

**PRESS RELEASE**

**PURSUANT TO ARTICLE 37 (5) OF CONSOB REGULATION NO 11971  
OF 14 MAY 1999 AS SUBSEQUENTLY AMENDED AND SUPPLEMENTED (THE  
'REGULATION')**

Compagnia Assicuratrice Unipol S.p.A. (the '**Offeror**' or '**Unipol**') hereby announces that it has submitted today to CONSOB – pursuant to and for the intents and purposes of Article 37 (5) of the Regulation – the notice regarding its will to launch a voluntary public tender offer on all Aurora Assicurazioni S.p.A. ordinary shares (the '**Issuer**' or '**Aurora**') in compliance with Article 102 of Legislative Decree no 58 of 24 February 1998 (the '**Consolidated Law**'), and that it has deposited the offer document according to Articles 102 and *seq.* of the Consolidated Law and Article 37 of the Regulation.

The transaction relates to the voluntary public tender offer launched by Unipol in compliance with Articles 102 and *seq.* of the Consolidated Law (the '**Offer**') involving all Aurora ordinary shares issued and in circulation, each with a nominal value of €0.27, not held by Unipol and representing, as of today, 33.34% of the Issuer's share capital (the '**Shares**').

The Offer is part of the wider restructuring and strengthening plan involving the Unipol Group (the '**Transaction**'), the outlines of which were resolved by the Board of Directors of Unipol held on 11 December 2006 and by the Board of Directors of Aurora held on the same date.

Following completion of the Offer, which will be launched under the terms and conditions as laid down in the offer document, the Transaction is expected to include the following stages:

- (i) the hive-down of Unipol whole insurance business into a subsidiary incorporated for this purpose, which Unipol will fully control (the '**Unipol Hive-down**'), following amendment of Unipol's corporate purpose according to the conditions explained below;
- (ii) the hive-down of Aurora whole insurance business into a subsidiary incorporated for this purpose, which Aurora will fully control (the '**Aurora Hive-down**');
- (iii) the merger by incorporation of Aurora into Unipol (the '**Merger**'). The company resulting from the Merger will maintain its *status* as company listed on the Italian Equity Market organized and managed by Borsa Italiana S.p.A..

Unipol and Aurora hive-downs will take effect a legal moment prior to the date the Merger is effective.

After completion of the Offer, the Merger will be submitted to the competent administrative bodies' prior approval, and however not later than March 2007. In this

respect, Unipol is expected to issue ordinary and preference shares in order to serve the exchange ratio. Aurora shareholders who will not have tendered their Shares and will have maintained them until the completion of the Merger, will be given a number of Unipol ordinary and preference shares as determined on the basis of the existing proportion between the two categories of shares. On 11 December 2006 the Board of Directors of Unipol approved the exchange ratio for the Merger as determined in the range of 0.431-0.511 Unipol ordinary shares and 0.266-0.315 Unipol preference shares for each Aurora ordinary share – without prejudice to any subsequent resolutions to be passed by the forthcoming Board of Directors’ meetings about the Merger plan. The Board of Directors of Aurora, held on the same date, took note of the aforesaid range and resolved upon convening a further Board meeting by January 2007, to approve – in detail – the stages of the Transaction, namely (i) the expected range of the exchange ratio for the Merger, and (ii) the withdrawal price of Aurora shares being withdrawn by the shareholders who will not have concurred in the adoption of the resolution upon the Merger.

The Board of Directors of Unipol and Aurora – entrusted with laying down the Merger plan – will set the final exchange ratio for the Merger.

In the context of the Transaction (i) Unipol shareholders who will not concur in the adoption of the resolution amending the corporate purpose pursuant to Unipol Hive-down and (ii) Aurora shareholders who will not concur in the adoption of the resolution approving the Merger plan, will be entitled to withdraw.

Therefore, in accordance with Article 2437 (1)(g) of the Italian Civil Code and – depending on the effectiveness of the amendment to Unipol’s corporate purpose – also with Article 2437 (1)(a) of the Italian Civil Code, Aurora Shareholders who will not tender their shares in the Offer and will not concur in the adoption of the resolution approving the Merger plan, will be entitled to withdraw (since they will be given – as a result of the exchange – Unipol ordinary and preference shares and, hence, their voting and interests rights will be modified with regard to the Aurora ordinary shares they own to be exchanged with Unipol preference shares).

On the contrary, Aurora shareholders willing to tender their shares in the Offer may immediately turn their investment into cash at a price of €2.45 each Share. This amount will be given on the payment date.

## **1. ESSENTIAL ELEMENTS OF THE OFFER**

### **1.1 Offeror**

Unipol is a stock company the registered office of which is in Bologna, Via Stalingrado 45, entered under code 00284160371 in the Bologna Companies’ Register.

As of today, Unipol share capital amounts to €2,360,144,410. The share capital – fully subscribed – is subdivided into 2,360,144,410 shares without nominal value, 1,460,524,546 of which are ordinary shares and 899,619,864 preference shares.

Unipol ordinary and preference shares are listed on the Italian Equity Market organized and managed by Borsa Italiana S.p.A..

## **1.2 Issuer**

Aurora is a stock company the registered office of which is in San Donato Milanese (Milan), Via dell'Unione Europea 3/B, entered under code 01417330154 in the Milan Companies' Register.

As of today, Aurora share capital amounts to €248,346,782.73. The share capital – fully subscribed – is subdivided into 919,802,899 ordinary shares, each with a nominal value of €0.27.

Aurora is a company of the Unipol Group. The Offeror controls 66.66% of it and coordinates and manages it pursuant Articles 2497 and *seq.* of the Italian Civil Code.

Aurora shares are widely distributed among the public pursuant to Article 2325-*bis* of the Italian Civil Code and Article 2-*bis* of CONSOB Regulation. Aurora ordinary shares can be traded on 'Temex.it S.S.O. Terzomercato Exchange', system of organized tradings managed by Temex S.p.A. Trading on the Temex platform is suspended as from 10 April 2006 pending updating of its regulation.

## **1.3 Financial instruments to which the Offer relates**

The Offer relates to 306,658,358 Aurora ordinary shares each with a nominal value of €0.27, representing 33.34% of the Issuer's share capital.

The 306,658,358 Shares involved in the Offer represent the Issuers' total subscribed and paid-up share capital as at today, excluding 613,144,541 Aurora ordinary shares held by Unipol on the same date, representing 66.66% of the Issuer's share capital.

Aurora does not currently hold any own shares. As of today, the Issuer is not implementing any stock option plans in favour of its managers and employees and it has not issued any convertible bonds, warrants or financial instruments other than Shares.

## **1.4 Unit price and total consideration of the Offer**

On the payment date the Offeror will pay to each shareholder tendering its shares the all-in-cash amount of €2.45 for each Share (the '**Unit Price**').

The Offeror's Board of Directors set the Unit Price also with the support of its financial advisor Mediobanca – Banca di Credito Finanziario S.p.A, on the basis of assessment methods used for companies operating in the same sector – both internationally and in Italy.

## **1.5 Conditions of effectiveness of the Offer**

The effectiveness of the Offer is subject to extraordinary events (such as exceptional events causing significant changes in the political, financial, economic, currency exchange or market scenario) not taking place – either internationally or nationwide – after the publication date of the Offer Document and until the date the notice on the outcome of the Offer is disseminated, or no such amendments to the law have occurred which may limit or jeopardise the acquisition of the Shares or the exercise by Unipol of the right to ownership and/or of the voting rights and the other rights related to the Shares.

Should these circumstances or events occur, or should a situation involving the aforementioned effects take place, the Offeror has the unquestionable right to waive the conditions mentioned above by buying the Shares tendered in the Offer.

Unipol will notify either that the events related to these conditions have not occurred and that they have accordingly taken place, or – should such events occur and, hence, should the conditions not take place – that Unipol will exercise its right to waive said conditions by way of a notice to CONSOB, Borsa Italiana and at least two press agencies (the ‘**Notice**’) by 7:59 a.m. on the calendar day prior to the payment date of the Unit Price, as well as through a notice on the outcome of the Offer to be published within the calendar day prior to the payment date of the Unit Price.

On the contrary, should Unipol – in case the aforesaid events occur and, consequently, the above conditions do not take place – not exercise its right to waive and, hence, does not acquire the Shares tendered in the Offer, these Shares will be given back to their owners within the second day the Stock Exchange is open after the day the Notice is issued.

The Offer is not subject to a minimum acceptance threshold.

## **1.6 Authorizations**

The Offer is not subject to prior authorization by any administrative or judicial authorities.

## **2. OTHER INFORMATION ON THE OFFER**

### **2.1 Fundraising methods and performance guarantees**

The maximum expenditure for the Offer, as calculated according to the Unit Price, is expected to be €751,312,977.10 (the ‘**Maximum Expenditure**’). The Maximum Expenditure will be paid by the Offeror by way of own funds.

To this purpose, Unipol undertook to deposit €751,312,977.10 in a tied account with Unipol Banca S.p.A. before the acceptance period of the Offer commences and to

provide Unipol Banca with irrevocable instructions for using the relevant sums solely to pay the Unit Price for, and on behalf of the Offeror at the moment the Offer is settled.

## **2.2 Duration of the Offer**

The acceptance period of the Offer will be agreed with CONSOB in accordance with Article 40 (2) of the Regulation. The acceptance period is expected to start in January 2007 and to end by the first half of March 2007.

## **2.3 Markets recipient of the Offer**

The Offer is made on equal terms and without distinction to all the shareholders of the Issuer and is launched exclusively in Italy.

More specifically, the Offer is not launched in the United States of America, in Japan, in Canada, in Australia, nor in any other countries in which it may not be launched without the permission of the relevant authorities, or in which it may be an infringement of local laws and regulations.

## **3. PURPOSE OF THE TRANSACTION AND FUTURE PLANS**

The Offer aims at acquiring all Aurora Shares, excluding those held by the Offeror. Aurora shareholders not taking part in the Merger may immediately turn their investments into cash.

The Offer is part and represents the first stage of a wider restructuring and strengthening plan involving the Unipol Group, which focuses on the integration between Unipol and Aurora through the merger by incorporation of Aurora into Unipol.

The integration plan between Unipol and Aurora is consistent with the targets laid down in the Unipol Group's 2006-2009 industrial plan, as approved by the Board of Directors of Unipol on 13 September 2006 and it will allow the Unipol Group to adopt a structure fit to strengthen its position in the insurance and financial market, both nationwide and in Europe.

More specifically, the integration plan between Unipol and Aurora aims at implementing a simpler and more transparent organization model, involving a clear separation between the holding functions and the operating functions peculiar to each company, eliminating duplications and clarifying responsibilities.

Unipol will govern, guide and control the activities of the Unipol Group companies by outlining a common strategic framework in which the operating companies can effectively carry out their respective businesses. More specifically, upon completion of Unipol Hive-down, Unipol will carry out all the activities and provide the services which do not impact on the single companies' competitive differentiation by exploiting the economies of scale and scope resulting from the increased size, the elimination of duplications and the sharing of best practices.

Upon completion of the transaction and, more specifically, upon completion of Unipol Hive-down, the following functions will be placed in Unipol: (i) the guiding functions, such as, by way of example, planning and control and the strategies and policies related to human resources (ii) the shared services, such as, by way of example, the management of financial resources and IT, as well as the procurement and corporate services and (iii) other activities supporting the subsidiaries, such as, by way of example, claims settlement and planning and development of the distribution networks. This centralization is a further stage in the process currently underway, which has already led to implementing the centralized management of some of these activities.

As a result of the centralization in Unipol of the guiding and service functions, the operating companies may benefit from a more streamlined managing structure and focus on the activities key to the competitive success on the market, such as products development and network management.

Upon completion of the Transaction, Unipol will further own the subsidiary company of Aurora hived-down and, should Unipol Hive-down take place, the subsidiary company of Unipol hived-down.

#### **4. FINANCIAL ADVISORS AND INTERMEDIARY CHARGED WITH COORDINATING THE RECEIPT OF ACCEPTANCES**

Financial advisor to Unipol for the purposes of the Transaction is Mediobanca – Banca di Credito Finanziario S.p.A .

Intermediary charged with coordinating the receipt of acceptances for the Offer is Euromobiliare S.I.M. S.p.A.

Bologna, 9 January 2007

Unipol Assicurazioni S.p.A.

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

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*This press release does not constitute any public tender offer. Aurora shareholders shall not tender their shares in the Offer unless CONSOB has authorised the publication of the Offer Document and the acceptance period has started, pursuant to applicable rules. Once the Offer has been launched, acceptances shall be subject to the Offer Document which will be published in compliance with applicable law.*

*This press release shall not be transmitted nor distributed to any national, resident, citizen of, or person located in the United States of America nor in any other country where the dissemination of the present press release is not permitted without specific authorizations by the competent authorities.*

*The Offer will be launched exclusively in Italy. The Offer shall be made on equal terms to all Aurora shareholders but it shall not be made in the Unites States of America, Australia, Canada, Japan nor in any other country in which it may not be circulated without specific authorizations by the competent authorities (hereinafter referred to jointly as the 'Other Countries'), nor by means of postal services nor any other means of communication or international commerce (including, for example, the mail, the fax, the telex, the e-mail, the telephone and the Internet) in the Unites States of America, Australia, Canada, Japan or the Other Countries, nor any other facility of the financial institutions of the Unites States of America, Australia, Canada, Japan and the Other Countries, nor by means of any domestic regulated securities market in the Unites States of America, Australia, Canada, Japan or the Other Countries, nor in any other way.*

*Acceptance of the Offer by any national, resident, citizen of, or person located in any other Countries than Italy could be subject to specific legal or regulatory obligations or restrictions. It is the exclusive responsibility of the addressees of the Offer to comply to such rules and therefore, before accepting the Offer, to verify their existence and applicability by seeking the advice of their own consultants.*

*This press release, copy of the Offer Document and any other document that the Offeror may issue in relation to the Offer are not, and will not have to be sent nor transmitted nor distributed in any other way in, or from the Unites States of America, Australia, Canada, Japan nor in, or from the Other Countries.*

*Whoever receives, or is in possession of, this press release or the aforementioned documents shall not distribute and send them (including by mail) to or from the Unites States of America, Australia, Canada, Japan or the Other Countries, nor use the postal services and other similar means of the Unites States of America, Australia, Canada, Japan or the Other Countries for any scope related to the Offer.*

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