



The Unipol Group completed the acquisition of the Winterthur Italia Group. The half-yearly accounts of Winterthur Assicurazioni and Winterthur Vita were approved: a clear improvement in both technical results and net profits. Positive forecasts for the end of the current financial year.

Unipol Assicurazioni announces that, having obtained the necessary authorizations under the law, it has completed the acquisition of 90% of the capital of Winterthur Assicurazioni and Winterthur Vita.

The remaining 10% quota was acquired directly by the holding company Finsoe.

Through this operation, the Unipol Group will reinforce its position in the Italian insurance market, with an expected aggregate premium income of more than €8,600m for the 2003 financial year, and a market share of around 9%.

The banking and insurance products and services of the Group's companies are distributed to more than 6.3 million customers through a distribution network with around 4,000 points of sale stationed throughout the national territory.

The acquisition kick-started the process of integration of the Winterthur Italia Group, from which significant industrial synergies (costs), customer synergies (proceeds) and professional *know how* synergies, both between the Milanese pole (Winterthur and Meieaurora) and between the latter, Unipol Banca and the Parent Company Unipol Assicurazioni, are expected.

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At their meeting held today in Milan, the Boards of Directors of Winterthur Assicurazioni and Winterthur Vita, under the chairmanship of Fabrizio Rindi, approved the half-yearly reports as at 30 June 2003.

Winterthur Assicurazioni

Premium income amounted to €702.8m, a growth of 12.5% over the first half-year of 2002, drawn notably from the non-motor sector.

The technical insurance business showed a positive balance of €58.1m, compared with €6.8m registered in the corresponding period of the previous year. The reduction in the loss ratio and the improvement in the income from financial investments contributed to the sustained improvement. Investment income amounted to €66.8m as against €19.7m for the first half-year of 2002, when the income was negatively influenced by the turbulence registered on share markets.

The half-year profit net of taxation was €32.6m, as against €3.4m for the first half-year of 2002.

Winterthur Vita

Premium income amounted to €309.1m, in decline compared to the €500.4m for the first half-year of 2002, the latter having benefited from a production, unlikely to be repeated, linked to the "tax shield" effect gained by the *Personal Banker* channel of Credit Suisse Italia.

The agency channel increased new production over the first six months of 2003 by 6%.

The technical insurance business showed a positive balance of €33.8m as against a negative result of €17.6m for the same period of the previous year, which was burdened by substantial capital losses from investments in the shares sector.

The half-year profit net of taxation was €22.1m, as against a loss of €21.1m for the first half-year of 2002.

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Winterthur Assicurazioni and Winterthur Vita's income forecasts for the current financial year are positive and predict rising gross profits as compared with the previous financial year.

Based on these forecasts, a ROE for 2003 in excess of 17% can be expected for the Winterthur Italia Group. The expected return on investment (ROI) for Unipol Assicurazioni and Finsoe is already at levels exceeding 6.5%.

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Compagnia Assicuratrice Unipol S.p.A.

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