



Press Release

THE BOARD OF DIRECTORS APPROVED THE 2006 DRAFT ACCOUNTS

TOTAL PREMIUM INCOME: €3,316.8m (- 0.5% over 2005)

NON-LIFE PREMIUM INCOME: €2,116.7m (+ 2.6%)

LIFE PREMIUM INCOME: €1,200.2m (- 5.6%)

NON-LIFE COMBINED RATIO: 96.3% (93.7% in 2005)

NET PROFIT: €162.5m (- 6.7%)

The Board of Directors of **Aurora Assicurazioni S.p.A. (Unipol Group)**, held today under the Chairmanship of Franco Migliorini, approved the draft accounts for the 2006 financial year and the Board report.

Net profit for the financial year was €162.5m (€174.1m as at 31.12.2005, - 6.7% due to the decreased real estate capital gains compared with 2005).

2006 total premium income was €3,316.8m, compared with €3,335.1m of 2005, a decrease by 0.5% resulting from the planned almost absent effect of Life corporate policies. Premium income was distributed as follows:

- Non-Life premiums were €2,116.6m (+ 2.6% over 2005)
- Life premiums were €1,200.2m (- 5.6% over 2005)

Amounts paid for claims, surrendered policies, matured policies and annuities, including claims handling expenses, totalled €2,934.0m (€2,209.9m on 31.12.2005), an increase of 32.8%.

Technical provisions, net of reinsurers' share, were €10,164.0m (€10,154.8m on 31.12.2005), an increase of €9.2m (+0.1%); reserving ratio (net technical provisions on retained premiums) rose to 326% in 2006 from 320% in 2005; in Non-Life business the ratio was 206% (compared with 201% in 2005), whereas in Life business it was 522% (compared with 501% in 2005).

Balance on the technical account – including allocated investment returns – was overall positive for €196.9m (€198.4m on 31.12.2005); in Non-Life business the figure was €188.5m (€192.4m in 2005) and in Life business it was €8.3m (€6.0m in 2005).

Investments and liquid assets totalled €10,798.1m (€10,632.3m as at 31.12.2005), an increase of €165.8m, or 1.6%.

Ordinary and extraordinary property and financial income, net of charges and including value adjustments, were €398.9m (€425.0m on 31.12.2005).

During the first months of 2007 no remarkable events occurred other than those involving the ordinary corporate policy, focused on improving the technical profitability in both Non-Life and Life business.

The positive start of the business related to the agency network is also to be pointed out.

The strict cost-curbing and cost-saving policy – as implemented in 2006 – will continue and consolidate the results already achieved.

The ordinary Shareholders' Meeting of Aurora Assicurazioni S.p.A. has been convened for 10:00 a.m. on 18 April 2007 in first call and, if necessary, for the same time on 20 April 2007 in second call, at the Company's registered office.

Annexed are the Profit and Loss Account, Balance Sheet and Cash Flow Statement.

San Donato Milanese, 15 March 2007

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Aurora Assicurazioni SpA

PROFIT AND LOSS ACCOUNT (€K)	31/12/2006	31/12/2005
Written premiums	3,315,465	3,333,432
Change in provisions for unearned premiums (Non-Life business)	-44,461	14,545
Change in math. provisions (Life business)	162,840	-638,254
Operating expenses (acquisition and administrative)	-536,750	-548,301
Paid claims (Non-Life), sums paid and changes in sums to be paid (Life)	-3,110,144	-2,306,111
Paid claims of previous financial years (Non-Life)	62,837	62,171
Other technical items	-9,383	-7,317
Balance on the technical account	-159,596	-89,835
Net income on investments (direct business)	347,872	312,884
Balance on technical direct business	188,276	223,049
Change in other math. provisions (equalization - Non-Life)	-410	-462
Balance on reinsurance	8,801	-24,383
Net income on investments (indirect business)	192	163
Balance on operating activities	196,859	198,367
Other net investment income	30,088	15,757
Other net ordinary income (charges)	-1,782	-18,243
Net extraordinary income (charges)	25,186	91,059
Profit before taxation	250,351	286,940
Tax on profit for the financial year and deferred taxation	-87,805	-112,797
NET PROFIT FOR THE FINANCIAL YEAR	162,546	174,143

Aurora Assicurazioni SpA

BALANCE SHEET (€K)	31/12/2006	31/12/2005
Assets		
Intangible assets	306,811	328,035
Investments	8,665,074	8,782,466
- Land and buildings	37,710	37,730
- Shares and participating interests (including group undertakings)	844,800	1,058,804
- Units and shares in investment funds	130,234	20,463
- Debt securities and other fixed-income securities	6,860,832	6,882,755
- Loans	32,177	30,192
- Sundry financial investments	758,816	751,992
- Deposits with ceding undertakings	505	530
Investments for the benefit of Life assurance policyholders who bear the investment risk thereof and arising out of pension funds management	676,977	672,128
Technical provisions - reinsurers' share	457,349	446,536
- Non-Life business - technical provisions	338,367	328,307
- Life business - technical provisions	118,982	118,230
Debtors	613,677	615,959
Other assets	1,560,680	1,264,293
Prepayments and accrued income	101,418	76,983
TOTAL ASSETS	12,381,986	12,186,400
Liabilities		
Shareholders' equity	1,117,861	1,093,286
- Subscribed share capital	248,347	248,347
- Reserves	706,968	670,795
- Profit (loss) for the financial year	162,546	174,143
Technical provisions	9,944,330	9,929,167
- Non-Life business - technical provisions	4,316,430	4,177,447
- Life business - technical provisions	5,627,900	5,751,720
Technical provisions where the investment risk is borne by policyholders and provisions arising out of pension funds management	676,977	672,128
Provisions for other risks and charges	50,635	58,956
Deposits received from reinsurers	147,943	147,047
Creditors	292,195	167,064
Other liabilities	150,839	117,511
Accruals and deferred income	1,206	1,242
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	12,381,986	12,186,400

Aurora Assicurazioni SpA

CASH FLOW STATEMENT FOR THE 2006 FINANCIAL YEAR (€K) 31/12/2006 31/12/2005

CASH INFLOW:

Cash inflow from operating activities		
Net profit for the financial year	162,546	174,143
Value adjustments on items with no impact on cash flow		
Decrease in intangible assets	21,224	21,920
Increase in depreciation and amortization funds	5,047	5,135
Write-downs on investments and write-ups	82,583	78,287
Net increase in technical provisions	9,200	798,735
Decrease/increase in provisions for risks and charges	-8,321	29,319
Increase/decrease in receivables and other assets, including write-downs	-17,499	38,130
Increase/decrease in payables and other liabilities	158,460	-20,281
Increase in prepayments and accrued income	-24,435	-10,758
Decrease in accruals and deferred income	-37	-1,634
Cash inflow from operating activities	388,768	1,112,996
Divestments and other cash inflow		
Sales of land and buildings	743	153,357
Sales of group undertakings	404,614	3,716
Other financial divestments:		
- shares and participating interests	2,658,166	2,409,478
- units and shares in investment funds	102,596	19,176
- debt securities and other fixed-income securities	12,154,070	15,193,534
- sundry financial investments	11,245,067	19,003,042
- loans	8,741	9,253
Tangible assets and stocks (fixtures, fitting, equipment and motor vehicles)	168	443
Increase in deposits received from reinsurers	896	0
Deposits with ceding undertakings	25	1,119
	TOTAL CASH FLOW	26,963,854
		37,906,114
CASH INFLOWS WERE INVESTED AS FOLLOWS:		
Investments in land and buildings	977	3,348
Investments in group undertakings	5,000	542,572
Other financial investments:		
- shares and participating interests	2,851,772	2,481,118
- units and shares in investment funds	212,886	14,862
- debt securities and other fixed-income securities	12,205,924	15,227,345
- loans	10,726	10,691
- sundry financial investments	11,252,180	18,951,689
- Class D investments	4,849	45,470
Tangible assets and stocks (fixtures, fitting, equipment and motor vehicles)	3,275	11,466
Decrease in deposits received from reinsurers	0	44,138
Dividends paid	137,970	137,051
	TOTAL CASH FLOW INVESTED	26,685,559
		37,469,750
CASH AT BANK AND IN HAND AS AT 1 JANUARY	-1,177,738	-741,374
CASH AT BANK AND IN HAND AS AT 31 DECEMBER	1,456,033	1,177,738
	INCREASE IN CASH FLOW	278,295
		436,364
	TOTAL CASH FLOW	26,963,854
		37,906,114

Aurora Assicurazioni SpA

Shareholders' Equity (€K)	31/12/2005	2005 Profit Allocation (1)	31/12/2006
Share capital	248,347		248,347
Legal reserve	24,017	8,707	32,724
Prior years' profit brought forward	67,482	27,433	94,915
Extraordinary reserve	31,787		31,787
Reserves for the acquisition of holding company's shares	70,000		70,000
Surplus upon merger	78,772		78,772
Share premium reserve	342,132		342,132
Advances on capital increase	26,637		26,637
Revaluation reserve pursuant to Law 413/91	18,316		18,316
Reserve for organization of new business lines	2,066		2,066
Reserve available to cover losses	9,217		9,217
Profit reserve from currency exchange pursuant to Article 2426 8-bis of the Civil Code	370	32	402
2005 net profit	174,143	-174,143	0
Total capital and reserves	1,093,286	-137,971	955,315
Net profit for the financial year 2006			162,546
Total Shareholders' Equity			1,117,861

(1) Following the Shareholders' Meeting of Aurora Assicurazioni held on 20 April 2006, which resolved on the distribution of a unit dividend of € 0.15 each share, for a total of €137,971K