely the result of high volatility in the financial markets, which boosted premium income from low-risk policies, and of income from some major policies in Class V (capitalization operations).

The improvement in the results of the technical account was further confirmed. The net loss ratio for Non-life business was 72.2% (compared with 73.1% as at 31/03/2002) and the combined ratio (which also includes operating costs) was 92.9% of earned premiums (93.4% as at 31/3/2002).

The result of technical accounts in Life and Non-life business was positive to the tune of €48m (€38.2m as at 31 March 2002).

As a result of the extraordinary growth in Life business the incidence on premiums of acquisition and operating costs fell during the quarter to 7% (compared with 10.3% as at 31 March 2002).

The volume of investments and liquid assets rose to €19,224m, an increase of €1,538m compared with the position as at 31 December 2002 (+8.7%).

During the period in question, work continued on improving integration and boosting synergies within the Group, the aim being to keep costs down and to offer clients a whole range of services, from insurance to banking and asset management. Work continued on implementing Unipol Banca's development plan with the opening of 3 branches, bringing the total number of outlets to 176 at the end of March 2003. There were also 57 financial shops, and the number of financial advisers rose to 420.

By the end of the quarter the **consolidated result for ordinary business** reached €48.5m (compared with €41.1m as at 31 March 2002), an increase of 18% compared with the first quarter of 2002, and the net profit for the Group rose to €23.8m (+7.7%).

Bologna, 30 April 2003

**Compagnia Assicuratrice Unipol**

[www.unipol.it](http://www.unipol.it)