

PRESS RELEASE

Unipol Gruppo Finanziario – net profit for the first half 2007 growing by 31.9 %

Non-Life aggregate income rose to €2,110m (+5.1%), whilst Life business – where the planned reduction in the distribution of corporate capital redemption policies continued – recorded income of €2,935m (-18.3%).

Direct aggregate income totalled €5,045m (-9.9%).

Gross operating income for the Unipol Banca Group reached €144m (+16.6%). Unipol Banca's net profit rose to €22m (+37.3%).

Considerable growth in the financial results of Unipol Gruppo Finanziario. Consolidated profit rose to €286m (+24.2%) and profit pertaining to the Group to €260m (+31.9%).

The Board of Directors of Unipol Gruppo Finanziario S.p.A. – held today for the first time after the Group reorganization effective date – approved the half-yearly consolidated and unconsolidated reports as at 30 June 2007¹.

Consolidated half-yearly report

In **insurance business** Non-Life aggregate income rose to €2,110m (+5.1%). Excellent was the performance in Non-Life business, especially as regards Motor TPL (+3.2%), Land vehicles – own damage (+6.5%) and Accident and Health (+11.6%). In Life business the planned reduction in the distribution of capital redemption products (mainly corporate) by the composite companies went on according to the strategic guidelines disclosed in the 2006-2009 industrial plan, and aggregate income was €2,935m (-18.3%). Direct aggregate income, then, totalled €5,045m (-9.9%).

¹ Please note that in this press release the accounting data and any other information relating to 'Unipol Assicurazioni S.p.A.' and 'Aurora Assicurazioni S.p.A.' refer, respectively, to Unipol Gruppo Finanziario S.p.A. (the new name taken by the Company and effective as from 1 September 2007) and Aurora Assicurazioni S.p.A. (the company discontinued following the merger by incorporation into Unipol Gruppo Finanziario S.p.A., with effect as from 1 September 2007).



The composite companies (Unipol Assicurazioni and Aurora Assicurazioni) recorded aggregate income from insurance business of €2,660m (€1,858m of which in Non-Life business and €801m in Life business and investment products), the Non-Life specialist companies (Linear, Navale and Unisalute) of €252m and the bancassurance companies (BNL Vita and Quadrifoglio Vita) of €2,133m.

The corresponding consolidated earned premiums, net of reinsurance, amounted to €3,788m (-14.9%), €1,933m of which in Non-Life business (+5.5%) and €1,855m (-29.2%) in Life business.

To point out in the first half of the year are the Group activities in supplementary pension schemes. Unipol Assicurazioni won the tenders for the management of 12 new mandates, 11 of which with guarantee, although the results in terms of premiums and assets under management – taking into account the legal terms of the ‘silent-assent’ rule and the necessary time requirement – will be available as from the second half 2007. The Group, then, aims at increasing considerably its assets under management and its market share in the occupational pension funds sector (7% at 2006 year-end) within 2007.

Overall operating expenses in the insurance sector as at 30 June 2007 (acquisition commissions, renewal commissions and other acquisition, investment management and administrative expenses), net of reinsurance commissions, totalled €516m (4.8%).

Combined ratio, as calculated on direct and in direct business and net of reinsurance, was 96.7% as at 30 June 2007 (96.3% as at 30/6/2006)². This result was negatively affected by the integration of reserves pertaining to the company Navale on claims from the portfolio of the companies acquired from the Mutuelles du Mans Assurances Group and then merged into Navale. These integrations, being the subject of a guarantee by the vendor, do not impact on the profitability of the company and the Group. Notwithstanding this effect, loss ratio, net of reinsurance, was 74.6%, in line with the first half 2006.

Investment management policies - in a macroeconomic scenario where rates growth led to the loss of value in bonds portfolio – focused on investments in variable rate securities and on a gradual and slight increase in the weight of equity portfolio, favouring highly profitable and liquid shares in the Eurozone.

Net income from property and financial management was €678m (+27.4%), the investment income rate³ in the first half of the year was 4.4%, increasing compared with 3.5% in the first half 2006. Increase in interest rates for the first half 2007 led to notable variations in the value of securities classified as ‘available for sale’, which determined a variation in the ‘reserve for gains and losses on financial assets available for sale’ from -€70m on 31 December 2006 to -€568m on 30 June 2007. To highlight is the Group investment policy, focussing on low credit risk bonds where almost the entire portfolio is made up of securities with rating higher than ‘A’ and over 80% with rating higher than ‘AA’.

Taking into account the distribution of €106m of extraordinary dividend, shareholders’ equity pertaining to the Group, including the profit for the period, amounted to €4,886m (€5,358m on 31/12/2006).

² This indicator is the sum of two indices: the first one is the loss ratio, net of outward reinsurance (74.6%), resulting from the incidence of net claims charges (net amount) on net premiums; the second one (22.1%) results from the ratio of total operating expenses, net of investment management charges, to the net written premiums.

³ Excluding investment income relating to contracts issued by insurance companies where the investment risk is borne by policyholders and arising out of pension fund management.



The Group overall insurance business contributed to the pre-tax profit with €399m (+23.7%), €273m of which in Non-Life business and €127m in Life business.

In **banking business**, made up of the Unipol Banca Group, growth in Unipol Banca branches network went on, reaching 273 in the end of June (265 at 2006 year-end), 158 of which co-located with insurance agencies. According to the current territorial expansion plan, about 400 branches are expected to be reached by 2009. After the end of the first half of the year Unipol Banca was given the go-ahead by the Bank of Italy for the opening of 75 further banking branches in the 2007-2008 two-year period.

Direct customer deposits for the Unipol Banca Group stood at €7,262m (€7,257m of which pertaining to Unipol Banca S.p.A.), decreasing by 8.3% over 31 December 2006 as a consequence of the reduced deposits by the Group companies (following the expenditure for the buyback of Aurora Assicurazioni's minorities).

Loans to customers grew to €7,312m as at 30 June 2007 (€6,833m pertaining to Unipol Banca S.p.A. and €478m to Unipol Merchant – Banca per le Imprese S.p.A.), +9.8% compared with 2006 year-end.

Net interest income increased by 22.2%, to €99m, as a result of the notable growth in loans and the widened spread on rates. Gross operating income reached €144m (€139.8m for Unipol Banca S.p.A.), +16.6%.

Operating expenses rose by 14.6%, to €96m. This increase – lower than that in gross operating income – is also due to investments supporting the increase in activities which will arise from the Banking Group expansion. Cost/income ratio lowered to 66.9% (66.5% for Unipol Banca S.p.A.), compared with 68.1% in the first half 2006 and is in line with budget expectations.

Profit before taxation for the Banking Group was €36m (+40.1%). Net profit pertaining to Unipol Banca S.p.A. amounted to €22m (+37.3%).

Following the above mentioned business trends, overall gross consolidated profit for **Unipol Gruppo Finanziario** reached €403m (+22.3%). Net of taxes for €117m, consolidated profit rose to €286m (+24.2%). Profit for the Group, net of minority interests⁴, rose to €260m (+31.9%).

The composite companies' distribution network is made up of 1,703 agencies (585 are Unipol Assicurazioni agencies and 1,118 Aurora Assicurazioni agencies). Navale Assicurazioni operates through 242 non-exclusive agencies and 285 brokers.

Subprime mortgage loans sector

With reference to the events which led, in July and August 2007, to the crisis in the subprime mortgage loans sector, pursuant to CONSOB requirement of 10 August 2007 Ref. DME/RM/7075866, it is hereby communicated that the Group companies have no direct exposure to subprime mortgage loans, either as providers of said loans, or as investors at own

⁴ Namely, minority interests relating to the subsidiary Aurora Assicurazioni (the shares of which were subject of an Offer carried out by the then parent company Unipol Assicurazioni ended in March 2007) were 33.33% in the first quarter 2007 and 4.18% in the second quarter 2007.



risk or as managers of financial products having said mortgage loans as underlying assets. Accordingly, the Group companies' assets matching technical provisions or free equity do not include investments directly linked to such type of mortgage loans. In the subsidiary BNL Vita there are only three operations of negligible amount indirectly linked to this sector, the final risk of which implies a potential loss of maximum €49,000.

Unconsolidated half-yearly report

Unipol Assicurazioni S.p.A. recorded direct premiums for €1,167m (-35.4% compared with the first half 2006), €747m of which in Non-Life business (+5.4%) and €420m in Life business (decreasing by 61.8% mainly because of the reduction in income from capital redemption products).

Combined ratio in direct business was 95.4%, decreasing in comparison with 96.2% as at 30 June 2006.

Investments, excluding liquid assets, stood at €13,134m (+1.4% over 31 December 2006).

Income from investments and liquid assets (net of investment charges and excluding charges relating to investments for the benefit of policyholders who bear the risk thereof and to investments arising out of Class D pension fund management), amounted to €240.1m (-14.1%).

The half-yearly result did not include Aurora Assicurazioni's dividend distribution (€67.6m in the first half 2006), which was not resolved, according to the overall corporate reorganization plan.

Balance on extraordinary activities was negative for €11.6m, compared with +€51.2m in the first half 2006 (when capital gains from the sale of shareholdings in Banca Nazionale del Lavoro and Banca Antonveneta were posted).

Profit before taxation was €87.4m, decreasing compared with €193.4m in the first six months of 2006, and net profit for the period €86.6m (€187.6m as at 30 June 2006).

Margins on Life New Business and Life Embedded Value

The policy to re-qualify Life portfolio in favour of higher value products led to a growth in Life New Business Margins (Life New Business Value / APE⁵) to 17% (compared with 14% in 2006). Life New Business Value as at 30 June 2007 (€57m) was substantially in line with the 2006 financial year (€61m), notwithstanding the considerable reduction in premium income (mainly due to the corporate capital redemption segment) as above mentioned.

In Force Value⁶ rose to €393m (+7.4%), whilst Life Embedded Value⁷ - discounting the aforesaid reduction in some items included in the shareholders' equity - stood at €1,468m (-20.6%)⁸.

Statement of the Manager in Charge of drawing up the corporate accounts

Maurizio Castellina, the Manager in Charge of drawing up the corporate accounts, states – pursuant to Article 154-bis (2) of the 'Consolidated Law on Financial Intermediation' – that, as far as it is known, the Consolidated and Unconsolidated half-yearly reports as at 30 June 2007

⁵ APE correspond to the sum of annual and recurrent premiums and 1/10 of single premiums (both relating to one year of Life New Business).

⁶ In Force Value is the Life portfolio value in force.

⁷ Life Embedded Value is the sum of Life In-Force Value and Adjusted Shareholders' Equity (NAV).

⁸ The hypothesis adopted to calculate these values are as follows: 6.5% discount rate, 4.25% assets yield rate, 35% tax rate. These hypothesis were also used to calculate the same values for the 2006 financial year.



and any further accounting data included in this press release correspond to the documented results, the accounting books and records.

Appointment of Carlo Cimbri as General Manager of Unipol Gruppo Finanziario

The Board of Directors also appointed Carlo Cimbri as General Manager of Unipol Gruppo Finanziario. Carlo Cimbri, who is 42 years old, has been working in the Group since 1991 and has been previously Group General Manager in Unipol Assicurazioni. His *curriculum vitae* is available on the Website www.unipolgf.it.

Significant events after 30 June 2007 and expected business outlook

Unipol Gruppo Finanziario S.p.A. started operations on 1 September 2007, being a holding for participating interests and services listed on the Stock Exchange.

Unipol Gruppo Finanziario S.p.A. is the outcome of a structured process – as widely described in previous statements – which progressively separated the centralized and coordinating functions carried out by the former parent company Unipol Assicurazioni from the operating activities peculiar to each company. The activities involving, *inter alia*, claims handling, finance, administration, human resources and IT have been centralized, thus eliminating duplications and clarifying targets and responsibilities.

The new parent company Unipol Gruppo Finanziario S.p.A. guides and controls the Group activities within a common strategic framework, where the operating companies can focus on their key activities to achieve competitive success in their own business segments.

Unipol Gruppo Finanziario S.p.A. controls:

- in the insurance sector Unipol Assicurazioni (holding 100% of its share capital), Aurora Assicurazioni (100%), Linear (100%), Navale Assicurazioni (99.83%) and UniSalute (98.48%);
- in the bancassurance sector BNL Vita (51%) and 50% of Quadrifoglio Vita;
- in banking, asset under management and merchant banking sectors Unipol Banca (84.53%) (which, in turn, controls Unipol Merchant-Banca per le Imprese and Unipol Fondi) and Unipol SGR (100%).

The reorganization process will enable the Group to adopt a structure fit to strengthen its own position in the insurance and financial market in Italy, in line with the targets set forth in the 2006-2009 industrial Plan.

It is also pointed out that:

- on 31 July 2007 Unipol Assicurazioni finalized the acquisition from Banca Nazionale del Lavoro of a 1% stake of BNL Vita share capital, rising its overall shareholding in this company to 51%;
- on 30 August 2007 Moody's Investor Services, having taken note of the completion of the Group's corporate reorganization plan and of the start of Unipol Gruppo Finanziario, assigned the 'A2' insurance financial strength rating, with positive outlook, to the new companies Unipol Assicurazioni S.p.A. and Aurora Assicurazioni S.p.A. and confirmed the 'Baa1' rating to the subordinated debenture loans 'Unipol 7% fixed/floater rate callable 2021' and 'Unipol 5.66% fixed/floater rate callable 2023', issued in 2001 and 2003 respectively. In



this regard, it is hereby reiterated that, from 1 September 2007, Unipol Gruppo Finanziario S.p.A.'s obligation to repay the aforesaid loans will be guaranteed by the aforementioned insurance companies.

On 31 August 2007 Standard & Poor's assigned its 'A-' insurer financial strength and long-term counterparty credit ratings, with stable outlook, to the new companies and confirmed the 'BBB' rating to the subordinated debenture loans;

- in August, following authorisation by the Bank of Italy, Unipol Banca – within the Group's corporate reorganization – sold to Unipol Assicurazioni (now Unipol Gruppo Finanziario S.p.A.) the whole stake held in the subsidiary Unipol SGR, to which the Group companies will give specific mandate for managing the financial investments;
- having obtained authorisation from the Bank of Italy, Unipol Banca's acquisition of the whole share capital of the company Cooperleasing S.p.A. (leasing company with registered office in Bologna) is currently being finalized.

With respect to insurance business, in the period following the end of the first half of 2007 Non-Life premium income recorded the same growth rate as in the first part of the year and the technical results achieved in the first six months were on the whole confirmed.

As regards Life business the reduction in Class V corporate contracts is going on, in line with the first part of the year. To point out is that, as from July, the new regulation on allocation of the severance indemnity funds (TRF) to pension funds has come into force, being this a sector where the Group is intensely operating.

Trend in acquisition and management costs is consistent with expectations.

As regards financial management, the portfolio write-downs have diminished – notwithstanding the market disruption caused by the events associated with the American subprime mortgage loans. Fall in indexes on the Eurozone Stock Exchanges (-6.60% from the end of June to the end of August 2007) led to a depreciation of equity investments lower than the appreciation of bond investments, which benefited from a considerable reduction in interest rates (10 years Euro SWAP rate went from 4.84% in the end of the first half of the year to 4.64% on 29/8/2007).

To point out is that the securities issued by Unipol Banca to service securitization operations carried out on mortgage loans *in bonis*, are not impacted by the crisis occurred in the credit derivatives sector. The procedures adopted for granting loans to customers – that, in any case, involve a primary mortgage guarantee on the purchased property – ensure high credit quality.

Considering the trends examined so far and the expected business outlook, in a climate characterized by a persistent level of uncertainty in financial markets, the financial result for the current year is expected to improve in comparison with the previous year.

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The Group half-yearly results will be disclosed to the financial community today at 18:00 CET via conference call and webcasting. Technicalities on how to access the event are available on the Website www.unipolgf.it, Section 'Investor Relations'.

Bologna, 13 September 2007

Unipol Gruppo Finanziario S.p.A.
www.unipolgf.it



Attached are summaries of consolidated Income Statement and Balance Sheet and of Income Statement and Balance Sheet of Unipol Assicurazioni S.p.A. as at 30 June 2007.

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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		30/06/2007	30/06/2006
1.1	Net earned premiums	3,787.7	4,452.4
1.1.1	<i>Gross earned premiums</i>	3,931.8	4,604.1
1.1.2	<i>Earned premiums ceded</i>	-144.2	-151.6
1.2	Commissions and fees receivables	61.4	60.3
1.3	Income and charges arising out of financial instruments recorded at fair value through profit or loss	-34.7	82.8
1.4	Income arising out of shareholdings in subsidiaries, associates and joint ventures	1.8	2.4
1.5	Income arising out of other financial instruments and investments in property	869.1	588.8
1.5.1	<i>Interest receivable</i>	549.5	396.1
1.5.2	<i>Other income</i>	66.2	31.5
1.5.3	<i>Profits realised</i>	253.2	161.2
1.5.4	<i>Unrealised profits</i>	0.2	0.0
1.6	Other income	70.0	59.2
1	TOTAL INCOME AND PROCEEDS	4,755.1	5,246.0
2.1	Net charges relating to claims	3,485.9	4,081.5
2.1.2	<i>Amounts paid and charges in technical provisions</i>	3,571.6	4,199.4
2.1.3	<i>Reinsurers' share</i>	-85.7	-117.9
2.2	Commissions and fees payable	19.6	18.2
2.3	Charges arising out of shareholdings in subsidiaries, associates and joint ventures	0.3	0.2
2.4	Charges arising out of other financial instruments and investments in property	157.6	141.5
2.4.1	<i>Interest payable</i>	111.4	95.5
2.4.2	<i>Other charges</i>	7.1	6.7
2.4.3	<i>Losses realised</i>	25.4	23.2
2.4.4	<i>Unrealised losses</i>	13.7	16.1
2.5	Operating expenses	613.5	577.3
2.5.1	<i>Commissions and other acquisition expenses</i>	395.5	367.5
2.5.2	<i>Investment management expenses</i>	11.2	13.1
2.5.3	<i>Other administrative expenses</i>	206.8	196.7
2.6	Other costs	75.7	98.0
2	TOTAL COSTS AND CHARGES	4,352.5	4,916.6
	PROFIT (LOSS) FOR THE PERIOD BEFORE TAXATION	402.7	329.4
3	Taxation	117.0	99.4
	PROFIT (LOSS) FOR THE PERIOD NET OF TAX	285.6	230.0
4	PROFIT (LOSS) PERTAINING TO DISCONTINUED OPERATIONS	0.0	0.0
	CONSOLIDATED PROFIT (LOSS)	285.6	230.0
	pertaining to the Group	260.0	197.2
	pertaining to minority interests	25.6	32.8



**SUMMARY OF CONSOLIDATED INCOME STATEMENT
BROKEN DOWN BY BUSINESS SECTOR**

(amounts in €m)

	NON-LIFE BUSINESS		<i>var.</i>	LIFE BUSINESS		<i>var.</i>	INSURANCE TOTAL		<i>var.</i>
	30/6/07	30/6/06	%	30/6/07	30/6/06	%	30/6/07	30/6/06	%
Net earned premiums	1,933	1,832	5.5	1,855	2,621	-29.2	3,788	4,452	-14.9
Net income from commissions and fees	0	(0)		4	2		4	2	
Financial income/charges	237	181	30.4	383	300	27.8	620	481	28.8
Net charges relating to claims	(1,442)	(1,362)	5.9	(2,044)	(2,719)	-24.8	(3,486)	(4,082)	-14.6
Operating expenses	(441)	(418)	5.6	(75)	(75)	0.2	(516)	(493)	4.8
Other income/charges	(14)	(36)	-61.9	4	(3)		(9)	(39)	-76.1
Pre-tax profit (loss)	273	197	38.4	127	126	0.8	399	323	23.7

	BANKING BUSINESS		<i>var.</i>	Intersector eliminations		<i>var.</i>	CONSOLIDATED TOTAL		<i>var.</i>
	30/6/07	30/6/06	%	30/6/07	30/6/06	%	30/6/07	30/6/06	%
Net earned premiums	0	0	0.00	0	0	0.00	3,788	4,452	-14.9
Net income from commissions and fees	39	39	-1.7	(1)	1		42	42	-0.8
Financial income/charges	93	70	33.0	(35)	(19)		678	532	27.4
Net charges relating to claims	0	0	0.0	0	0		(3,486)	(4,082)	-14.6
Operating expenses	(100)	(87)	15.0	3	3		(613)	(577)	6.3
Other income/charges	4	3		(0)	(3)		(6)	(39)	-85.4
Pre-tax profit (loss)	36	25		(32)	(19)		403	329	22.3
Taxation				0	0		(117)	(99)	17.7
Consolidated profit (loss)							286	230	24.2
Profit (loss) - minority interests							26	33	
Profit (loss) - Group							260	197	31.9

CONSOLIDATED BALANCE SHEET

ASSETS

LIABILITIES AND SHAREHOLDERS' EQUITY

€m		30/06/2007	31/12/2006	€m		30/06/2007	31/12/2006
1	INTANGIBLE ASSETS	1,682.6	1,335.7	1	SHAREHOLDERS' EQUITY	5,089.5	5,873.0
1.1	Goodwill	1,650.1	1,303.8	1.1	pertaining to the Group	4,886.0	5,357.7
1.2	Other intangible assets	32.5	31.9	1.1.1	Capital	2,360.1	2,360.1
2	TANGIBLE ASSETS	438.4	433.6	1.1.2	Other equity	0.0	0.0
2.1	Property	382.2	375.9	1.1.3	Capital reserves	2,190.6	2,296.8
2.2	Other tangible assets	56.3	57.7	1.1.4	Accumulated earnings and other reserves	605.1	456.8
3	TECHNICAL PROVISIONS - REINSURERS' SHARE	666.4	657.4	1.1.5	(Own shares)	0.0	0.0
4	INVESTMENTS	33,141.9	35,936.0	1.1.6	Reserve for net exchange rate differences	0.0	0.0
4.1	Investments in property	299.0	298.9	1.1.7	Profits or losses on financial assets available for sale	-568.1	-70.3
4.2	Shareholdings in subsidiaries, associates and joint ventures	32.1	38.6	1.1.8	Other profits or losses recorded in the equity direct	38.3	32.9
4.3	Investments held to maturity	678.3	1,037.8	1.1.9	Profits (loss) for the year pertaining to the Group	260.0	281.3
4.4	Loans and receivables	8,648.6	10,157.0	1.2	pertaining to minority interests	203.5	515.2
4.5	Financial assets available for sale	15,374.5	15,837.8	1.2.1	Capital and reserves pertaining to minority interests	189.3	470.9
4.6	Financial assets recorded at fair value through profit or loss	8,109.5	8,565.9	1.2.2	Profits or losses recorded in the equity direct	-11.5	-35.9
5	SUNDRY RECEIVABLES	1,066.6	1,176.9	1.2.3	Profits (loss) for the year pertaining to minority interests	25.6	80.3
5.1	Receivables arising out of direct insurance operations	696.7	808.9	2	AMOUNTS SET ASIDE	50.7	45.0
5.2	Receivables arising out of reinsurance operations	85.6	104.8	3	TECHNICAL PROVISIONS	22,231.4	24,042.4
5.3	Other receivables	284.3	263.2	4	FINANCIAL LIABILITIES	9,824.1	10,379.2
6	OTHER ASSETS	2,761.3	696.4	4.1	Financial liabilities recorded at fair value through profit or loss	2,429.5	3,121.2
6.1	Non-current assets or assets of a disposal group held for sale	1,882.3	0.0	4.2	Other financial liabilities	7,394.7	7,257.9
6.2	Deferred acquisition costs	69.4	70.2	5	PAYABLES	535.9	520.2
6.3	Deferred tax assets	514.9	366.2	5.1	Payables arising out of direct insurance operations	77.9	46.5
6.4	Current tax assets	29.0	45.3	5.2	Payables arising out of reinsurance operations	44.0	18.6
6.5	Other assets	265.8	214.6	5.3	Other payables	414.0	455.1
7	CASH AND CASH EQUIVALENTS	747.0	1,413.6	6	OTHER LIABILITIES	2,772.7	789.8
				6.1	Liabilities of a disposal group held for sale	1,931.5	0.0
				6.2	Deferred tax liabilities	269.7	210.3
				6.3	Current tax liabilities	41.4	52.9
				6.4	Other liabilities	530.1	526.7
	TOTAL ASSETS	40,504.3	41,649.6		TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	40,504.3	41,649.6



INCOME STATEMENT - UNIPOL ASSICURAZIONI

(amounts in €K)

	30/06/07	30/06/06	31/12/06		30/06/07	30/06/06	31/12/06
I TECHNICAL ACCOUNT - NON-LIFE INSURANCE BUSINESS				III NON-TECHNICAL ACCOUNT			
1. Earned premiums, net of reinsurance	707,745	679,127	1,372,421	1. Balance on the technical account for Non-Life business (item I.10)	52,680	62,875	123,634
2. (+) Allocated investment return transferred from the non-technical account (item III.6)	32,165	42,205	40,561	2. Balance on the technical account for Life business (item II.13)	-12,104	-9,207	-56,887
3. Other technical income, net of reinsurance	2,623	10,397	2,433	3. Investment income - Non-Life insurance business			
4. Claims incurred, net of sums recoverable and reinsurance	531,790	512,563	984,464	a) Income from investments	118,693	129,192	207,974
5. Changes in other technical provisions, net of reinsurance	-12	-11	-32	b) Value re-adjustments on investments	2,052	302	641
6. Bonuses and rebates, net of reinsurance	835	90	2,200	c) Capital gains on disposals of investments	51,238	27,841	77,139
7. Operating expenses:				Total	171,982	157,335	285,754
a) Acquisition costs, net of reinsurance commissions and profit sharing	107,937	101,736	207,978	4. (+) Allocated investment return transferred from Life assurance technical account (item II.12)	0	0	0
b) Administrative expenses	47,898	44,751	93,850	5. Investment charges - Non-Life insurance business			
Total	155,835	146,488	301,828	a) Investment management charges, including interest payable	17,948	8,590	25,757
8. Other technical charges, net of reinsurance	1,228	9,569	3,251	b) Value adjustments on investments	58,963	22,740	125,831
9. Change in the equalization provisions	179	156	71	c) Capital losses on disposals of investments	6,484	4,758	17,841
10. Balance on the technical account for Non-Life insurance business	52,680	62,875	123,634	Total	83,395	36,088	169,429
II TECHNICAL ACCOUNT - LIFE INSURANCE BUSINESS				6. (-) Allocated investment return transferred to Non-Life insurance technical account (item I.2)	32,165	42,205	40,561
1. Written premiums, net of reinsurance	421,418	1,099,338	1,529,859	7. Other income	77,497	84,111	166,124
2. Investment income				8. Other charges	75,456	74,627	142,014
a) Income from investments	142,960	153,036	270,502	9. Balance on ordinary activities	99,039	142,194	166,621
b) Value re-adjustments on investments	22,421	7,636	11,476	10. Extraordinary income	27,777	81,030	99,939
c) Realized gains on investments	46,743	30,928	49,673	11. Extraordinary charges	39,400	29,869	32,444
Total	212,124	191,600	331,651	12. Balance on extraordinary activities	-11,623	51,161	67,495
3. Investment income and unrealized gains on investments for Life assurance policies where investment risk is borne by policyholders and arising out of pension fund management	32,773	18,244	50,524	13. Profit before taxation	87,416	193,355	234,116
4. Other technical income, net of reinsurance	3,525	3,013	7,047	14. Tax on profit for the period	862	5,750	46,954
5. Claims incurred, net of reinsurance	1,226,742	344,252	1,392,511	15. Profit (loss) for the period	86,554	187,605	187,162
6. Change in the mathematical provisions and other technical provisions, net of reinsurance							
a) Mathematical provisions, supplementary risks-provision for unearned premiums and other technical provisions	-826,359	738,295	175,008				
b) Technical provisions where investment risk is borne by policyholders and pension fund management provisions	102,466	64,228	139,806				
Total	-723,894	802,523	314,814				
7. Bonuses and rebates, net of reinsurance	1,813	627	686				
8. Operating expenses:							
a) Acquisition costs, net of reinsurance commissions and profit sharing	12,194	14,025	24,512				
b) Administrative expenses	10,830	10,899	21,879				
Total	23,024	24,924	46,392				
9. Investment charges							
a) Investment management charges, including interest payable	9,158	10,070	18,218				
b) Value adjustments on investments	100,681	100,233	135,397				
c) Realized losses on investments	23,378	996	29,275				
Total	133,217	111,299	182,891				
10. Investment charges and unrealized losses on investments for Life assurance policies where investment risk is borne by policyholders and arising out of pension fund management	18,294	35,598	33,902				
11. Other technical charges, net of reinsurance	2,748	2,180	4,773				
12. (-) Allocated investment return transferred to the non-technical account (item III.4)	0	0	0				
13. Balance on the technical account for Life assurance business	-12,104	-9,207	-56,887				



BALANCE SHEET - UNIPOL ASSICURAZIONI

(amounts in €K)

ASSETS	30/06/07	30/06/06	31/12/06	LIABILITIES	30/06/07	30/06/06	31/12/06
A. Subscribed share capital unpaid	0	0	0	A. Capital and reserves			
B. Intangible assets				I - Subscribed share capital or equivalent funds	2,360,144	2,360,144	2,360,144
1. Deferred acquisition costs	29,043	29,581	28,653	II - Share premium reserve	1,867,595	1,973,801	1,973,801
2. Other assets	34,769	49,401	41,994	III - Legal reserve	472,029	472,029	472,029
Total	63,812	78,982	70,647	IV - Other reserves	292,656	287,183	287,183
C. Investments				V - Profit (loss) brought forward	0	0	0
I - Land and buildings	553,076	546,963	549,863	VI - Profit (loss) for the period	86,554	187,605	187,162
II - Investments in Group undertakings and other participating interests				Total	5,078,978	5,280,762	5,280,319
1. Stocks and shares	3,496,190	2,885,948	2,808,598	B. Subordinated liabilities	600,000	600,000	600,000
2. Debt securities	26,487	74,663	53,843	C. Technical provisions			
3. Corporate financing	0	0	0	I - Non-Life business			
Total	3,522,678	2,960,610	2,862,441	1. Provision for unearned premiums	566,134	529,958	561,264
III - Other financial investments				2. Provision for claims outstanding	1,829,986	1,786,796	1,765,078
1. Stocks and shares	755,095	508,914	490,052	3. Sundry technical provisions	2,215	1,212	2,271
2. Units and shares in investment funds	149,754	94,441	147,610	4. Equalization provisions	1,285	1,191	1,106
3. Bonds and other fixed-income securities	6,734,823	6,025,658	7,339,723	Total - Non-Life business	2,399,620	2,319,157	2,329,718
4. Loans	43,021	48,321	46,238	II - Life business			
5. Other financial investments	127,246	657,006	365,203	1. Mathematical provisions	4,693,086	6,082,243	5,518,208
Total	7,809,938	7,334,340	8,388,826	2. Provision for amounts payable	51,899	28,309	26,739
IV - Deposits with ceding undertakings	20,843	22,369	20,662	3. Sundry technical provisions	38,736	38,469	39,063
Total	11,906,535	10,864,283	11,821,792	Total - Life business	4,783,721	6,149,021	5,584,011
D. Investments for the benefit of Life assurance policyholders who bear the risk thereof and arising out of pension fund management				Total	7,183,341	8,468,178	7,913,729
I - Investments relating to benefits linked to investment funds and market indices	794,373	676,024	717,259	D. Technical provisions where investment risk is borne by policyholders and pension fund management provisions			
II - Investments arising out of pension fund management	433,077	374,640	408,172	I - Technical provisions for policies whose benefits are linked to investment funds and market indices	794,373	676,024	717,259
Total	1,227,450	1,050,664	1,125,431	II - Pension fund management provisions	433,077	374,640	408,172
D. bis Technical provisions - reinsurers' share				Total	1,227,450	1,050,664	1,125,431
I - Technical provisions - Non-Life business	87,496	100,562	87,589	E. Provisions for other risks and charges	18,775	22,976	18,775
II - Technical provisions - Life business (except those at item III)	2,770	2,872	3,123	F. Deposits received from reinsurers	36,293	38,868	35,936
III - Technical provisions of Life business where investment risk is borne by policyholders, and pension fund management provisions	0	0	0	G. Creditors and other liabilities			
Total	90,266	103,435	90,712	I - Creditors arising out of direct insurance operations	15,527	15,101	12,260
E. Debtors				II - Creditors arising out of reinsurance operations	5,858	11,254	10,452
I - Debtors arising out of direct insurance operations	302,342	276,705	361,350	III - Debenture loans	0	0	0
II - Debtors arising out of reinsurance operations	16,487	21,329	18,695	IV - Amounts owed to credit institutions	50,297	192	804
III - Other debtors	60,066	64,448	61,132	V - Sundry borrowings and creditors	107,179	85,303	89,005
Total	378,895	362,481	441,176	VI - Staff leaving indemnity	25,599	26,593	25,277
F. Other assets				VII - Other liabilities	149,042	80,783	140,860
I - Tangible assets and stocks	19,496	14,364	17,996	Total	353,862	219,226	278,658
II - Cash at bank and in hand	662,405	3,086,664	1,560,169	H. Accruals and deferred income	23,967	19,594	24,742
III - Own shares	0	0	0	TOTAL LIABILITIES	14,522,666	15,700,269	15,277,590
IV - Other assets	66,906	49,490	45,445	GUARANTEES, COMMITMENTS AND OTHER MEMORANDUM ACCOUNTS			
Total	748,806	3,150,518	1,623,610	I. Guarantees issued by the Company	502	452	478
G. Prepayments and accrued income	106,901	89,907	104,222	II. Guarantees received/issued by third parties in favour of consolidated undertakings	84,009	58,614	51,281
TOTAL ASSETS	14,522,666	15,700,269	15,277,590	III. Commitments	3,714,231	2,131,735	2,044,520
				IV. Pension fund assets managed on behalf of third parties	356,789	269,055	305,153
				V. Other memorandum accounts	13,254,207	10,954,710	12,253,927
				TOTAL MEMORANDUM ACCOUNTS	17,409,739	13,414,566	14,655,359